

BOARD MEETING OF MAY 4, 2006

Beth Anderson, Chair

C. Kent Conine, Vice-Chair



Shadrick Bogany, Member

Sonny Flores, Member

Vidal Gonzalez, Member

Norberto Salinas, Member

MISSION

***TEXAS DEPARTMENT OF HOUSING AND COMMUNITY
AFFAIRS***

***TO HELP TEXANS ACHIEVE AN IMPROVED QUALITY
OF LIFE THROUGH THE DEVELOPMENT OF BETTER
COMMUNITIES***

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

BOARD MEETING

ROLL CALL

	Present	Absent
Anderson, Beth, Chair	_____	_____
Conine, C. Kent, Vice-Chair	_____	_____
Bogany, Shadrick, Member	_____	_____
Gonzalez, Vidal, Member	_____	_____
Flores, Sonny, Member	_____	_____
Salinas, Norberto, Member	_____	_____
Number Present	_____	
Number Absent		_____

_____, Presiding Officer

BOARD MEETING

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
City Hall
1300 Houston Avenue
McAllen, Texas

Thursday, May 4, 2006 8:30am

A G E N D A

CALL TO ORDER, ROLL CALL
CERTIFICATION OF QUORUM

Elizabeth Anderson
 Chair of Board

PUBLIC COMMENT

The Board will solicit Public Comment at the beginning of the meeting and will also provide for Public Comment on each agenda item after the presentation made by the department staff and motions made by the Board.

The Board of the Texas Department of Housing and Community Affairs will meet to consider and possibly act on the following:

CONSENT AGENDA

Items on the Consent Agenda may be removed at the request of any Board member and considered at another appropriate time on this agenda. Placement on the Consent Agenda does not limit the possibility of any presentation, discussion or approval at this meeting. Under no circumstances does the consent agenda alter any requirements provided under Texas Government Code Chapter 551, the Texas Open Meetings Act.

Item 1: Approval of the following items presented in the Board materials:*General Administration Items:*

- a) Minutes of the Board Meeting of March 20, 2006

Financial Administration Items:

- b) Approval of 2nd Quarter Investment Report

Office of Colonia Initiatives Division Items:

- c) Ratification of the Hurricane Rita Bootstrap Award to Self Help Housing of East Texas in the amount of \$530,400.

Multifamily Division Items:

- d) Housing Tax Credit Amendments

03163	Cedar View Apartments
03081	Wright Senior Apartments
04466	Rosemont at University Park Apartments
00005	LBJ Garden Villas
00054	Hunter's Glen Townhomes
00144	Sycamore Pointe Townhomes

- e) Housing Tax Credit Extensions for Commencement of Substantial Construction

04026	Oak Timbers
04036	Villa Del Sol
04037	Las Canteras
04058	Spring Oaks
04066	Pineywoods Community Development SingleFamily Homes
04100	O W Collins
04105	Preston Trace

04167 Oxford Place
 04191 Providence at Boca Chica
 04193 Providence at Edinburg
 04291 Saltgrass Landing
 04293 Lantana Ridge South
 04294 Lantana Ridge

- f) Discussion and Approval of Policy for Handling Resubmissions of 4% Housing Tax Credit Applications associated with Bond Applications when obtaining a new Reservation Docket Number

ACTION ITEMS

Item 2 Presentation, Discussion and Possible Approval of Bond Finance Division Items

- a) Approval of Resolution 06 - 014 authorizing Single Family Mortgage Revenue Bonds, 2006 Series A, and 2006 Series B, 2006 Series C, 2006 Series D, and 2006 Series E
- b) Approval of Resolution 06 - 013 authorizing the filing of an application for reservation with the Texas Bond Review Board with respect to qualified mortgage bonds
- c) Approval of Resolution 06 - 015 authorizing the extension of the certificate purchase period for Single Family Variable Rate Mortgage Revenue Bonds, 2005 Series A (Program 62A)
- d) Approval to Execute a Master Transactions Agreement, an Advances and Security Agreement, and a Corporate Certificate of Authority or Similar Documents with the Federal Home Loan Bank of Dallas

Item 3 Presentation, Discussion and Possible Approval of Portfolio Management & Compliance Division Items:

HOME Program Amendments:

1000038 Webb County
 1000272 City of Ranger
 1000296 Community Colonias Organization
 1000310 Habitat for Humanity Council of North Central Texas
 1000324 Southern Rio Services
 1000341 Affordable Caring Housing, Inc.
 1000342 Affordable Caring Housing, Inc.
 1000352 City of Dayton

Item 4 Presentation, Discussion and Possible Approval of Community Affairs Division Items:

Discussion and Approval of proposed allocation and usage methodology for \$38 million in Low Income HOME Energy Assistance Program (LIHEAP) Allocated by Senate Bill 2320

Item 5 Presentation, Discussion and Possible Approval of Housing Programmatic Items:

- a) Discussion and Possible Approval of Housing Trust Fund Funding Plan
- b) Discussion and Possible Approval of Extension on a Housing Trust Fund Predevelopment Loan to Pineywoods HOME Team in the amount of \$50,000.

Item 6 Presentation, Discussion and Possible Approval of Single Family Division Items:

- a) Request approval of two 2006 Disaster Relief Program award recommendations under the HOME Owner Occupied Housing Assistance Program:

Application Number	Applicant	Region	Activity	Project Funds Requested	Admin. Funds Requested	Units Requested
DR2006-0001	Jim Wells County	10	OCC	\$500,000	\$20,000	9
DR2006-0015	Duval County	10	OCC	\$500,000	\$20,000	18

- b) Presentation, Discussion and Possible Amendments to the Department's Deobligation Policy for the HOME Investment Partnership Program

Item 7 Presentation, Discussion and Possible Approval of Multifamily Division Items – Specifically Housing Tax Credit Items:

- (a) 2006 Housing Tax Credit Appeals (generally only some terminations if anything at all)

060408 Amberwood
 060149 The Women's Shelter of East Texas
 060148 Pineywoods Orange Development

Any Additional Appeals Timely Filed

- (b) Discussion and Possible Approval of Policy for Addressing Cost Increases for Housing Tax Credit applications awarded competitive Housing Tax Credits in 2004 or 2005 Related to Hurricane Rita
- (c) Presentation, Discussion and Possible Ratification of Hurricane Rita Housing Tax Credit Awards by the Executive Director out of the possible list of Applications:

060186 Sunset Way Apartments
 060238 One Southwood Crossing Apartments
 060202 Beaumont Downtown Lofts
 060241 Sienna Trails Townhomes
 060240 Briarbend Village at Sienna Trails
 060239 Timber Creek at Sienna Trails
 060018 The Fairgrounds at Concord
 060199 Legacy Senior Housing of Port Arthur
 060065 Stone Hurst II
 060242 Pear Orchard Apartments
 060148 Pineywoods Orange Development
 060092 Twelve Oaks Apartments
 060105 Cypresswood Crossing
 060149 The Women's Shelter of East Texas

- (d) Discussion and Possible Approval to Utilize 2006 National Pool or 2006 Recaptured Credits for Hurricane Rita Housing Tax Credit Applications

- (e) Issuance of Determination Notices on Tax-Exempt Bond Transactions with Other Issuers:

060404 Mill City Parc Apartments, Dallas, Texas
 Housing Options, Inc. is the Issuer
 Recommended Credit Amount of \$486,371

060409 Artisan at Military Apartment, San Antonio, Texas
 San Antonio HFC is the Issuer
 Recommended Credit Amount of \$742,261

060411 Greens Crossing Apartments, Houston, Texas
Houston HFC is the Issuer
Recommended Credit Amount of \$858,615

- (f) Proposed Issuance of Multi-Family Mortgage Revenue Bonds with a Local Issuer, Four Percent (4%) Housing Tax Credits and HOME Rental Development funds For:

060401 Northwest Residential Apartments, Georgetown, Texas
Issuance of Tax Credit Determination Notice (Recommended Amount of \$555,569). Issuance of HOME Commitment (Recommended Amount of \$1,950,000)
Postponed from March Meeting

Item 8 Presentation, Discussion and Possible Approval of Multifamily Division Items – Specifically Multifamily Private Activity Bond Program Items:

- a) Proposed Issuance of Multi-Family Mortgage Revenue Bonds and Four Percent (4%) Housing Tax Credits with TDHCA as the Issuer For:

060609 Sunset Pointe Apartments, Fort Worth, Texas
in an Amount Not to Exceed \$15,000,000 and Issuance
of a Determination Notice (Recommended Credit Amount of \$670,194).

- b) Inducement Resolution Declaring Intent to Issue Multifamily Housing Mortgage Revenue Bonds for Developments Throughout the State of Texas and Authorizing the Filing of Related Applications for the Allocation of Private Activity Bonds with the Texas Bond Review Board for Program Year 2006:

060614 Riverside Villas, Fort Worth, Texas
060615 Hillcrest Apartments, Mesquite, Texas
060616 Center Ridge Apartments, Duncanville, Texas
060617 Idlewilde Apartments, Houston, Texas
060618 Alta Crossing, Houston, Texas
060613 Stonehaven Apartment Homes, Houston, Texas
060619 Rolling Creek Apartments, Houston, Texas

Item 9 Presentation, Discussion and Possible Approval of Financial Administration Items:

Recommendation to the Board for the selection of an independent auditor

EXECUTIVE SESSION

Elizabeth Anderson

- a) The Board may go into executive session (close its meeting to the public) on any agenda item if appropriate and authorized by the Open Meetings Act, Texas Government Code, Chapter 551.
- b) The Board may go into executive session Pursuant to Texas Government Code §551.074 for the purposes of discussing personnel matters including to deliberate the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee.

Any Other Matter to Come Before the Board

- c) Consultation with Attorney Pursuant to §551.071, Texas Government Code:

1. With Respect to pending litigation styled *Hyperion, et al v. TDHCA*, Filed in State Court
2. With Respect to pending litigation styled *TP SENIORS II, LTD. V. TDHCA* Filed in State Court

3. With Respect to pending litigation styled Gary *Traylor, et al v. TDHCA*, Filed in Travis County District Court
4. With Respect to pending litigation styled *Dever v. TDHCA* Filed in Federal Court
5. With Respect to pending litigation styled *Ballard v. TDHCA* and the State of Texas Filed in Federal Court
6. With Respect to the administrative hearing styled as Public Utility Commission v. The Low Income Energy Efficient Program SOAH Docket No. 473-06-0862
7. With Respect to Any Other Pending Litigation Filed Since the Last Board Meeting

OPEN SESSION

Elizabeth Anderson

Action in Open Session on Items Discussed in Executive Session

REPORT ITEMS

Executive Director's Report

1. TDHCA Outreach Activities, April, 2006
2. 2006 – 2007 HOME Program Update
3. Homeownership Activities
4. HOME Contract Amendments/Extensions
5. HOME Program Funds Reconciliation of IDIS and TDHCA Contract System Balances
6. Housing Tax Credit Quarterly Report on Ownership Transfers

ADJOURN

Elizabeth Anderson

To access this agenda & details on each agenda item in the board book, please visit our website at www.tdhca.state.tx.us or contact Nidia Hiroms, TDHCA, 221 East 11th Street, Austin, Texas 78701, 512-475-3934 and request the information. Individuals who require auxiliary aids, services or sign language interpreters for this meeting should contact Gina Esteves, ADA Responsible Employee, at 512-475-3943 or Relay Texas at 1-800-735-2989 at least two days before the meeting so that appropriate arrangements can be made.

Non-English speaking individuals who require interpreters for this meeting should contact Nidia Hiroms, 512-475-3934 at least three days before the meeting so that appropriate arrangements can be made. Personas que hablan español y requieren un intérprete, favor de llamar a Jorge Reyes al siguiente número (512) 475-4577 por lo menos tres días antes de la junta para hacer los preparativos apropiados.

EXECUTIVE OFFICE – BOARD

**BOARD ACTION REQUEST
May 4, 2006**

Action Item

Summary of Board Meeting Minutes for March 20, 2006.

Required Action

Review minutes of the March 20, 2006 Board Meeting and make any necessary corrections.

Background

The Board is required to keep minutes of each of their meetings.

Recommendation

Staff recommends approval of minutes with any requested corrections.

BOARD MEETING

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
1100 Congress Avenue
Capitol Extension Room E1.026
Austin, Texas 78701

Monday, March 20, 2006; 11:00 a.m.

SUMMARY OF MINUTES

Motion by Mr. Bogany to elect Vidal Gonzalez temporary Chair, seconded by Mayor Salinas, passed unanimously.

Motion made by Mr. Gonzalez to recognize the new board member, Mr. Dionicio Vidal Sonny Flores, who had been approved and sworn in, seconded by Mayor Salinas. Passed unanimously.

CALL TO ORDER, ROLL CALL CERTIFICATION OF QUORUM

The Board Meeting of the Texas Department of Housing and Community Affairs of February 15, 2006 was called to order by the Temporary Chair, Mr. Vidal Gonzalez at 11:07 p.m. It was held at 1100 Congress Avenue, Capitol Extension Room E1.026, Austin, Texas 78701. Roll call certified a quorum was present.

Members present:

Vidal Gonzalez – Member and Temporary Chair
Elizabeth Anderson – Chair (arrived at 11:18)
The Honorable Norberto Salinas – Member
Shadrick Bogany – Member
Sonny Flores, Member

Member absent:

C. Kent Conine -- Vice Chair

PUBLIC COMMENT

Ms. Anderson called for public comment and the following either gave comments at this time or preferred to wait until the agenda item was presented:

G. Granger MacDonald, Developer, provided testimony concerning forward commitments.
Robert J. Wood, City Manager, Flatonia, Texas, provided testimony.
Honorable Raul Reyes, Mayor, City of El Cenizo, provided testimony concerning HOME rules.
Honorable Jerry C. Agan, Presidio County Judge, provided testimony regarding soft cost.
Abigail Ortega of Hudspeth County, provided testimony concerning HOME rules.
Jamie Welch, City of DeLeon, provided testimony concerning HOME rules.
Honorable Becky Dean-Walker, Hudspeth County Judge, provided testimony concerning HOME rules.
Jimmie Guthrie, Councilman, City of Bronte, Texas, provided testimony concerning HOME rules.
Sandra Terry, Toyah, Texas, provided testimony concerning HOME rules.
Honorable Larry Bailey, Mayor, City of Rice, provided testimony concerning HOME rules.
Vickie Emfinger, City of Goldsmith, provided testimony concerning HOME Rules.
Roger Mullins, City Administrator, City of Grandfalls, provided testimony concerning HOME rules.
Roel Chapa, Flood Plain Manager, County of Live Oak, provided testimony concerning HOME Rules.

Linda Riojas, City Administrator, City of Asherton, provided testimony concerning HOME rules.

Tres Davis, Grantworks, Inc., provided testimony concerning HOME Rules.

Cynthia L. Contreras, City Secretary, City of Bishop, Texas, provided testimony concerning HOME rules.

Thomas L. Bernal, City of Austwell, provided testimony concerning HOME rules.

Henry Coker, City Commissioner, City of Hitchcock, Texas, provided testimony concerning HOME rules.

Maria DeLaRosa, City of Lometa, provided testimony concerning HOME rules.

Diana McIver, President, Texas Affiliation of Affordable Housing Providers (TAP), provided testimony concerning the increase in cost of labor shortages, material increasing costs, as a result of the hurricanes Katrina and Rita and how it is affecting TAP members who received tax credit allocations in 2004-2005.

Stuart Shaw, Bonner Carrington, LP, provided testimony concerning utility rates causing rent decreases.

Moment of Silence

Ms. Anderson asked the audience for a moment of silence In Memory of Aubrey Fariss, the eldest son of Eddie and Julie Fariss, who was killed in a car accident.

The Board of the Texas Department of Housing and Community Affairs will meet to consider and possibly act on the following:

ACTION ITEMS

AGENDA ITEM 1

Presentation, Discussion and Possible Approval of Minutes of the Board Meeting of February 15, 2006

Motion made by Mayor Salinas for approval of minutes as presented, seconded by Mr. Gonzalez.
Passed Unanimously.

AGENDA ITEM 2

Presentation and Discussion of the Findings and Conclusions of the Recently Completed Market Study of the Houston Metropolitan Statistical Area (MSA) by Vogt Williams & Bowen. Robert Vogt, Partner, Vogt, Williams & Bowen, provided presentation on the completed Market Study.

Mark Bower, CynoSure Developers, provided testimony.

Bob Coe, market analyst with O'Connor and Associates, provided testimony.

John Henneberger, co-director, Texas Low Income Housing Information Service, provided testimony.

AGENDA ITEM 3

Presentation, Discussion and Possible Approval of Housing Tax Credit Items:

a) Housing Tax Credit Amendments

03254 Bayou Bend, Waller, Waller County

Motion made by Mr. Bogany to approve, seconded by Mr. Gonzalez. Passed unanimously.

05243 Villas of Hubbard, Hill County

Motion made by Mr. Bogany to approve, seconded by Mr. Gonzalez. Passed unanimously.

b) Housing Tax Credit Extensions for Commencement of Substantial Construction

04200 Alvin Manor Estates, Alvin, Brazoria County

04203 Alvin Manor, Alvin, Brazoria County

Motion made by Mr. Bogany to approve both extensions, seconded by Mayor Salinas. Passed unanimously.

04224 Commons of Grace Apartments, Harris County

Deepak Salakle, Southwest Housing, provided testimony.

Motion made by Mr. Bogany to approve extension with an amendment to add that it will be subject to the approval of the Houston City Council on March 22, 2006, seconded by Mayor Salinas. Passed unanimously.

- c) **Adoption of Amendment to Title 10, Part 1, Chapter 50, 2006 Housing Tax Credit Program Qualified Allocation Plan and Rules, §50.9(i)(6), regarding the Level of Community Support from State Elected Officials**

Motion made Mayor Salinas to approve, seconded by Mr. Bogany. Passed unanimously.

- d) **Issuance of Determination Notices on Tax-Exempt Bond Transactions with Other Issuers:**

05452 Lindberg Parc Senior Apartments, Fort Worth, Texas; Tarrant County HFC is the Issuer; Requested Credit Amount of \$756,098

Motion made by Mr. Bogany to approve, seconded by Mr. Gonzalez. Passed unanimously.

05450 TownParc at Bastrop, Bastrop, Texas; Bastrop HFC is the Issuer; Recommended Credit Amount of \$760,050

Motion made by Mr. Gonzalez to approve, seconded by Mr. Bogany. Passed unanimously.

05454 Lodge at Silverdale Apartment Homes, Conroe, Texas; Montgomery County HFC is the Issuer; Recommended Credit Amount of \$606,538

Motion made by Mr. Bogany to approve, seconded by Mr. Gonzalez. Passed unanimously.

060402 Hillcrest Manor Senior Community, Texas; Lubbock HFC is the Issuer; Requested Credit Amount of \$629,797

Motion made by Mr. Bogany to approve, seconded by Mayor Salinas. Passed unanimously.

060405 Sea Breeze Senior Apartments, Corpus Christi, Texas; Sea Breeze, a Public Facilities Corp. is the Issuer; Recommended Credit Amount of \$614,145

Richard Franco, Corpus Christi Housing Authority, provided testimony.

Motion made by Mr. Gonzalez to approve, seconded by Mr. Bogany. Passed unanimously.

EXECUTIVE SESSION

At 1:00 p.m. Ms. Anderson convened the Executive Session. The Executive Session concluded at 2:00 p.m.

- a) **The Board may go into executive session (close its meeting to the public) on any agenda item if appropriate and authorized by the Open Meetings Act, Texas Government Code, Chapter 551.**
- b) **The Board may go into executive session Pursuant to Texas Government Code §551.074 for the purposes of discussing personnel matters including to deliberate the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee.**
- c) **Consultation with Attorney Pursuant to §551.071, Texas Government Code:**
 1. With Respect to pending litigation styled *Hyperion, et al v. TDHCA*, Filed in State Court
 2. With Respect to pending litigation styled *TP SENIORS II, LTD. V. TDHCA*, Filed in State Court
 3. With Respect to pending litigation styled *Gary Traylor, et al v. TDHCA*, Filed in Travis County District Court
 4. With Respect to pending litigation styled *Dever v. TDHCA*, Filed in Federal Court
 5. With Respect to pending litigation styled *Ballard v. TDHCA and the State of Texas*, Filed in Federal Court
 6. With Respect to the administrative hearing styled as *Public Utility Commission v. The Low Income Energy Efficient Program* SOAH Docket No. 473-06-0862
 7. With Respect to Any Other Pending Litigation Filed Since the Last Board Meeting

OPEN SESSION

Ms. Anderson reconvened Open Session at 2:00 p.m. and announced that no action had been taken during the Executive Session and certified that the posted agenda was followed.

ADDENDUM TO THE AGENDA [Pursuant to Texas Government Code, Chapter 551 and Texas Government Code, Chapter §2306.6715(d)(2)]

Presentation, Discussion, and Possible Approval of Appeals Timely Filed Pursuant to 2306.6715(d)(t) for 4 Percent Housing Tax Credit Applications.

AGENDA ITEM 4

Presentation, Discussion and Possible Approval Multifamily Private Activity Bond Program:

- a) **Proposed Issuance of Multi-Family Mortgage Revenue Bonds and Four Percent (4%) Housing Tax Credits with TDHCA as the Issuer For:**

Appeal of Staff Recommendation. 05618 Creekside Manor Senior Community, Killeen, Texas Resolution #06-0112

Ms. Anderson called on David Turek, OHC/Killeen, Ltd., to provide testimony.

Motion made by Mr. Bogany to approve the applicant's appeal, seconded by Mr. Gonzalez.

Passed unanimously.

05618 Creekside Manor Senior Community, Killeen, Texas; in an Amount Not to Exceed \$10,300,00 and Issuance of a Determination Notice (Requested Credit Amount of \$390,353)

Motion made by Mr. Bogany to approve staff's recommended amount of \$378,287, seconded by Mr. Gonzalez. Passed unanimously.

05626 Bella Vista Apartments, Gainesville, Texas; in an Amount Not to Exceed \$6,800,000 and Issuance of a Determination Notice (Recommended Credit Amount of \$518,676)

Jerry Henderson, City of Gainesville Housing Authority, provided testimony.

Beverly Snuggs, City of Gainesville, Ward 1 Council Member, provided testimony.

Lisa Bellos, Gainesville ISD, Board of Trustees President, provided testimony.

Dr. Les Schachar, physician in Gainesville, provided testimony.

Clifton Phillips, Roundstone Development, LLC, provided testimony.

Michael Eaton, counsel for the developer and the GP, Unified Housing Foundation, provided testimony.

John Pitts, consultant for developer, provided testimony.

Bob Coe, O'Connor and Associates, Appraiser/Market Analyst, provided testimony.

Motion made by Mr. Bogany to approve staff recommendation, seconded by Mr. Gonzalez.

Mayor Salinas voted against staff recommendation. Motion carries.

Appeal of Staff Recommendation. 05631 Generations at Mansfield, Mansfield, Texas

Jeffrey S. Spicer, State Street Housing Development, provided testimony.

Jerry Wright, GMAC Lender/Investment Banker, provided testimony.

Motion made by Mr. Bogany deny appeal, seconded by Mayor Salinas. Passed unanimously.

05631 Generations at Mansfield, Mansfield, Texas; in an Amount Not to Exceed \$16,100,000 and Issuance of a Determination Notice (Requested Credit Amount of \$791,769)

Motion made by Mr. Bogany to approve staff's recommendation to not move the project forward, seconded by Mayor Salinas. Passed unanimously.

05627 Skyline at City Park Apartments, Houston Texas; in an Amount Not to Exceed \$13,300,000 and Issuance of a Determination Notice (Recommended Credit Amount of \$821,219)

Mark Bower, CynoSure Developers, provided testimony.

Bob Coe, Appraiser/Market Analyst, provided testimony.

Bill Walter, Coats & Rose, provided testimony.

Nicole Flores, P&C Bank, provided testimony.

Motion made by Mr. Flores to vote against the staff recommendation, seconded by Mr. Bogany. Passed unanimously.

- b) **Inducement Resolution #06013 Declaring Intent to Issue Multifamily Housing Mortgage Revenue Bonds for Developments Throughout the State of Texas and Authorizing the Filing of Related Applications for the Allocation of Private Activity Bonds with the Texas Bond Review Board for Program Year 2006:**

2006-011, Parkwest Apartment Homes, Houston, Texas

2006-012, Ennis Senior Estates, Ennis, Texas

Motion made by Mr. Bogany to approve, seconded by Mr. Gonzalez. Passed unanimously.

AGENDA ITEM 5

Presentation, Discussion and Possible Approval of Programmatic Items:

- a) **Section 8 Annual PHA Plan**

Motion made by Mr. Gonzalez to approve, seconded by Mr. Bogany. Passed unanimously.

- b) **Section 8 Payment Standards**

Motion made by Mr. Gonzalez to approve, seconded by Mr. Bogany. Passed unanimously.

- c) **Proposed Issuance of Commitments for HOME Rental Developments For:**

Stuart Shaw, Bonner Carrington, LP, provided testimony.

060401 Northwest Residential, Georgetown, Texas in an Amount Not to Exceed \$1,950,000

Motion made by Mr. Flores to postpone until May Board meeting, seconded by Mayor Salinas. Passed unanimously.

060008 Hayden Ridge, Granbury, Texas in an Amount Not to Exceed \$420,000

Motion made by Mayor Salinas to approve, seconded by Mr. Bogany. Passed unanimously.

05265 Family Estates of Bridgeport v, Affordable Housing of Parker County, Bridgeport, Texas in an Amount Not to Exceed \$358,800 (CHDO Rental Funds) and \$16,000 (CHDO Operating)

Motion made by Mr. Bogany to approve, seconded by Mayor Salinas. Passed unanimously.

AGENDA ITEM 6

Presentation, Discussion and Possible Approval of Financial Items

Presentation made by **Amy Bartoletti from CitiGroup Markets**.

- a) **Approval of Prospective Single Family Mortgage Revenue Bond Issues and Programs for 2006**

Motion made by Mr. Gonzalez to approve, seconded by Mayor Salinas. Passed unanimously.

- b) **Preliminary Approval of Single Family Mortgage Revenue Bonds, 2006 Series A, and 2006 Series B**

Motion made by Mayor Salinas for preliminary approval of structuring plan, seconded by Mr. Bogany. Passed unanimously.

- c) **Approval of Resolution Amendment #06-006 for Single Family Mortgage Revenue Bonds, 2004 Series A and 2004 Series B**

Motion made by Mr. Gonzalez to approve, seconded by Mr. Bogany. Passed unanimously.

- d) **Approval of Investment Policy**

Motion made by Mr. Gonzalez to approve, seconded by Mayor Salinas. Passed unanimously.

- e) **Approval of Loan Star Mortgage Program Interest Rate Reset**
Motion made by Mayor Salinas to approve, seconded by Mr. Gonzalez. Passed unanimously.
- f) **Approval of 2006 Mortgage Credit Certificate Program**
Motion made by Mr. Gonzalez to approve, seconded by Mr. Bogany. Passed unanimously.
- g) **Approval of Asset Management Oversight Agreement with Texas State Affordable Housing Corporation (TSAHC)**
Motion made by Mr. Bogany to approve, seconded by Mr. Gonzalez. Passed unanimously.

AGENDA ITEM 7

Presentation, Discussion and Possible Ratification of:

- a) **Disaster Relief Contracts in Response to NOFAs Announcing \$8.3 Million In Home Funds and \$1.8 million in Housing Trust Funds Awarded by the Executive Director under the Katrina Board Policy Approved at the September 16, 2005 Board Meeting and as Amended at the October 13, 2005 Board Meeting to Include Rita Impacted Areas**
Motion made by Mr. Bogany to approve staff awards, seconded by Mayor Salinas. Passed unanimously.
Motion made by Mr. Bogany to approve staff recommendation, seconded by Mr. Gonzalez. Passed unanimously.
- b) **TDHCA Activities Regarding \$74,523,000 in Community Development Block Grant (CDBG) Funds Provided under HR 2863 Through the Department of Housing and Urban Development NOFA**
Mr. Dally provided report. No action taken.

REPORT ITEMS

1. **TDHCA Outreach Activities, January, 2006**
No action taken.
2. **Results of TDHCA Survey of Organizational Excellence**
No action taken.
3. **Agency Marketing/Communications Plan**
No action taken.
4. **Briefing on Use of Board Consent Agenda**
No action taken.
5. **Report on Community Affairs Division Oversight on El Paso Community Action Program – Project Bravo**
No action taken.

ADJOURN

Since there was no other business to come before the Board, the meeting was adjourned at 5:00 p.m.

Mr. Kevin Hamby
Board Secretary

NOTE:

For a full transcript of this meeting, please see the TDHCA website at:
www.TDHCA.state.tx.us

FINANCIAL ADMINISTRATION DIVISION

BOARD ACTION REQUEST

May 4, 2006

Report Item

2nd Quarter Investment Report

Required Action

Presentation of the Department's 2nd Quarter Investment Report

Background

- This report is in the prescribed format and detail as required by the Public Funds Investment Act. It shows in detail the types of investments, their maturity, their carrying (face amount) value and market value at the beginning and end of the quarter.
- Overall, the portfolio decreased by \$22.0 million for a total of \$1.35 billion. There was 1 new Multi-Family bond issuance issued during the 2nd quarter for a total of \$5.3M and 1 Single Family issuance for a total of \$38.2M. The Residential Mortgage Revenue Bond indenture paid \$25.0M in principal and \$10.4M in interest. The remaining difference is accounted by construction draws made by multi-family projects currently under construction.

The portfolio consists of:

	<u>Beginning Quarter</u>	<u>Ending Quarter</u>
Mortgage Back Securities (MBS)	57%	61%
Guaranteed Investment Contract/ Investment Agreement (GIC/IA)	25%	23%
Repurchase Agreements	10%	10%
Other	8%	6%

The portfolio activity for the quarter:

- \$93.3 million of MBS purchases during the quarter represent portfolio activity for new loans originated.

- The maturities in MBS this quarter were \$52.2 million which represents loan payoffs. The table below shows a strong trend in new loans and decreasing amounts of loan payoffs.

	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	
	FY 05	FY 05	FY 05	FY 06	FY 06	Total
Purchases	75,194,624	51,851,991	56,567,014	57,279,673	93,337,220	385,832,217
Sales	18,184,596					
Maturities	37,626,990	23,188,479	21,744,647	24,134,919	52,202,521	195,851,340

- The market value increased \$.6M decreasing the difference between fair value and par value but market value is still below carrying or par value. The national average for a 30-year fixed mortgage as reported by HSH was 6.40% for the end of February down from 6.44% at the end of November. The spread between the market rate and our below-market rates is increasing.
- This change in market value is to be expected. It is reflective of the overall change in the bond market as a whole.
- Since we typically hold our investments to maturity, this quarter's positive change in fair value is an unrealized gain for the 2nd quarter.
- The fact that our investments provide the appropriate cash flow to pay debt service and eventually retire the related bond debt is more important than their relative value in the bond market as a whole in any one quarter.
- The more relevant measures of indenture parity, projected future cash flows, and the comparison of current interest income to interest expense are not part of a public funds investment report. The attached page is an additional analysis prepared by the Bond Finance group (it is not part of the PFIA report). This report shows parity by indentures with assets greater than liabilities in a range from 102% to 120%. This is considered strong by rating agencies. The interest comparison shows interest income greater than interest expense by indenture and indicates a current positive cash flow (with a small exception in the 1994 SF CHMRB).

Texas Department of Housing and Community Affairs
Bond Finance Division
Executive Summary
As of February 28, 2006

	Single Family Program Funds	Residential Mortgage Revenue Bond Funds	Collateralized Home Mortgage Revenue Funds	Single Family CHMRB 1994 Funds	Multi-Family Program Funds	Combined Totals
PARITY COMPARISON:						
PARITY ASSETS						
Cash	\$ 105,599	\$ 4	\$ -	\$ -	\$ 1,082,797	\$ 1,188,400
Investments	\$ 166,144,390	\$ 22,275,146	\$ 1,732,895	\$ 3,621,853	\$ 163,456,282	\$ 357,230,566
Mortgage Backed Securities	\$ 451,260,740	\$ 347,588,451	\$ 16,867,800	\$ -	\$ -	\$ 815,716,991
Loans Receivable	\$ 50,334,447	\$ 1,597,608	\$ -	\$ -	\$ 1,036,953,399	\$ 1,088,885,454
Accrued Interest Receivable	\$ 2,224,555	\$ 2,186,200	\$ 108,601	\$ 27,908	\$ 10,753,767	\$ 15,301,031
TOTAL PARITY ASSETS	\$ 670,069,731	\$ 373,647,409	\$ 18,709,296	\$ 3,649,761	\$ 1,212,246,245	\$ 2,278,322,442
PARITY LIABILITIES						
Bonds Payable	\$ 623,130,000	\$ 361,810,000	\$ 17,200,000	\$ 3,500,000	\$ 1,039,673,382	\$ 2,045,313,382
Accrued Interest Payable	\$ 14,322,240	\$ 3,259,427	\$ 65,027	\$ 18,229	\$ 11,016,475	\$ 28,681,398
TOTAL PARITY LIABILITIES	\$ 637,452,240	\$ 365,069,427	\$ 17,265,027	\$ 3,518,229	\$ 1,050,689,857	\$ 2,073,994,780
PARITY DIFFERENCE	\$ 32,617,491	\$ 8,577,982	\$ 1,444,269	\$ 131,532	\$ 161,556,388	\$ 204,327,662
PARITY	105.12%	102.35%	108.37%	103.74%	115.38%	109.85%
INTEREST COMPARISON (Through the Sixth Fiscal Month) :						
INTEREST INCOME						
Loans	\$ 251,528.00	\$ 14,104.00	\$ -	\$ -	\$ 4,912,948.00	\$ 5,178,580.00
Investments	\$ 2,454,445.00	\$ 1,718,719.00	\$ 105,639.00	\$ 16,389.00	\$ 3,566.00	\$ 4,298,787.00
Real Estate Owned	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL INTEREST INCOME	\$ 2,705,973.00	\$ 1,732,823.00	\$ 105,639.00	\$ 16,389.00	\$ 4,916,514.00	\$ 9,477,367.00
INTEREST EXPENSE						
Interest on Bonds	\$ 2,448,411.00	\$ 1,624,568.00	\$ 56,607.00	\$ 18,229.00	\$ 4,912,947.00	\$ 9,060,762.00
TOTAL INTEREST EXPENSE	\$ 2,448,411.00	\$ 1,624,568.00	\$ 56,607.00	\$ 18,229.00	\$ 4,912,947.00	\$ 9,060,762.00
NET INTEREST	\$ 257,562.00	\$ 108,255.00	\$ 49,032.00	\$ (1,840.00)	\$ 3,567.00	\$ 416,605.00
INTEREST RATIO	110.52%	106.66%	186.62%	89.91%	100.07%	104.60%

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
HOUSING FINANCE DIVISION**

**PUBLIC FUNDS INVESTMENT ACT
INTERNAL MANAGEMENT REPORT (SEC. 2256.023)
QUARTER ENDING FEBRUARY 28, 2006**


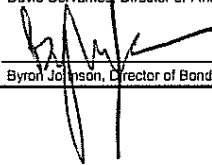
TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
HOUSING FINANCE DIVISION
PUBLIC FUNDS INVESTMENT ACT
Internal Management Report (Sec. 2256.023)
Quarter Ending February 28, 2006

(b) (4) Summary statement of each pooled fund group:

INDENTURE	FAIR VALUE	CARRYING	CHANGE IN CARRYING VALUE				CARRYING	FAIR VALUE	CHANGE	ACCRUED	RECOGNIZED
	(MARKET) @ 11/30/05	VALUE @ 11/30/05	ACCRETION/ PURCHASES	AMORTIZATION/ SALES	MATURITIES	TRANSFERS	VALUE @ 02/28/06	(MARKET) @ 02/28/06	IN FAIR VALUE (MARKET)	INT REC'BL 02/28/06	
Single Family	605,202,821.27	612,987,489.62	122,250,954.60	(80,032,525.85)	(31,622,755.47)	0.00	623,583,162.80	815,504,204.90	(294,289.65)	2,036,005.00	0.00
RMRB	403,646,735.29	403,901,535.52	6,329,442.84	(32,309,184.80)	(8,272,370.45)	0.00	371,649,423.11	372,549,038.17	1,152,415.29	2,161,685.00	0.00
CHMRB	22,972,432.38	22,039,226.18	4,899.70	(2,314,644.30)	(1,116,267.96)	0.00	18,613,193.62	19,322,054.69	(224,345.13)	108,601.00	0.00
Multi Family	221,192,315.66	221,192,315.66	9,517,548.66	(54,174,893.62)	(11,191,106.62)	0.00	165,343,864.16	165,343,864.18	-	3,764.00	0.00
SF CHMRB 1993	762,172.97	762,172.97	82.96	(754,453.46)	0.00	0.00	7,802.47	7,802.47	-	2.00	0.00
SF CHMRB 1994/1995	3,623,489.66	3,623,489.66	17.50	(1,854.59)	0.00	0.00	3,621,852.77	3,621,852.77	-	27,909.00	0.00
Commercial Paper	75,100,342.97	75,100,342.97	80,475,635.85	0.00	0.00	0.00	135,575,978.82	135,575,978.82	-	686,362.00	0.00
General Fund	11,375,299.00	11,375,299.00	475,677.09	(876,642.56)	0.00	0.00	10,974,333.53	10,974,333.53	-	1,387.00	0.00
Housing Trust Fund	16,943,435.44	16,943,435.44	366,658.22	(822,438.32)	0.00	0.00	16,487,657.34	16,487,657.34	-	783.00	0.00
Administration	140,606.19	140,606.19	1,461.08	0.00	0.00	0.00	142,067.27	142,067.27	-	18.00	0.00
Compliance	1,521,901.70	1,521,901.70	479,574.08	(155,102.86)	0.00	0.00	1,846,373.82	1,846,373.82	-	233.00	0.00
Housing Initiatives	4,277,623.49	4,277,623.49	62,375.19	(350,877.84)	0.00	0.00	3,989,920.84	3,989,920.84	-	504.00	0.00
TOTAL	1,368,761,176.22	1,373,865,438.60	201,964,328.67	(171,791,818.10)	(52,202,520.50)	0.00	1,351,835,630.67	1,345,365,148.80	-633,780.51	5,027,252.00	0.00

* No relationship can be drawn between the "ACCRUED INT REC'BL @ 02/28/06" figures and the corresponding investment values, because of various factors (e.g. purchase date of investment; interest payment terms-daily, monthly & semi-annual; etc.). In addition to the aforementioned factors with regards to the Multi Family Indenture, the Department is carrying \$ 166,429,773 of investments pledged as reserves by participating entities. The Department is carrying these investments with their corresponding liability purely for tracking the flow of funds.

(b) (5) The Department is in compliance with regards to investing its funds in a manner which will provide by priority the following objectives: (1) safety of principal, (2) sufficient liquidity to meet Department cash flow needs, (3) a market rate of return for the risk assumed, and (4) conformation to all applicable state statutes governing the investment of public funds including Section 2306 of the Department's enabling legislation and specifically, Section 2256 of the Texas Government Code, the Public Funds Investment Act.

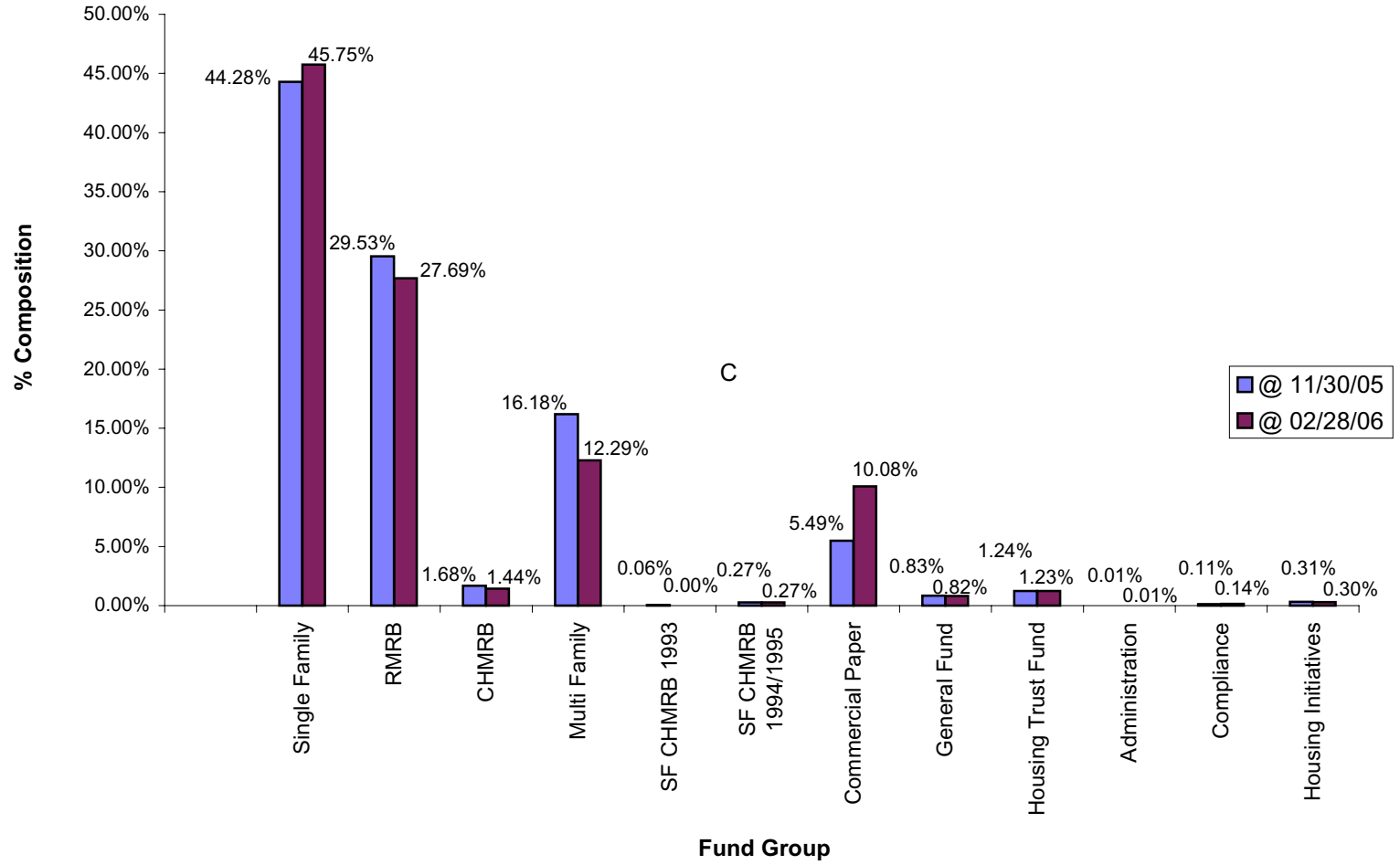
	Date 4/25/06
David Cervantes, Director of Financial Administration	
	Date 4/19/06
Byron Johnson, Director of Bond Finance	

**PUBLIC FUNDS INVESTMENT ACT
INTERNAL MANAGEMENT REPORT (SEC. 2256.023)
QUARTER ENDING FEBRUARY 28, 2006**

Supplemental Information:

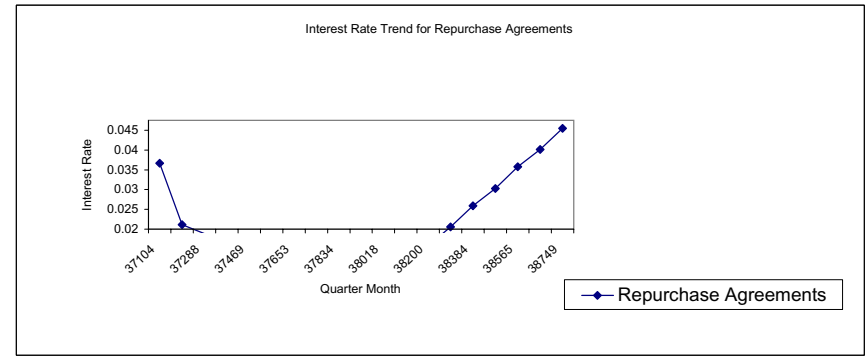
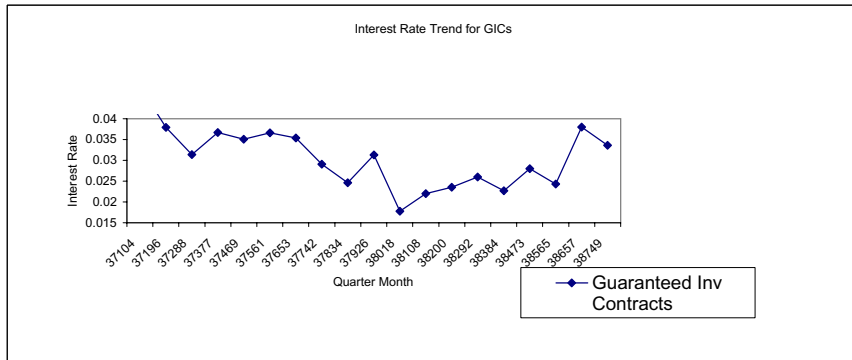
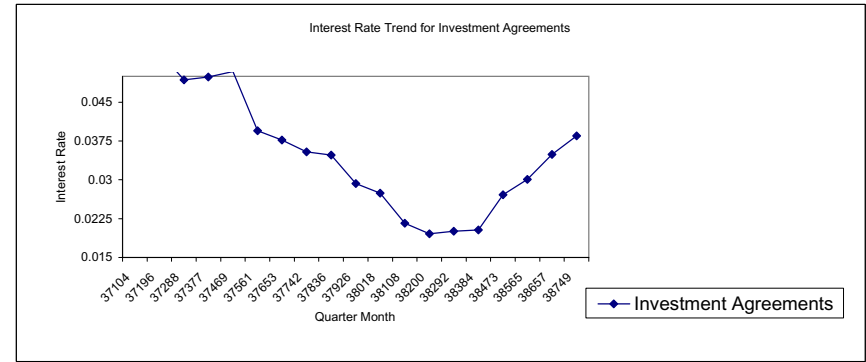
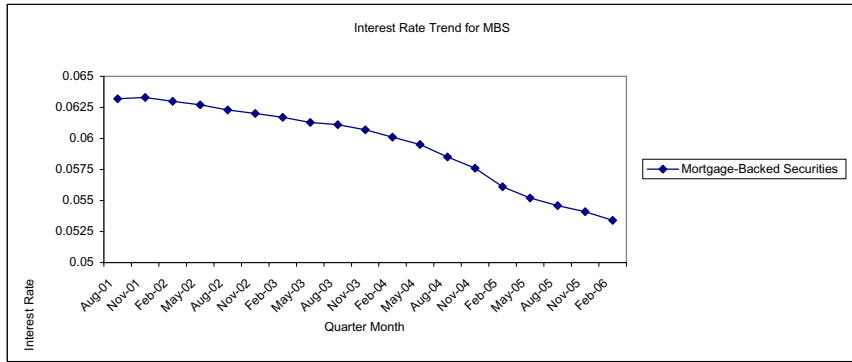
- 1) Bar Graph - Comparison of Market by Fund Group between Quarters
- 2) Analysis of Portfolio Interest Rate Trends and Maturities
- 3) Bar Graph - Comparison of Market Valuation by Investment Type between Quarters
- 4) Supplemental Public Funds Investment Act Report by Investment Type
- 5) Detail of Investments including maturity dates by Fund Group

Market Valuation Comparison By Fund Group

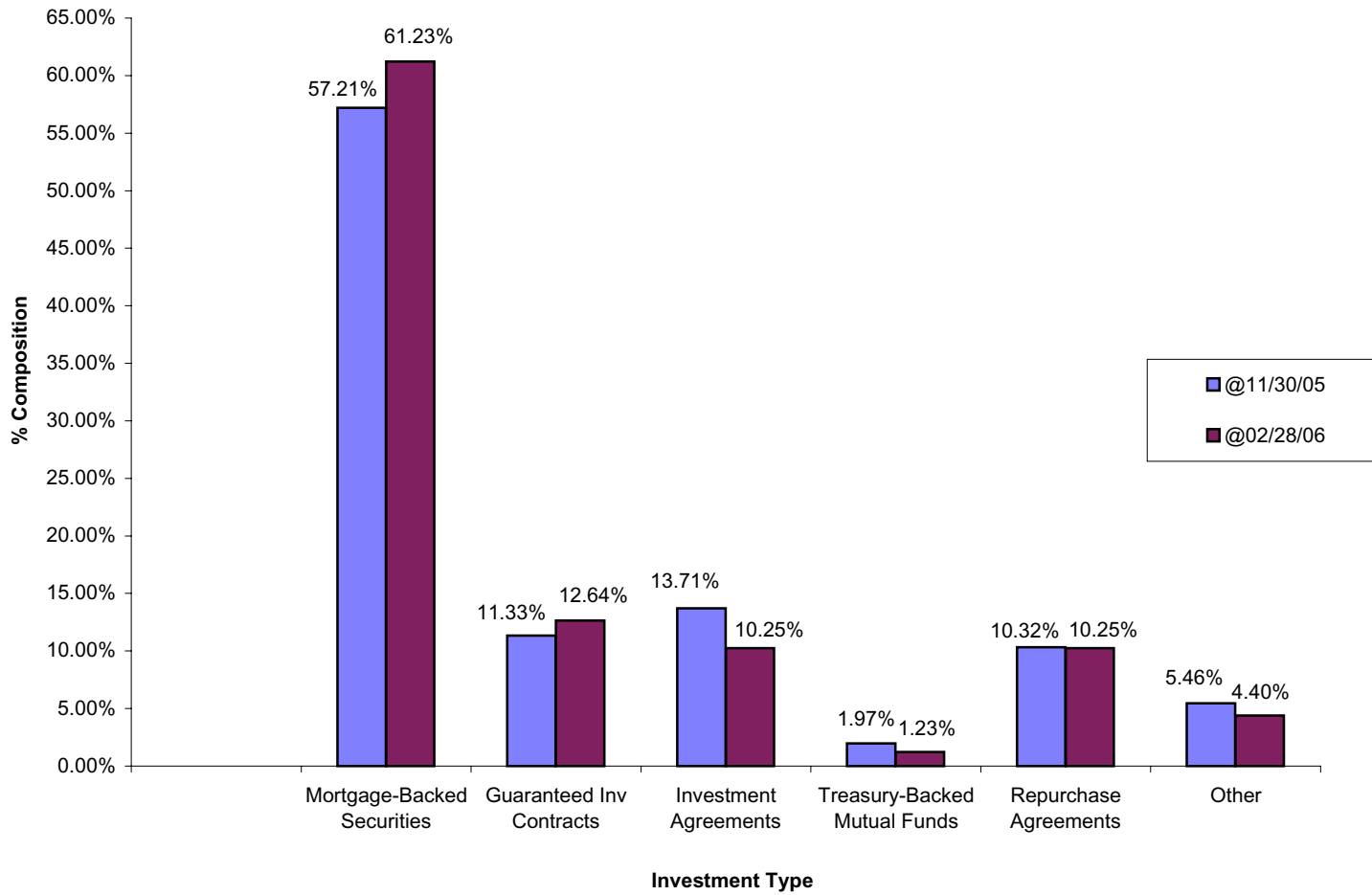


TEXAS DEPARTMENT OF HOUSING & COMMUNITY AFFAIRS
HOUSING FINANCE DIVISION
PUBLIC FUNDS INVESTMENT ACT
Supplemental Schedule of Portfolio Interest Rate Trends and Maturities
Quarter February 28, 2006

INVESTMENT TYPE	Range of Interest for Current Quarter		Portfolio % Composition	Weighted Avg Rate	Weighted Avg Rate	Weighted Avg Rate	Weighted Avg Rate	Weighted Avg Maturity		Weighted Avg Maturity		Weighted Avg Maturity		Weighted Avg Maturity	
	HI	LOW		Beg Carrying Value @ 11/30/05	Beg Market Value @ 11/30/05	End Carrying Value @ 02/28/06	End Market Value @ 02/28/06	Months	Days	Months	Days	Months	Days	Months	Days
Mortgage-Backed Securities	8.75%	4.49%	61.23%	5.38%	5.41%	5.32%	5.34%	314	28	313	19	320	15	319	13
Commercial Paper	4.41%	4.41%	0.44%	3.95%	3.95%	4.41%	4.41%	0	9	0	9	0	13	0	13
Guaranteed Inv Contracts	6.51%	1.49%	12.64%	3.80%	3.80%	3.36%	3.36%	120	2	120	2	35	14	35	14
Investment Agreements	6.75%	1.81%	10.25%	3.49%	3.49%	3.85%	3.85%	38	14	38	14	36	16	36	16
Money Markets	4.10%	3.54%	1.80%	3.23%	3.23%	3.72%	3.72%	0	1	0	1	0	1	0	1
Treasury-Backed Mutual Funds	4.10%	3.54%	1.23%	3.28%	3.28%	3.76%	3.76%	0	1	0	1	0	1	0	1
Repurchase Agreements	4.55%	4.55%	10.25%	4.01%	4.01%	4.55%	4.55%	0	1	0	1	0	1	0	1
Treasury Bills	5.81%	5.81%	0.01%	5.81%	5.81%	5.81%	5.81%	0	15	0	15	0	9	0	9
Treasury Bonds/Notes	13.88%	2.07%	2.15%	3.83%	3.96%	3.88%	3.98%	19	22	20	21	17	11	18	5



Market Valuation Comparison by Investment Type


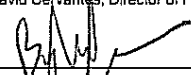


TEXAS DEPARTMENT OF HOUSING & COMMUNITY AFFAIRS
HOUSING FINANCE DIVISION
PUBLIC FUNDS INVESTMENT ACT
Supplemental Schedule
Quarter Ending February 28, 2006

(b) (4) Summary statement of each pooled investment group:

INVESTMENT TYPE	FAIR VALUE	CARRYING	CHANGE IN CARRYING VALUE				CARRYING	FAIR VALUE	CHANGE	RECOGNIZED
	(MARKET)	VALUE	ACCRETION/ PURCHASES	AMORTIZATION/ SALES	MATURITIES	TRANSFERS	VALUE	(MARKET)	IN FAIR VALUE	
	@ 11/30/05	@ 11/30/05					@ 02/28/06	@ 02/28/06	(MARKET)	GAIN
Mortgage-Backed Securities	781,939,595.38	789,432,834.32	93,337,219.55	0.00	(62,202,620.50)	0.00	830,567,533.37	823,780,038.48	715,744.05	0.00
Guaranteed Inv Contracts	154,887,863.16	154,887,863.16	62,477,835.72	(47,298,432.30)	0.00	0.00	170,067,266.58	170,067,266.58	-	0.00
Investment Agreements	187,340,233.52	187,340,233.52	350,133.41	(49,783,708.65)	0.00	0.00	137,906,658.28	137,906,658.28	-	0.00
Treasury-Backed Mutual Funds	26,864,656.27	26,864,656.27	3,701,365.64	(14,064,922.84)	0.00	0.00	16,501,099.07	16,501,099.07	-	0.00
Repurchase Agreements	141,091,263.71	141,091,263.71	38,719,867.34	(41,859,933.18)	0.00	0.00	137,952,197.87	137,952,197.87	-	0.00
Money Markets	35,175,367.39	35,175,367.39	3,319,594.85	(14,268,736.13)	0.00	0.00	24,226,226.11	24,226,226.11	-	0.00
Treasury Bills	78,726.80	78,726.80	4,082.64	0.00	0.00	0.00	82,809.44	82,809.44	-	0.00
Treasury Bonds/Notes	29,592,081.99	29,203,105.43	54,229.52	(697,495.00)	0.00	0.00	28,559,839.95	28,866,852.97	(81,963.54)	0.00
Commercial Paper	9,791,388.00	9,791,388.00		(3,819,388.00)			5,972,000.00	5,972,000.00	-	0.00
TOTAL	1,366,761,176.22	1,373,865,438.60	201,664,328.67	(171,791,616.10)	(62,202,620.50)	0.00	1,351,835,630.67	1,345,365,148.80	633,780.51	0.00

(b) (B) The Department is in compliance with regards to investing its funds in a manner which will provide by priority the following objectives: (1) safety of principal, (2) sufficient liquidity to meet Department cash flow needs, (3) a market rate of return for the risk assumed, and (4) conformation to all applicable state statutes governing the investment of public funds including Section 2306 of the Department's enabling legislation and specifically, Section 2256 of the Texas Government Code, the Public Funds Investment Act.

	Date <u>4-25-06</u>
David Cervantes, Director of Financial Administration	
	Date <u>4-19-06</u>
Byron Johnson, Director of Bond Finance	

Detail of Investments including maturity dates by Fund Group

**Texas Department of Housing and Community Affairs
Single Family Investment Summary
For Period Ending February 28, 2006**

Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
Repo Agmt	1980 Single Family Surplus Rev	4.55	02/28/06	03/01/06	18,868.06	18,868.06	16,940.38				35,808.44	35,808.44	-	0.00
Repo Agmt	1980 Single Family Surplus Rev	4.55	02/28/06	03/01/06	11,778.08	11,778.08	1,269,141.39				1,280,919.47	1,280,919.47	-	0.00
T-Bond	1980 Single Family Surplus Rev	13.88	08/05/82	05/15/11	550,755.22	581,858.55	131.00				550,886.22	568,403.92	(13,585.63)	0.00
GICs	1980 Single Family Surplus Rev	6.08	11/14/96	09/30/29	375,867.73	375,867.73		(358,441.83)			17,425.90	17,425.90	-	0.00
Repo Agmt	1980 Single Family Surplus Rev	4.55	02/28/06	03/01/06	5.97	5.97	0.00				5.97	5.97	-	0.00
Repo Agmt	1980 Single Family Surplus Rev	4.55	02/28/06	03/01/06	6,649.54	6,649.54	538.39				7,187.93	7,187.93	-	0.00
Repo Agmt	1980 Single Family Surplus Rev	4.55	02/28/06	03/01/06	43,347.65	43,347.65	465.82				43,813.47	43,813.47	-	0.00
Repo Agmt	1980 Single Family Surplus Rev	4.55	02/28/06	03/01/06	496,752.82	496,752.82	17,320.69				514,073.51	514,073.51	-	0.00
1980 Single Family Surplus Rev Total					1,504,025.07	1,535,128.40	1,304,537.67	(358,441.83)	0.00	0.00	2,450,120.91	2,467,638.61	(13,585.63)	0.00
Repo Agmt	1982 A Single Family	4.55	02/28/06	03/01/06	0.40	0.40	1,338.79				1,339.19	1,339.19	-	0.00
GICs	1982 A Single Family	6.08	11/14/96	09/30/29	45,541.04	45,541.04		(19.42)			45,521.62	45,521.62	-	0.00
1982 A Single Family Total					45,541.44	45,541.44	1,338.79	(19.42)	0.00	0.00	46,860.81	46,860.81	0.00	0.00
Repo Agmt	1983 A&B Single Family	4.55	02/28/06	03/01/06	345.10	345.10	13,348.16				13,693.26	13,693.26	-	0.00
GICs	1983 A&B Single Family	6.08	11/14/96	09/30/29	514,014.93	514,014.93		(43,164.28)			470,850.65	470,850.65	-	0.00
T-Note	1983 A&B Single Family	13.25	08/05/85	05/15/14	715.77	921.07	0.12				715.89	902.33	(18.86)	0.00
1983 A&B Single Family Total					515,075.80	515,281.10	13,348.28	(43,164.28)	0.00	0.00	485,259.80	485,446.24	(18.86)	0.00
Repo Agmt	1984 A&B Single Family	4.55	02/28/06	03/01/06	3.87	3.87	4,780.48				4,784.35	4,784.35	-	0.00
T-Bond	1984 A&B Single Family	13.25	08/05/85	05/15/14	407.50	524.50	0.08				407.58	513.83	(10.75)	0.00
GICs	1984 A&B Single Family				182,179.92	182,179.92		(182,179.92)					-	0.00
1984 A&B Single Family Total					182,591.29	182,708.29	4,780.56	(182,179.92)	0.00	0.00	5,191.93	5,298.18	(10.75)	0.00
Repo Agmt	1985 A Single Family	4.55	02/28/06	03/01/06	1.62	1.62	3,861.82				3,863.44	3,863.44	-	0.00
GICs	1985 A Single Family				0.40	0.40		(0.40)					-	0.00
1985 A Single Family Total					2.02	2.02	3,861.82	(0.40)	0.00	0.00	3,863.44	3,863.44	0.00	0.00
Repo Agmt	1985 B&C Single Family	4.55	02/28/06	03/01/06	1.65	1.65	949.44				951.09	951.09	-	0.00
GICs	1985 B&C Single Family				29,815.27	29,815.27		(29,815.27)					-	0.00
1985 B&C Single Family Total					29,816.92	29,816.92	949.44	(29,815.27)	0.00	0.00	951.09	951.09	0.00	0.00
Repo Agmt	1987 B Single Family	4.55	02/28/06	03/01/06	1.79	1.79	28,197.24				28,199.03	28,199.03	-	0.00
GICs	1987 B Single Family	6.08	11/14/96	09/30/29	946,882.61	946,882.61	4,456.01				951,338.62	951,338.62	-	0.00
T-Bond	1987 B Single Family	13.88	08/05/82	05/15/11	496,959.51	522,276.57	0.00				496,959.51	510,199.68	(12,076.89)	0.00
1987 B Single Family Total					1,443,843.91	1,469,160.97	32,653.25	0.00	0.00	0.00	1,476,497.16	1,489,737.33	(12,076.89)	0.00
Repo Agmt	1995 A&B Single Family	4.55	02/28/06	03/01/06	1,212,068.51	1,212,068.51		(1,189,501.28)			22,567.23	22,567.23	-	0.00
GICs	1995 A&B Single Family	6.08	11/14/96	09/30/29	589,930.80	589,930.80		(550,697.54)			39,233.26	39,233.26	-	0.00
Repo Agmt	1995 A&B Single Family	4.55	02/28/06	03/01/06			1.17				1.17	1.17	-	0.00
GICs	1995 A&B Single Family				78.53	78.53		(78.53)					-	0.00
FNMA	1995 A&B Single Family				311,362.22	321,491.43			(311,362.22)				(10,129.21)	0.00
FNMA	1995 A&B Single Family				209,985.63	216,375.55			(209,985.63)				(6,389.92)	0.00
FNMA	1995 A&B Single Family				300,429.76	310,695.89			(300,429.76)				(10,266.13)	0.00
FNMA	1995 A&B Single Family	6.15	07/30/96	06/01/26	230,011.42	238,043.15			(619.68)	229,391.74	236,156.08	(7,267.39)	0.00	
FNMA	1995 A&B Single Family				261,971.93	270,974.49			(261,971.93)				(9,002.56)	0.00
FNMA	1995 A&B Single Family				271,788.44	277,802.39			(271,788.44)				(6,013.95)	0.00
FNMA	1995 A&B Single Family				233,265.43	238,004.83			(233,265.43)				(4,739.40)	0.00
FNMA	1995 A&B Single Family				535,366.73	546,082.89			(535,366.73)				(10,716.16)	0.00
FNMA	1995 A&B Single Family				373,357.69	381,073.83			(373,357.69)				(7,716.14)	0.00
FNMA	1995 A&B Single Family				255,758.00	260,775.77			(255,758.00)				(5,017.77)	0.00
FNMA	1995 A&B Single Family				41,617.92	42,466.28			(41,617.92)				(848.36)	0.00
FNMA	1995 A&B Single Family				258,996.81	265,336.75			(258,996.81)				(6,339.94)	0.00
GNMA	1995 A&B Single Family				1,566,775.91	1,621,761.85			(1,566,775.91)				(54,985.94)	0.00

GNMA	1995 A&B Single Family				561,031.49	580,896.62				(561,031.49)			(19,865.13)	0.00
GNMA	1995 A&B Single Family				1,304,222.20	1,349,876.90				(1,304,222.20)			(45,654.70)	0.00
Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
GNMA	1995 A&B Single Family				686,105.70	710,169.26			(686,105.70)				(24,063.56)	0.00
GNMA	1995 A&B Single Family				1,181,685.95	1,223,107.19			(1,181,685.95)				(41,421.24)	0.00
GNMA	1995 A&B Single Family				801,074.77	829,439.18			(801,074.77)				(28,364.41)	0.00
GNMA	1995 A&B Single Family				1,968,813.01	2,038,092.11			(1,968,813.01)				(69,279.10)	0.00
GNMA	1995 A&B Single Family				528,004.60	546,411.47			(528,004.60)				(18,406.87)	0.00
GNMA	1995 A&B Single Family				1,745,281.28	1,805,765.95			(1,745,281.28)				(60,484.67)	0.00
GNMA	1995 A&B Single Family				1,103,449.47	1,134,811.88			(1,103,449.47)				(31,362.41)	0.00
GNMA	1995 A&B Single Family				550,471.16	565,503.42			(550,471.16)				(15,032.26)	0.00
GNMA	1995 A&B Single Family				435,949.87	448,129.88			(435,949.87)				(12,180.01)	0.00
GNMA	1995 A&B Single Family				1,410,023.24	1,448,708.68			(1,410,023.24)				(38,685.44)	0.00
GNMA	1995 A&B Single Family	6.15	11/26/96	11/20/26	780,057.92	802,432.70			(5,336.49)		774,521.43	793,826.65	(3,069.56)	0.00
GNMA	1995 A&B Single Family				552,491.00	567,376.55			(552,491.00)				(14,885.55)	0.00
GNMA	1995 A&B Single Family				1,026,858.18	1,054,555.24			(1,026,858.18)				(27,697.06)	0.00
GNMA	1995 A&B Single Family				746,858.21	768,638.46			(746,858.21)				(21,780.25)	0.00
GNMA	1995 A&B Single Family				646,032.26	664,828.89			(646,032.26)				(18,796.63)	0.00
GNMA	1995 A&B Single Family				287,893.81	295,796.59			(287,893.81)				(7,902.78)	0.00
GNMA	1995 A&B Single Family				632,456.09	649,100.48			(632,456.09)				(16,644.39)	0.00
GNMA	1995 A&B Single Family				232,538.71	238,410.32			(232,538.71)				(5,871.61)	0.00
GNMA	1995 A&B Single Family	6.15	05/29/97	05/20/27	317,323.31	325,335.73			(2,492.73)		314,830.58	321,624.63	(1,218.37)	0.00
GNMA	1995 A&B Single Family				296,179.10	303,849.44			(296,179.10)				(7,670.34)	0.00
GNMA	1995 A&B Single Family				421,502.18	436,364.43			(421,502.18)				(14,862.25)	0.00
GNMA	1995 A&B Single Family				664,754.38	682,087.87			(664,754.38)				(17,333.49)	0.00
GNMA	1995 A&B Single Family				194,248.23	199,118.00			(194,248.23)				(4,869.77)	0.00
GNMA	1995 A&B Single Family				347,754.43	356,472.66			(347,754.43)				(8,718.23)	0.00
GNMA	1995 A&B Single Family				281,618.81	288,678.96			(281,618.81)				(7,060.15)	0.00
GNMA	1995 A&B Single Family				462,851.94	474,455.67			(462,851.94)				(11,603.73)	0.00
GNMA	1995 A&B Single Family				205,404.58	210,554.04			(205,404.58)				(5,149.46)	0.00
GNMA	1995 A&B Single Family				445,500.78	456,669.54			(445,500.78)				(11,168.76)	0.00
GNMA	1995 A&B Single Family				762,182.96	781,290.88			(762,182.96)				(19,107.92)	0.00
	1995 A&B Single Family Total				28,233,385.35	29,029,891.93	1.17	(1,740,277.35)	(25,112,563.76)	0.00	1,380,545.41	1,413,409.02	(763,642.97)	0.00
Repo Agmt	1996 A-C Single Family	4.55	02/28/06	03/01/06	1,441.02	1,441.02	1,321,959.73				1,323,400.75	1,323,400.75	-	0.00
Inv Agmt	1996 A-C Single Family				806,249.82	806,249.82		(806,249.82)					-	0.00
GNMA	1996 A-C Single Family	6.45	04/29/97	04/20/27	374,449.74	387,132.31			(1,975.37)		372,474.37	384,739.91	(417.03)	0.00
GNMA	1996 A-C Single Family	6.45	05/29/97	05/20/27	132,143.74	136,619.47			(726.55)		131,417.19	135,744.78	(148.14)	0.00
GNMA	1996 A-C Single Family	6.45	07/15/97	05/20/27	356,884.62	368,972.36			(3,083.07)		353,801.55	365,452.29	(437.00)	0.00
GNMA	1996 A-C Single Family	6.45	08/28/97	08/20/27	304,969.12	315,298.41			(1,569.27)		303,399.85	313,390.79	(338.35)	0.00
GNMA	1996 A-C Single Family	6.45	10/15/97	08/20/27	144,761.61	149,664.67			(786.86)		143,974.75	148,715.82	(161.99)	0.00
GNMA	1996 A-C Single Family	6.45	11/25/97	10/20/27	372,570.34	385,189.28			(1,875.70)		370,694.64	382,901.60	(411.98)	0.00
GNMA	1996 A-C Single Family	6.45	02/12/98	12/20/27	315,583.89	326,272.76			(1,640.85)		313,943.04	324,281.22	(350.69)	0.00
GNMA	1996 A-C Single Family	6.45	04/16/98	02/20/28	539,302.16	557,460.73			(3,108.67)		536,193.49	554,156.25	(195.81)	0.00
GNMA	1996 A-C Single Family	6.45	08/13/98	06/20/28	261,598.15	270,406.17			(1,886.67)		259,711.48	268,411.82	(107.68)	0.00
GNMA	1996 A-C Single Family	6.45	12/15/98	09/20/28	355,727.26	367,704.57			(60,693.94)		295,033.32	304,916.92	(2,093.71)	0.00
GNMA	1996 A-C Single Family	6.45	01/28/99	11/20/28	39,798.48	41,138.49			(177.36)		39,621.12	40,948.43	(12.70)	0.00
GNMA	1996 A-C Single Family	5.45	03/18/99	02/20/29	476,448.78	473,247.05			(2,722.43)		473,726.35	472,840.49	2,315.87	0.00
GNMA	1996 A-C Single Family	5.45	06/24/99	05/20/29	478,452.94	475,237.73			(2,571.70)		475,881.24	474,991.33	2,325.30	0.00
GNMA	1996 A-C Single Family	5.45	07/29/99	06/20/29	665,012.23	660,543.34			(51,735.27)		613,276.96	612,130.13	3,322.06	0.00
GNMA	1996 A-C Single Family	5.45	10/14/99	08/20/29	296,801.78	294,807.24			(60,199.77)		236,602.01	236,159.53	1,552.06	0.00
GNMA	1996 A-C Single Family	5.45	08/26/99	07/20/29	409,124.44	406,375.11			(2,123.79)		407,000.65	406,239.54	1,988.22	0.00
GNMA	1996 A-C Single Family	5.45	12/01/99	10/20/29	161,931.74	160,843.58			(1,094.94)		160,836.80	160,536.05	787.41	0.00
GNMA	1996 A-C Single Family	5.45	01/27/00	12/20/29	1,049,657.76	1,042,604.06			(5,498.70)		1,044,159.06	1,042,206.48	5,101.12	0.00
GNMA	1996 A-C Single Family	5.45	01/28/00	07/01/29	192,016.46	190,336.32			(1,011.60)		191,004.86	190,424.21	1,099.49	0.00
T-Bond	1996 A-C Single Family	13.88	08/05/82	05/15/11	440,976.49	463,441.55	0.00				440,976.49	452,725.14	(10,716.41)	0.00
Repo Agmt	1996 A-C Single Family	4.55	02/28/06	03/01/06	0.09	0.09	101,190.89				101,190.98	101,190.98	-	0.00
Inv Agmt	1996 A-C Single Family	6.13	02/26/97	09/01/28	624,625.38	624,625.38	12,568.93				637,194.31	637,194.31	-	0.00
GNMA	1996 A-C Single Family	5.45	03/18/99	02/20/29	98,125.88	97,466.45			(560.69)		97,565.19	97,382.72	476.96	0.00
GNMA	1996 A-C Single Family	5.45	06/24/99	05/20/29	98,538.61	97,876.45			(529.64)		98,008.97	97,825.70	478.89	0.00

Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
GNMA	1996 A-C Single Family	5.45	07/29/99	06/20/29	136,960.97	136,040.61			(10,655.01)		126,305.96	126,069.78	684.18	0.00
GNMA	1996 A-C Single Family	5.45	10/14/99	08/20/29	61,127.05	60,716.31			(12,398.30)		48,728.75	48,637.67	319.66	0.00
GNMA	1996 A-C Single Family	5.45	08/26/99	07/20/29	84,260.19	83,694.00			(437.40)		83,822.79	83,666.08	409.48	0.00
GNMA	1996 A-C Single Family	5.45	12/01/99	10/20/29	33,350.29	33,126.15			(225.51)		33,124.78	33,062.81	162.17	0.00
GNMA	1996 A-C Single Family	5.45	01/27/00	12/20/29	216,179.72	214,727.00			(1,132.48)		215,047.24	214,645.11	1,050.59	0.00
GNMA	1996 A-C Single Family	6.15	11/12/02	11/20/32	13,231.90	13,651.15			(43.79)		13,188.11	13,562.45	(44.91)	0.00
GNMA	1996 A-C Single Family	5.40	11/12/02	10/20/32	18,860.27	18,853.94			(5,101.34)		13,758.93	13,821.20	68.60	0.00
GNMA	1996 A-C Single Family	6.15	01/10/03	09/20/32	13,543.04	13,972.43			(4,198.73)		9,344.31	9,609.61	(164.09)	0.00
GNMA	1996 A-C Single Family	5.40	09/26/02	09/20/32	11,967.39	11,962.87			(45.29)		11,922.10	11,975.57	57.99	0.00
GNMA	1996 A-C Single Family	6.15	10/10/02	09/20/32	16,672.62	17,200.39			(60.09)		16,612.53	17,083.55	(56.75)	0.00
GNMA	1996 A-C Single Family	5.40	10/10/02	09/20/32	8,192.62	8,189.62			(31.12)		8,161.50	8,198.18	39.68	0.00
GNMA	1996 A-C Single Family	6.15	10/21/02	10/20/32	11,120.75	11,473.28			(38.41)		11,082.34	11,397.07	(37.80)	0.00
GNMA	1996 A-C Single Family	6.15	10/29/02	10/20/32	6,526.28	6,733.00			(27.53)		6,498.75	6,683.14	(22.33)	0.00
GNMA	1996 A-C Single Family	5.40	10/29/02	09/20/32	2,905.04	2,904.03			(17.07)		2,887.97	2,900.99	14.03	0.00
GNMA	1996 A-C Single Family	6.15	11/05/02	10/20/32	3,144.92	3,244.59			(10.33)		3,134.59	3,223.57	(10.69)	0.00
GNMA	1996 A-C Single Family	5.40	11/05/02	09/20/32	7,106.29	7,103.82			(31.05)		7,075.24	7,107.19	34.42	0.00
GNMA	1996 A-C Single Family	6.15	11/19/02	11/20/32	4,141.99	4,273.28			(13.53)		4,128.46	4,245.68	(14.07)	0.00
GNMA	1996 A-C Single Family	5.40	11/19/02	11/20/32	5,075.41	5,073.75			(18.90)		5,056.51	5,079.45	24.60	0.00
GNMA	1996 A-C Single Family	6.15	11/26/02	11/20/32	21,551.79	22,234.94			(82.81)		21,468.98	22,078.63	(73.50)	0.00
GNMA	1996 A-C Single Family	5.40	11/26/02	11/20/32	13,766.09	13,761.66			(52.27)		13,713.82	13,776.10	66.71	0.00
GNMA	1996 A-C Single Family	6.15	11/26/02	11/20/32	5,202.96	5,367.89			(18.51)		5,184.45	5,331.68	(17.70)	0.00
GNMA	1996 A-C Single Family	5.40	11/26/02	11/20/32	7,416.17	7,413.79			(57.63)		7,358.54	7,391.96	35.80	0.00
GNMA	1996 A-C Single Family	6.15	12/12/02	12/20/32	3,206.63	3,308.33			(10.42)		3,196.21	3,287.03	(10.88)	0.00
GNMA	1996 A-C Single Family	5.40	12/12/02	12/20/32	5,531.53	5,529.86			(21.19)		5,510.34	5,535.47	26.80	0.00
GNMA	1996 A-C Single Family	6.15	12/30/02	12/20/32	6,109.69	6,303.53			(30.94)		6,078.75	6,251.54	(21.05)	0.00
GNMA	1996 A-C Single Family	5.40	12/30/02	12/20/32	10,471.38	10,468.31			(38.87)		10,432.51	10,480.17	50.73	0.00
GNMA	1996 A-C Single Family	6.15	12/30/02	12/20/32	8,893.54	9,175.74			(34.67)		8,858.87	9,110.71	(30.36)	0.00
GNMA	1996 A-C Single Family	5.40	12/30/02	12/20/32	5,172.76	5,171.25			(19.12)		5,153.64	5,177.19	25.06	0.00
GNMA	1996 A-C Single Family	6.15	01/07/03	12/20/32	5,889.08	6,075.97			(19.87)		5,869.21	6,036.09	(20.01)	0.00
GNMA	1996 A-C Single Family	6.15	01/23/03	01/20/33	24,864.49	25,646.28			(83.54)		24,780.95	25,491.56	(71.18)	0.00
GNMA	1996 A-C Single Family	5.40	01/23/03	01/20/33	9,087.00	9,081.98			(33.77)		9,053.23	9,093.63	45.42	0.00
GNMA	1996 A-C Single Family	6.15	01/23/03	01/20/33	5,545.61	5,719.97			(18.12)		5,527.49	5,685.99	(15.86)	0.00
GNMA	1996 A-C Single Family	5.40	01/23/03	01/20/33	5,230.51	5,227.65			(19.23)		5,211.28	5,234.57	26.15	0.00
GNMA	1996 A-C Single Family	6.15	01/30/03	01/20/33	18,213.13	18,785.84			(67.83)		18,145.30	18,665.67	(52.34)	0.00
GNMA	1996 A-C Single Family	5.40	01/30/03	01/20/33	21,903.44	21,891.46			(4,487.91)		17,415.53	17,493.32	89.77	0.00
GNMA	1996 A-C Single Family	6.15	02/12/03	02/20/33	21,615.40	22,295.41			(99.36)		21,516.04	22,133.39	(62.66)	0.00
GNMA	1996 A-C Single Family	6.15	02/20/03	02/20/33	8,765.48	9,041.29			(28.82)		8,736.66	8,987.40	(25.07)	0.00
GNMA	1996 A-C Single Family	5.40	03/03/03	03/20/33	5,987.11	5,984.03			(21.74)		5,965.37	5,992.21	29.92	0.00
GNMA	1996 A-C Single Family	6.15	02/27/03	02/20/33	22,236.41	22,936.24			(71.68)		22,164.73	22,800.99	(63.57)	0.00
GNMA	1996 A-C Single Family	5.40	02/27/03	01/20/33	5,435.16	5,432.30			(19.97)		5,415.19	5,439.49	27.16	0.00
GNMA	1996 A-C Single Family	6.15	03/12/03	02/20/33	21,254.67	21,923.86			(90.93)		21,163.74	21,771.50	(61.43)	0.00
GNMA	1996 A-C Single Family	6.15	03/24/03	03/20/33	8,020.81	8,273.47			(37.85)		7,982.96	8,212.35	(23.27)	0.00
GNMA	1996 A-C Single Family	5.40	03/24/03	02/20/33	5,592.75	5,589.96			(33.23)		5,559.52	5,584.61	27.88	0.00
GNMA	1996 A-C Single Family	6.15	04/02/03	04/20/33	10,180.28	10,501.05			(33.85)		10,146.43	10,438.05	(29.15)	0.00
GNMA	1996 A-C Single Family	6.15	04/02/03	03/20/33	8,136.22	8,392.53			(25.98)		8,110.24	8,343.30	(23.25)	0.00
GNMA	1996 A-C Single Family	6.15	04/10/03	03/20/33	16,183.76	16,693.72			(65.41)		16,118.35	16,581.63	(46.68)	0.00
GNMA	1996 A-C Single Family	6.15	04/10/03	03/20/33	3,599.45	3,712.86			(12.46)		3,586.99	3,690.08	(10.32)	0.00
GNMA	1996 A-C Single Family	5.40	04/10/03	01/20/33	4,628.47	4,626.23			(17.00)		4,611.47	4,632.35	23.12	0.00
GNMA	1996 A-C Single Family	6.15	04/17/03	04/20/33	8,322.80	8,585.14			(29.21)		8,293.59	8,532.07	(23.86)	0.00
GNMA	1996 A-C Single Family	6.15	04/24/03	04/20/33	8,612.23	8,883.74			(29.45)		8,582.78	8,829.59	(24.70)	0.00
GNMA	1996 A-C Single Family	6.15	04/29/03	03/20/33	4,472.85	4,613.88			(14.63)		4,458.22	4,586.45	(12.80)	0.00
GNMA	1996 A-C Single Family	6.15	05/08/03	04/20/33	2,617.52	2,700.06			(8.83)		2,608.69	2,683.73	(7.50)	0.00
GNMA	1996 A-C Single Family	6.15	05/08/03	04/20/33	4,279.26	4,414.23			(13.95)		4,265.31	4,388.03	(12.25)	0.00
GNMA	1996 A-C Single Family	6.15	05/15/03	04/20/33	9,105.85	9,393.12			(30.77)		9,075.08	9,336.26	(26.09)	0.00
GNMA	1996 A-C Single Family	6.15	05/22/03	05/20/33	3,251.76	3,354.37			(10.29)		3,241.47	3,334.79	(9.29)	0.00
GNMA	1996 A-C Single Family	6.15	06/10/03	06/20/33	3,225.57	3,327.42			(10.32)		3,215.25	3,307.88	(9.22)	0.00
GNMA	1996 A-C Single Family	6.15	06/19/03	05/20/33	4,161.42	4,292.82			(13.13)		4,148.29	4,267.79	(11.90)	0.00
GNMA	1996 A-C Single Family	6.15	07/17/03	07/20/33	2,637.97	2,721.36			(8.53)		2,629.44	2,705.28	(7.55)	0.00
GNMA	1996 A-C Single Family	6.15	07/17/03	07/20/33	4,797.10	4,948.71			(25.54)		4,771.56	4,909.17	(14.00)	0.00

GNMA	1996 D&E Single Family	6.25	07/15/97	06/20/27	608,457.11	625,566.94			(4,008.80)		604,448.31	619,777.13	(1,781.01)	0.00
GNMA	1996 D&E Single Family	6.25	07/30/97	07/20/27	692,461.81	711,933.84			(3,930.71)		688,531.10	705,992.25	(2,010.88)	0.00
GNMA	1996 D&E Single Family	6.25	08/18/97	07/20/27	1,557,388.93	1,601,182.75			(76,544.38)		1,480,844.55	1,518,398.80	(6,239.57)	0.00
GNMA	1996 D&E Single Family	6.25	08/28/97	08/20/27	1,819,818.14	1,870,991.38			(211,322.49)		1,608,495.65	1,649,287.06	(10,381.83)	0.00
GNMA	1996 D&E Single Family	6.25	09/18/97	09/20/27	568,097.17	584,072.05			(4,239.43)		563,857.74	578,157.16	(1,675.46)	0.00

Investment Type	Issue	Current Interest	Current Purchase	Current Maturity	Beginning Carrying Value	Beginning Market Value	Accretions/ Purchases	Amortizations/ Sales	Maturities	Transfers	Ending Carrying Value	Ending Market Value	Change in In Market	Recognized Gain
		Rate	Date	Date	11/30/05	11/30/05					02/28/06	02/28/06	Value	Gain
GNMA	1996 D&E Single Family	6.25	09/29/97	09/20/27	621,911.53	639,399.69			(37,896.76)		584,014.77	598,825.40	(2,677.53)	0.00
GNMA	1996 D&E Single Family	6.25	10/15/97	09/20/27	617,141.04	634,495.09			(4,438.89)		612,702.15	628,240.32	(1,815.88)	0.00
GNMA	1996 D&E Single Family	6.25	10/30/97	10/20/27	563,213.48	579,051.03			(9,376.12)		553,837.36	567,882.67	(1,792.24)	0.00
GNMA	1996 D&E Single Family	6.25	11/17/97	10/20/27	546,276.45	561,637.75			(83,687.34)		462,589.11	474,320.37	(3,630.04)	0.00
GNMA	1996 D&E Single Family	6.25	11/25/97	11/20/27	591,098.33	607,719.98			(3,653.44)		587,444.89	602,342.46	(1,724.08)	0.00
GNMA	1996 D&E Single Family	6.25	12/17/97	11/20/27	813,322.79	836,193.42			(6,596.84)		806,725.95	827,184.52	(2,412.06)	0.00
GNMA	1996 D&E Single Family	6.25	01/29/98	01/20/28	1,244,079.92	1,278,827.07			(111,579.50)		1,132,500.42	1,161,764.23	(5,483.34)	0.00
GNMA	1996 D&E Single Family	6.25	04/29/98	04/20/28	903,487.19	928,721.61			(132,097.61)		771,389.58	791,322.31	(5,301.69)	0.00
GNMA	1996 D&E Single Family	6.25	07/06/98	05/20/28	264,655.40	272,047.03			(50,624.50)		214,030.90	219,561.26	(1,861.27)	0.00
GNMA	1996 D&E Single Family	6.25	08/27/98	07/20/28	432,557.05	444,638.38			(82,429.03)		350,128.02	359,175.33	(3,034.02)	0.00
GNMA	1996 D&E Single Family	6.25	09/24/98	08/20/28	270,865.09	278,430.32			(75,879.49)		194,985.60	200,024.00	(2,526.83)	0.00
GNMA	1996 D&E Single Family	6.25	10/01/98	08/20/28	165,009.83	169,618.54			(1,057.26)		163,952.57	168,189.08	(372.20)	0.00
GNMA	1996 D&E Single Family	6.25	10/29/98	09/20/28	238,257.95	244,912.51			(1,201.13)		237,056.82	243,182.39	(528.99)	0.00
GNMA	1996 D&E Single Family	6.25	12/29/98	10/20/28	1,233,619.04	1,268,074.05			(6,807.55)		1,226,811.49	1,258,512.33	(2,754.17)	0.00
GNMA	1996 D&E Single Family	6.25	10/20/99	07/20/29	224,484.35	230,621.76			(28,593.22)		195,891.13	200,747.28	(1,281.26)	0.00
GNMA	1996 D&E Single Family	6.25	11/23/99	10/20/29	47,460.86	48,758.44			(203.82)		47,257.04	48,428.54	(126.08)	0.00
GNMA	1996 D&E Single Family	6.25	01/27/00	12/20/29	393,752.94	404,518.18			(54,956.59)		338,796.35	347,195.13	(2,366.46)	0.00
FNMA	1996 D&E Single Family	6.25	01/28/00	09/01/29	261,578.70	268,562.85			(1,751.49)		259,827.21	266,413.83	(397.53)	0.00
T-Bond	1996 D&E Single Family	13.88	08/05/82	05/15/11	562,094.30	590,729.58	0.00				562,094.30	577,069.81	(13,659.77)	0.00
Repo Agmt	1996 D&E Single Family	4.55	02/28/06	03/01/06	68.74	68.74	1.05				69.79	69.79	-	0.00
GICs	1996 D&E Single Family	6.08	04/06/98	09/30/29	218,989.72	218,989.72	28,885.08				247,874.80	247,874.80	-	0.00
FNMA	1996 D&E Single Family	5.45	01/28/00	07/01/29	39,546.30	39,200.26			(208.34)		39,337.96	39,218.36	226.44	0.00
GNMA	1996 D&E Single Family	5.40	08/29/02	08/20/32	11,201.84	11,086.50			(42.93)		11,158.91	11,208.46	164.89	0.00
GNMA	1996 D&E Single Family	6.15	09/12/02	08/20/32	3,187.78	3,288.67			(10.89)		3,176.89	3,266.93	(10.85)	0.00
GNMA	1996 D&E Single Family	6.15	09/19/02	09/20/32	7,594.23	7,834.50			(26.39)		7,567.84	7,782.30	(25.81)	0.00
GNMA	1996 D&E Single Family	5.40	09/19/02	09/20/32	17,554.59	17,547.89			(82.98)		17,471.61	17,549.89	84.98	0.00
GNMA	1996 D&E Single Family	4.49	12/09/04	12/20/34	99,653.89	94,707.65			(480.75)		99,173.14	94,960.94	734.04	0.00
GNMA	1996 D&E Single Family	4.49	12/16/04	12/20/34	92,803.42	88,197.74			(365.40)		92,438.02	88,512.43	680.09	0.00
GNMA	1996 D&E Single Family	4.49	11/23/04	11/20/34	102,889.45	97,781.13			(398.52)		102,490.93	98,136.30	753.69	0.00
GNMA	1996 D&E Single Family	4.49	12/02/04	12/20/34	166,728.01	158,451.65			(660.61)		166,067.40	159,013.02	1,221.98	0.00
GNMA	1996 D&E Single Family	4.49	12/23/04	12/20/34	98,056.71	93,190.88			(371.50)		97,685.21	93,537.25	717.87	0.00
GNMA	1996 D&E Single Family	4.49	12/29/04	12/20/34	113,334.16	107,710.74			(469.34)		112,864.82	108,072.93	831.53	0.00
GNMA	1996 D&E Single Family	4.49	01/06/05	01/20/35	202,948.53	192,863.82			(801.42)		202,147.11	193,496.77	1,434.37	0.00
GNMA	1996 D&E Single Family	5.40	01/06/05	01/20/35	22,573.66	22,556.77			(71.91)		22,501.75	22,594.85	109.99	0.00
GNMA	1996 D&E Single Family	4.49	01/13/05	01/20/35	111,474.09	105,935.48			(439.06)		111,035.03	106,284.22	787.80	0.00
GNMA	1996 D&E Single Family	5.40	01/13/05	01/20/35	9,616.96	9,609.80			(30.45)		9,586.51	9,626.22	46.87	0.00
GNMA	1996 D&E Single Family	4.49	01/19/05	01/20/35	134,750.19	128,055.73			(582.30)		134,167.89	128,427.94	954.51	0.00
GNMA	1996 D&E Single Family	5.40	01/19/05	01/20/35	13,288.95	13,279.17			(42.08)		13,246.87	13,301.85	64.76	0.00
GNMA	1996 D&E Single Family	4.49	01/27/05	01/20/35	153,431.69	145,810.15			(726.25)		152,705.44	146,173.46	1,089.56	0.00
GNMA	1996 D&E Single Family	4.49	02/03/05	02/20/35	230,881.06	219,413.67			(940.99)		229,940.07	220,105.74	1,633.06	0.00
GNMA	1996 D&E Single Family	4.49	02/10/05	02/20/35	74,213.07	70,527.54			(285.87)		73,927.20	70,765.88	524.21	0.00
GNMA	1996 D&E Single Family	4.49	02/10/05	02/20/35	161,808.38	153,772.77			(622.84)		161,185.54	154,292.86	1,142.93	0.00
GNMA	1996 D&E Single Family	5.40	02/17/05	11/20/34	9,791.71	9,785.72			(31.70)		9,760.01	9,800.54	46.52	0.00
GNMA	1996 D&E Single Family	4.49	02/17/05	02/20/35	107,075.74	101,758.85			(405.05)		106,670.69	102,109.83	756.03	0.00
GNMA	1996 D&E Single Family	4.49	02/24/05	02/20/35	99,011.00	94,095.13			(437.64)		98,573.36	94,359.28	701.79	0.00
GNMA	1996 D&E Single Family	4.49	03/03/05	03/20/35	95,703.03	90,951.95			(365.64)		95,337.39	91,262.20	675.89	0.00
GNMA	1996 D&E Single Family	4.49	03/11/05	03/20/35	39,765.89	37,792.02			(148.32)		39,617.57	37,924.39	280.69	0.00
GNMA	1996 D&E Single Family	5.40	03/17/05	02/20/35	6,417.59	6,413.19			(20.50)		6,397.09	6,423.96	31.27	0.00
GNMA	1996 D&E Single Family	4.49	03/17/05	03/20/35	60,662.01	57,651.22			(239.23)		60,422.78	57,840.73	428.74	0.00
GNMA	1996 D&E Single Family	4.49	03/24/05	03/20/35	59,982.87	57,006.19			(223.92)		59,758.95	57,205.61	423.34	0.00
GNMA	1996 D&E Single Family	4.49	04/07/05	04/20/35	92,919.82	88,309.66			(377.45)		92,542.37	88,589.40	657.19	0.00
GNMA	1996 D&E Single Family	4.49	04/14/05	04/20/35	59,084.33	56,314.31			(218.52)		58,865.81	56,505.61	409.82	0.00
GNMA	1996 D&E Single Family	5.40	04/21/05	04/20/35	11,667.17	11,637.75			(37.12)		11,630.05	11,657.44	56.81	0.00
GNMA	1996 D&E Single Family	4.49	04/21/05	04/20/35	83,573.11	79,427.74			(311.21)		83,261.90	79,706.35	589.82	0.00

GNMA	1996 D&E Single Family	4.49	04/28/05	04/20/35	74,448.36	70,756.03			(277.34)			74,171.02	71,004.17	525.48	0.00
GNMA	1996 D&E Single Family	5.40	04/28/05	04/20/35	6,700.87	6,696.53			(21.16)			6,679.71	6,708.02	32.65	0.00
GNMA	1996 D&E Single Family	4.49	05/05/05	05/20/35	138,083.02	131,235.44			(7,714.22)			130,368.80	124,803.24	1,282.02	0.00
GNMA	1996 D&E Single Family	5.40	05/05/05	04/20/35	11,759.21	11,729.70			(37.69)			11,721.52	11,749.27	57.26	0.00
GNMA	1996 D&E Single Family	5.40	07/07/05	07/20/35	6,012.10	6,008.57			(37.84)			5,974.26	5,999.96	29.23	0.00
GNMA	1996 D&E Single Family	5.40	05/26/05	05/20/35	8,137.55	8,132.49			(25.37)			8,112.18	8,146.77	39.65	0.00
Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain	
GNMA	1996 D&E Single Family	4.49	05/26/05	05/20/35	35,986.54	34,202.62			(136.17)		35,850.37	34,320.52	254.07	0.00	
GNMA	1996 D&E Single Family	5.40	06/09/05	05/20/35	8,600.29	8,595.04			(26.81)		8,573.48	8,610.15	41.92	0.00	
GNMA	1996 D&E Single Family	5.40	08/11/05	07/20/35	3,246.75	3,244.95			(9.91)		3,236.84	3,250.86	15.82	0.00	
FNMA	1996 D&E Single Family	4.49	12/23/04	12/01/34	16,511.68	15,519.58			(135.29)		16,376.39	15,515.86	131.57	0.00	
FNMA	1996 D&E Single Family	4.49	01/19/05	01/01/35	21,941.63	20,623.51			(90.19)		21,851.44	20,703.46	170.14	0.00	
FNMA	1996 D&E Single Family	4.49	01/27/05	01/01/35	22,391.85	21,006.48			(94.81)		22,297.04	21,080.43	168.76	0.00	
FNMA	1996 D&E Single Family	4.49	03/14/05	12/01/34	17,717.73	16,653.74			(81.81)		17,635.92	16,709.76	137.83	0.00	
FNMA	1996 D&E Single Family	5.40	03/24/05	02/01/35	12,203.02	12,041.33			(50.70)		12,152.32	12,049.67	59.04	0.00	
FNMA	1996 D&E Single Family	4.49	04/07/05	02/01/35	15,364.03	14,413.90			(57.87)		15,306.16	14,471.44	115.41	0.00	
FNMA	1996 D&E Single Family	5.40	07/14/05	04/01/35	5,708.35	5,628.82			(17.99)		5,690.36	5,637.51	26.68	0.00	
1996 D&E Single Family Total					33,052,509.57	33,916,640.14	4,992,557.27	(2,403,676.03)	(1,600,046.08)	0.00	34,041,344.73	34,785,415.12	(120,060.18)	0.00	
Repo Agmt	1997 A-C Single Family	4.55	02/28/06	03/01/06	27.42	27.42	0.00				27.42	27.42	-	0.00	
Repo Agmt	1997 A-C Single Family	4.55	02/28/06	03/01/06	100,659.80	100,659.80	4,087,004.90				4,187,664.70	4,187,664.70	-	0.00	
GICs	1997 A-C Single Family	6.14	09/17/97	08/31/29	2,855,576.28	2,855,576.28		(2,588,806.17)			266,770.11	266,770.11	-	0.00	
FNMA	1997 A-C Single Family	6.25	02/20/98	01/01/28	308,562.42	315,347.77			(6,578.34)		301,984.08	308,226.15	(543.28)	0.00	
FNMA	1997 A-C Single Family	6.25	03/27/98	03/01/28	330,190.77	337,372.45			(2,185.56)		328,005.21	334,689.99	(496.90)	0.00	
FNMA	1997 A-C Single Family	6.25	06/29/98	05/01/28	224,706.06	229,593.43			(1,765.02)		222,941.04	227,484.59	(343.82)	0.00	
GNMA	1997 A-C Single Family	6.25	02/20/98	01/20/28	2,017,478.57	2,073,826.73			(154,583.03)		1,862,895.54	1,911,032.74	(8,210.96)	0.00	
GNMA	1997 A-C Single Family	6.25	11/30/98	09/01/28	353,237.52	360,920.46			(1,737.35)		351,500.17	358,663.77	(519.34)	0.00	
GNMA	1997 A-C Single Family	6.25	03/27/98	03/20/28	3,510,118.46	3,608,156.10			(123,298.38)		3,386,820.08	3,474,335.55	(10,522.17)	0.00	
GNMA	1997 A-C Single Family	6.25	05/19/98	05/20/28	2,509,101.22	2,579,180.40			(85,161.57)		2,423,939.65	2,486,574.22	(7,444.61)	0.00	
GNMA	1997 A-C Single Family	5.45	07/28/00	06/20/30	1,325,769.64	1,316,979.77			(8,811.54)		1,316,958.10	1,314,864.12	6,695.89	0.00	
GNMA	1997 A-C Single Family	6.25	08/14/98	07/20/28	1,456,996.46	1,497,690.37			(8,944.03)		1,448,052.43	1,485,470.10	(3,276.24)	0.00	
GNMA	1997 A-C Single Family	6.25	06/29/98	06/20/28	671,493.92	690,248.77			(83,554.35)		587,939.57	603,131.96	(3,562.46)	0.00	
GNMA	1997 A-C Single Family	6.25	09/18/98	09/20/28	917,587.77	943,215.98			(4,833.05)		912,754.72	936,340.28	(2,042.65)	0.00	
FNMA	1997 A-C Single Family	6.25	03/31/99	11/01/28	145,002.07	148,155.81			(2,686.49)		142,315.58	145,215.91	(253.41)	0.00	
GNMA	1997 A-C Single Family	6.25	11/30/98	11/20/28	868,720.14	892,983.51			(5,026.89)		863,693.25	886,011.10	(1,945.52)	0.00	
GNMA	1997 A-C Single Family	6.25	11/30/98	10/20/28	624,528.36	641,971.42			(84,663.15)		539,865.21	553,815.30	(3,492.97)	0.00	
GNMA	1997 A-C Single Family	6.25	11/30/98	10/20/28	208,360.46	214,180.01			(42,216.68)		166,143.78	170,436.97	(1,526.36)	0.00	
FNMA	1997 A-C Single Family	6.25	05/27/99	11/01/28	156,145.08	159,578.70			(2,676.72)		153,468.36	156,640.53	(261.45)	0.00	
GNMA	1997 A-C Single Family	6.25	02/16/99	02/20/29	1,368,151.59	1,405,556.86			(97,117.79)		1,271,033.80	1,302,542.73	(5,896.34)	0.00	
GNMA	1997 A-C Single Family	6.25	03/31/99	02/20/29	70,611.15	72,541.68			(398.05)		70,213.10	71,953.71	(189.92)	0.00	
GNMA	1997 A-C Single Family	6.25	05/27/99	05/20/29	362,722.39	372,639.21			(1,793.96)		360,928.43	369,875.84	(969.41)	0.00	
GNMA	1997 A-C Single Family	5.45	07/30/99	07/20/29	1,018,615.41	1,011,770.31			(61,870.34)		956,745.07	954,955.96	5,055.99	0.00	
GNMA	1997 A-C Single Family	5.45	08/26/99	08/20/29	845,278.34	839,598.05			(4,843.28)		840,435.06	838,863.43	4,108.66	0.00	
FNMA	1997 A-C Single Family	5.45	09/20/99	08/01/29	108,720.43	107,228.31			(530.27)		108,190.16	107,319.85	621.81	0.00	
GNMA	1997 A-C Single Family	5.45	09/20/99	09/20/29	460,963.21	457,865.57			(2,426.43)		458,536.78	457,679.34	2,240.20	0.00	
FNMA	1997 A-C Single Family	5.45	12/20/99	12/01/29	454,813.76	448,569.19			(3,054.00)		451,759.76	448,123.12	2,607.93	0.00	
FNMA	1997 A-C Single Family	5.45	01/19/00	12/01/29	315,142.92	310,815.99			(3,296.47)		311,846.45	309,336.07	1,816.55	0.00	
GNMA	1997 A-C Single Family	5.45	10/28/99	10/20/29	1,629,651.61	1,618,700.30			(47,497.40)		1,582,154.21	1,579,195.53	7,992.63	0.00	
GNMA	1997 A-C Single Family	5.45	11/18/99	11/20/29	192,251.34	190,959.41			(1,368.12)		190,883.22	190,526.27	934.98	0.00	
GNMA	1997 A-C Single Family	5.45	12/30/99	12/20/29	3,068,966.50	3,048,343.02			(16,597.56)		3,052,368.94	3,046,660.98	14,915.52	0.00	
GNMA	1997 A-C Single Family	5.45	01/28/00	01/20/30	843,995.82	838,400.14			(4,094.18)		839,901.64	838,566.21	4,260.25	0.00	
GNMA	1997 A-C Single Family	5.45	02/22/00	01/20/30	327,543.75	325,372.11			(1,772.56)		325,771.19	325,253.18	1,653.63	0.00	
GNMA	1997 A-C Single Family	5.45	03/27/00	02/20/30	574,802.57	570,991.66			(4,456.22)		570,346.35	569,439.53	2,904.09	0.00	
FNMA	1997 A-C Single Family	5.45	04/27/00	03/01/30	315,548.28	311,222.10			(2,188.07)		313,360.21	310,731.10	1,697.07	0.00	
GNMA	1997 A-C Single Family	5.45	04/27/00	04/20/30	643,802.81	639,534.40			(54,756.77)		589,046.04	588,109.46	3,331.83	0.00	
GNMA	1997 A-C Single Family	5.45	05/30/00	04/20/30	147,495.81	146,517.94			(709.12)		146,786.69	146,553.33	744.51	0.00	
GNMA	1997 A-C Single Family	5.45	06/21/00	05/20/30	750,453.62	745,478.06			(3,731.27)		746,722.35	745,535.01	3,788.22	0.00	
GNMA	1997 A-C Single Family	5.45	09/18/00	09/20/30	1,262,274.43	1,253,905.55			(6,349.40)		1,255,925.03	1,253,928.10	6,371.95	0.00	
FNMA	1997 A-C Single Family	5.45	07/24/00	06/01/30	300,937.90	296,812.02			(2,921.87)		298,016.03	295,515.66	1,625.51	0.00	
1997 A-C Single Family Total					33,647,006.06	33,978,487.06	4,087,004.90	(2,588,806.17)	(940,495.28)	0.00	34,204,709.51	34,558,059.92	21,869.41	0.00	

Repo Agmt	1997 D-F Single Family	4.55	02/28/06	03/01/06	16,776.17	16,776.17	180.32				16,956.49	16,956.49	-	0.00
Repo Agmt	1997 D-F Single Family	4.55	02/28/06	03/01/06	25,219.43	25,219.43	3,410,550.51				3,435,769.94	3,435,769.94	-	0.00
GICs	1997 D-F Single Family	5.91	12/04/97	03/01/30	2,330,396.61	2,330,396.61		(1,680,437.65)			649,958.96	649,958.96	-	0.00
FNMA	1997 D-F Single Family	6.25	06/29/98	06/01/28	409,271.23	418,173.57			(4,535.15)		404,736.08	412,985.29	(653.13)	0.00
FNMA	1997 D-F Single Family	6.25	11/30/98	10/01/28	234,589.33	239,691.63			(1,241.11)		233,348.22	238,103.82	(346.70)	0.00
GNMA	1997 D-F Single Family	6.25	05/19/98	05/20/28	934,494.33	960,594.80			(185,145.17)		749,349.16	768,712.39	(6,737.24)	0.00
Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in Value	Recognized Gain
GNMA	1997 D-F Single Family	5.45	07/24/00	06/20/30	1,587,119.83	1,576,597.22			(79,324.01)		1,507,795.82	1,505,398.42	8,125.21	0.00
GNMA	1997 D-F Single Family	6.25	08/14/98	07/20/28	329,028.18	338,217.93			(2,310.66)		326,717.52	335,159.90	(747.37)	0.00
GNMA	1997 D-F Single Family	5.45	08/28/00	08/20/30	290,561.92	288,635.49			(1,369.42)		289,192.50	288,732.67	1,466.60	0.00
GNMA	1997 D-F Single Family	6.25	06/30/98	06/20/28	665,914.59	684,513.60			(5,100.65)		660,813.94	677,889.39	(1,523.56)	0.00
GNMA	1997 D-F Single Family	6.25	09/18/98	08/20/28	1,395,934.50	1,434,923.01			(145,189.78)		1,250,744.72	1,283,064.02	(6,669.21)	0.00
FNMA	1997 D-F Single Family	6.25	03/31/99	11/01/28	160,583.48	164,076.17			(756.80)		159,826.68	163,083.95	(235.42)	0.00
GNMA	1997 D-F Single Family	6.25	11/30/98	11/20/28	963,622.11	990,536.03			(5,854.69)		957,767.42	982,516.08	(2,165.26)	0.00
GNMA	1997 D-F Single Family	6.25	11/30/98	10/20/28	583,699.67	600,002.40			(44,140.76)		539,558.91	553,501.11	(2,360.53)	0.00
GNMA	1997 D-F Single Family	6.25	11/30/98	10/20/28	130,586.18	134,233.44			(789.70)		129,796.48	133,150.41	(293.33)	0.00
FNMA	1997 D-F Single Family	6.25	05/27/99	04/01/29	218,938.16	223,625.63			(1,260.03)		217,678.13	222,025.16	(340.44)	0.00
GNMA	1997 D-F Single Family	6.25	02/16/99	02/20/29	1,888,262.81	1,939,887.94			(93,050.12)		1,795,212.69	1,839,716.04	(7,121.78)	0.00
GNMA	1997 D-F Single Family	6.25	03/31/99	03/20/29	836,089.07	858,947.78			(4,492.74)		831,596.33	852,211.64	(2,243.40)	0.00
GNMA	1997 D-F Single Family	6.25	05/27/99	04/20/29	650,683.89	668,473.59			(69,703.07)		580,980.82	595,383.34	(3,387.18)	0.00
GNMA	1997 D-F Single Family	5.45	06/22/99	06/20/29	966,118.98	959,626.64			(61,948.51)		904,170.47	902,479.66	4,801.53	0.00
GNMA	1997 D-F Single Family	5.45	07/30/99	07/20/29	1,195,951.47	1,187,914.62			(6,659.65)		1,189,291.82	1,187,067.79	5,812.82	0.00
GNMA	1997 D-F Single Family	5.45	08/26/99	08/20/29	698,663.74	693,968.70			(4,530.83)		694,132.91	692,834.87	3,397.00	0.00
GNMA	1997 D-F Single Family	5.45	09/30/99	09/20/29	586,648.96	582,706.68			(3,315.08)		583,333.88	582,243.05	2,851.45	0.00
FNMA	1997 D-F Single Family	5.45	12/21/99	11/01/29	470,300.92	463,843.69			(6,010.65)		464,290.27	460,552.72	2,719.68	0.00
GNMA	1997 D-F Single Family	5.45	10/29/99	10/20/29	1,315,016.40	1,306,179.51			(7,526.06)		1,307,490.34	1,305,045.35	6,391.90	0.00
GNMA	1997 D-F Single Family	5.45	11/18/99	11/20/29	1,541,009.63	1,530,654.07			(77,097.65)		1,463,911.98	1,461,174.49	7,618.07	0.00
GNMA	1997 D-F Single Family	5.45	12/30/99	12/20/29	1,791,852.34	1,779,811.13			(10,877.57)		1,780,974.77	1,777,644.39	8,710.83	0.00
GNMA	1997 D-F Single Family	5.45	01/28/00	01/20/30	1,790,190.90	1,778,321.95			(47,887.30)		1,742,303.60	1,739,533.35	9,098.70	0.00
GNMA	1997 D-F Single Family	5.45	02/22/00	01/20/30	852,964.34	847,309.19			(6,018.79)		846,945.55	845,598.91	4,308.51	0.00
GNMA	1997 D-F Single Family	5.45	03/27/00	02/20/30	537,088.19	533,527.28			(3,437.71)		533,650.48	532,801.97	2,712.40	0.00
FNMA	1997 D-F Single Family	5.45	02/23/00	01/01/30	190,169.35	187,558.32			(918.73)		189,250.62	187,727.14	1,087.55	0.00
GNMA	1997 D-F Single Family	5.45	04/27/00	03/20/30	645,553.49	641,273.47			(3,340.78)		642,212.71	641,191.59	3,258.90	0.00
GNMA	1997 D-F Single Family	5.45	05/30/00	05/20/30	645,124.34	640,847.17			(5,878.30)		639,246.04	638,229.65	3,260.78	0.00
GNMA	1997 D-F Single Family	5.45	06/21/00	06/20/30	1,261,745.67	1,253,380.30			(67,098.46)		1,194,647.21	1,192,747.72	6,465.88	0.00
FNMA	1997 D-F Single Family	5.45	05/30/00	05/01/30	285,904.23	281,984.46			(1,410.38)		284,493.85	282,106.92	1,532.84	0.00
GNMA	1997 D-F Single Family	5.45	10/23/00	09/20/30	202,737.67	201,393.54			(93,346.46)		109,391.21	109,217.30	1,170.22	0.00
GNMA	1997 D-F Single Family	5.45	10/30/00	10/20/30	340,241.83	337,986.03			(2,225.73)		338,016.10	337,478.66	1,718.36	0.00
FNMA	1997 D-F Single Family	5.45	07/24/00	06/01/30	578,431.43	570,501.11			(3,967.71)		574,463.72	569,643.93	3,110.53	0.00
GNMA	1997 D-F Single Family	5.45	12/21/00	05/20/30	117,737.99	116,957.36			(712.40)		117,025.59	116,839.50	594.54	0.00
FNMA	1997 D-F Single Family	5.45	10/06/00	09/01/30	326,509.76	322,033.29			(1,578.71)		324,931.05	322,204.85	1,750.27	0.00
FNMA	1997 D-F Single Family	5.45	10/30/00	08/01/30	356,592.48	351,703.61			(2,470.54)		354,121.94	351,150.87	1,917.80	0.00
FNMA	1997 D-F Single Family	5.45	02/12/01	02/01/30	122,025.34	120,349.92			(598.25)		121,427.09	120,449.59	697.92	0.00
Repo Agmt	1997 D-F Single Family	4.55	02/28/06	03/01/06	134,665.35	134,665.35	14,437.35				149,102.70	149,102.70	-	0.00
GNMA	1997 D-F Single Family	4.49	05/12/05	05/20/35	83,273.63	79,164.89			(324.12)		82,949.51	79,438.67	597.90	0.00
GNMA	1997 D-F Single Family	4.49	07/14/05	07/20/35	47,637.72	45,286.06			(179.25)		47,458.47	45,448.53	341.72	0.00
GNMA	1997 D-F Single Family	4.49	05/26/05	05/20/35	71,281.36	67,959.44			(283.56)		70,997.80	68,179.34	503.46	0.00
GNMA	1997 D-F Single Family	4.49	06/02/05	06/20/35	65,328.93	62,283.67			(277.55)		65,051.38	62,468.41	462.29	0.00
GNMA	1997 D-F Single Family	4.49	06/09/05	06/20/35	78,879.88	74,986.86			(331.13)		78,548.75	75,223.33	567.60	0.00
GNMA	1997 D-F Single Family	4.49	06/15/05	06/20/35	70,882.28	67,577.30			(283.57)		70,598.71	67,794.45	500.72	0.00
GNMA	1997 D-F Single Family	4.49	06/23/05	06/20/35	149,047.70	141,692.33			(611.10)		148,436.60	142,152.99	1,071.76	0.00
GNMA	1997 D-F Single Family	4.49	06/29/05	06/20/35	73,008.40	69,405.22			(280.25)		72,728.15	69,648.97	524.00	0.00
GNMA	1997 D-F Single Family	4.49	09/08/05	09/20/35	12,844.24	12,245.06			(67.07)		12,777.17	12,269.49	91.50	0.00
GNMA	1997 D-F Single Family	4.49	07/21/05	07/20/35	40,576.72	38,684.32			(9,644.50)		30,932.22	29,792.79	752.97	0.00
GNMA	1997 D-F Single Family	4.49	07/28/05	07/20/35	23,981.03	22,797.26			(98.08)		23,882.95	22,871.62	172.44	0.00
GNMA	1997 D-F Single Family	4.49	08/04/05	08/20/35	14,042.78	13,387.67			(52.44)		13,990.34	13,434.25	99.02	0.00
GNMA	1997 D-F Single Family	5.40	10/20/05	09/20/35	2,205.69	2,204.86			(9.56)		2,196.13	2,206.31	11.01	0.00
FNMA	1997 D-F Single Family	4.49	07/28/05	07/01/35	30,820.23	28,918.12			(117.56)		30,702.67	29,033.86	233.30	0.00
FNMA	1997 D-F Single Family	4.49	10/20/05	09/01/35	6,567.66	6,162.18			(24.19)		6,543.47	6,187.66	49.67	0.00

Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
1997 D-F Single Family Total					31,375,394.54	31,450,775.07	3,425,168.18	(1,680,437.65)	(1,075,704.04)	0.00	32,044,421.03	32,185,536.66	65,735.10	0.00
Repo Agmt	2002A Single Family (JR Lien)	4.55	02/28/06	03/01/06	78,411.71	78,411.71	113,206.15				191,617.86	191,617.86	-	0.00
Repo Agmt	2002A Single Family (JR Lien)	4.55	02/28/06	03/01/06	9,059.20	9,059.20	0.00				9,059.20	9,059.20	-	0.00
Repo Agmt	2002A Single Family (JR Lien)	4.55	02/28/06	03/01/06	749,121.97	749,121.97		(60,908.16)			688,213.81	688,213.81	-	0.00
T-Bond	2002A Single Family (JR Lien)	13.88	03/27/02	05/15/11	300,000.00	312,797.95	0.00				300,000.00	305,564.95	(7,233.00)	0.00
Repo Agmt	2002A Single Family (JR Lien)	4.55	02/28/06	03/01/06	62,651.23	62,651.23	9,324.72				71,975.95	71,975.95	-	0.00
Repo Agmt	2002A Single Family (JR Lien)	4.55	02/28/06	03/01/06	68,266.51	68,266.51	0.00				68,266.51	68,266.51	-	0.00
2002A Single Family (JR Lien) Total					1,267,510.62	1,280,308.57	122,530.87	(60,908.16)	0.00	0.00	1,329,133.33	1,334,698.28	(7,233.00)	0.00
Repo Agmt	2004 A/B Single Family	4.55	02/28/06	03/01/06	525,192.74	525,192.74	287,047.90				812,240.64	812,240.64	-	0.00
Repo Agmt	2004 A/B Single Family	4.55	02/28/06	03/01/06	29,476.87	29,476.87	4,393,390.49				4,422,867.36	4,422,867.36	-	0.00
GICs	2004 A/B Single Family	3.96	04/25/05	03/01/36	1,617,173.00	1,617,173.00		(1,322,943.00)			294,230.00	294,230.00	-	0.00
Repo Agmt	2004 A/B Single Family	4.55	02/28/06	03/01/06	67.07	67.07	0.90				67.97	67.97	-	0.00
GICs	2004 A/B Single Family	1.49	04/28/04	09/01/06	166,379.11	166,379.11	0.00				166,379.11	166,379.11	-	0.00
GNMA	2004 A/B Single Family	4.49	07/08/04	06/20/34	1,496,595.70	1,422,113.75		(7,607.41)			1,488,988.29	1,425,546.03	11,039.69	0.00
GNMA	2004 A/B Single Family	4.49	07/08/04	07/20/34	1,130,502.57	1,074,242.34		(5,906.66)			1,124,595.91	1,076,681.71	8,346.03	0.00
GNMA	2004 A/B Single Family	4.49	06/29/04	06/20/34	956,851.79	909,225.17		(3,864.17)			952,987.62	912,376.67	7,015.67	0.00
GNMA	2004 A/B Single Family	4.49	09/02/04	08/20/34	1,542,308.01	1,465,626.51		(6,034.94)			1,536,273.07	1,470,890.35	11,298.78	0.00
GNMA	2004 A/B Single Family	4.49	09/09/04	09/20/34	2,059,189.84	1,956,823.49		(10,124.69)			2,049,065.15	1,961,874.19	15,175.39	0.00
GNMA	2004 A/B Single Family	4.49	09/16/04	08/20/34	3,038,825.96	2,887,774.56		(14,514.23)			3,024,311.73	2,895,634.18	22,373.85	0.00
GNMA	2004 A/B Single Family	4.49	09/23/04	09/20/34	966,664.74	918,621.09		(4,120.98)			962,543.76	921,596.25	7,096.14	0.00
GNMA	2004 A/B Single Family	4.49	09/29/04	09/20/34	1,643,262.12	1,561,599.13		(6,862.62)			1,636,399.50	1,566,795.00	12,058.49	0.00
GNMA	2004 A/B Single Family	4.49	10/07/04	10/20/34	2,645,575.23	2,514,121.96		(11,107.73)			2,634,467.50	2,522,430.40	19,416.17	0.00
GNMA	2004 A/B Single Family	4.49	07/15/04	07/20/34	2,380,301.71	2,261,858.12		(10,046.20)			2,370,255.51	2,269,282.89	17,470.97	0.00
GNMA	2004 A/B Single Family	4.49	07/22/04	07/20/34	2,123,595.89	2,017,938.15		(10,588.59)			2,113,007.30	2,023,003.61	15,654.05	0.00
GNMA	2004 A/B Single Family	4.49	07/29/04	07/20/34	2,643,355.53	2,511,852.81		(12,642.52)			2,630,713.01	2,518,672.86	19,462.57	0.00
GNMA	2004 A/B Single Family	4.49	08/05/04	08/20/34	3,575,291.45	3,397,450.42		(108,900.60)			3,466,390.85	3,318,786.60	30,236.78	0.00
GNMA	2004 A/B Single Family	4.49	08/12/04	08/20/34	4,010,703.91	3,811,227.79		(16,629.41)			3,994,074.50	3,824,023.83	29,425.45	0.00
GNMA	2004 A/B Single Family	4.49	08/19/04	08/20/34	3,849,247.24	3,657,823.49		(18,206.69)			3,831,040.55	3,667,953.39	28,336.59	0.00
GNMA	2004 A/B Single Family	5.00	08/19/04	08/20/34	274,478.63	270,273.90		(976.44)			273,502.19	270,770.33	1,472.87	0.00
GNMA	2004 A/B Single Family	4.49	08/26/04	08/20/34	1,866,565.75	1,773,751.85		(7,224.66)			1,859,341.09	1,780,198.04	13,670.85	0.00
GNMA	2004 A/B Single Family	5.00	08/26/04	08/20/34	86,092.40	84,774.07		(302.38)			85,790.02	84,933.55	461.86	0.00
GNMA	2004 A/B Single Family	4.49	12/02/04	12/20/34	1,089,582.93	1,035,496.01		(6,007.69)			1,083,575.24	1,037,545.94	8,057.62	0.00
GNMA	2004 A/B Single Family	5.00	12/09/04	10/20/34	298,242.64	292,956.24		(1,221.45)			297,021.19	293,336.65	1,601.86	0.00
GNMA	2004 A/B Single Family	4.49	12/09/04	12/20/34	376,437.74	357,753.54		(1,503.06)			374,934.68	359,009.97	2,759.49	0.00
GNMA	2004 A/B Single Family	5.00	12/09/04	11/20/34	215,336.66	212,059.12		(758.79)			214,577.87	212,455.59	1,155.26	0.00
GNMA	2004 A/B Single Family	5.00	12/16/04	12/20/34	341,699.03	335,645.06		(1,180.65)			340,518.38	336,297.31	1,832.90	0.00
GNMA	2004 A/B Single Family	4.49	12/16/04	12/20/34	1,041,377.01	989,695.02		(4,451.35)			1,036,925.66	992,890.01	7,646.34	0.00
GNMA	2004 A/B Single Family	4.49	10/14/04	10/20/34	1,610,271.60	1,530,269.74		(6,265.22)			1,604,006.38	1,535,801.42	11,796.90	0.00
GNMA	2004 A/B Single Family	5.00	10/14/04	10/20/34	1,012,220.87	994,230.90		(3,767.28)			1,008,453.59	995,896.49	5,432.87	0.00
GNMA	2004 A/B Single Family	5.00	10/21/04	10/20/34	1,319,421.46	1,295,979.52		(90,439.86)			1,228,981.60	1,213,684.63	8,144.97	0.00
GNMA	2004 A/B Single Family	4.49	10/21/04	10/20/34	1,459,460.87	1,386,960.04		(5,649.02)			1,453,811.85	1,392,000.45	10,689.43	0.00
GNMA	2004 A/B Single Family	5.00	10/28/04	10/20/34	479,838.20	471,315.86		(130,239.04)			349,599.16	345,249.84	4,173.02	0.00
GNMA	2004 A/B Single Family	4.49	10/28/04	10/20/34	771,303.71	732,992.54		(3,014.77)			768,288.94	735,628.24	5,650.47	0.00
GNMA	2004 A/B Single Family	4.49	11/04/04	11/20/34	1,851,744.48	1,759,779.46		(8,295.74)			1,843,448.74	1,765,096.17	13,612.45	0.00
GNMA	2004 A/B Single Family	4.49	11/10/04	11/20/34	1,171,002.30	1,112,851.27		(7,415.55)			1,163,586.75	1,114,136.13	8,700.41	0.00
GNMA	2004 A/B Single Family	5.00	11/10/04	10/20/34	532,791.49	523,334.46		(1,917.18)			530,874.31	524,276.12	2,858.84	0.00
GNMA	2004 A/B Single Family	4.49	11/18/04	11/20/34	968,327.54	920,247.70		(3,761.71)			964,565.83	923,579.84	7,093.85	0.00
GNMA	2004 A/B Single Family	5.00	11/23/04	11/20/34	405,051.28	398,880.54		(1,400.02)			403,651.26	399,653.71	2,173.19	0.00
GNMA	2004 A/B Single Family	4.49	11/23/04	11/20/34	1,902,331.99	1,807,883.79		(8,136.00)			1,894,195.99	1,813,715.77	13,967.98	0.00
GNMA	2004 A/B Single Family	5.00	12/23/04	12/20/34	410,929.67	403,651.57		(1,484.77)			409,444.90	404,371.46	2,204.66	0.00
GNMA	2004 A/B Single Family	4.49	12/23/04	12/20/34	515,512.68	489,931.52		(2,026.89)			513,485.79	491,681.81	3,777.18	0.00
GNMA	2004 A/B Single Family	5.00	12/29/04	12/20/34	555,620.32	545,782.33		(1,919.43)			553,700.89	546,843.27	2,980.37	0.00
GNMA	2004 A/B Single Family	4.49	12/29/04	12/20/34	380,905.22	363,028.37		(1,435.03)			379,470.19	364,335.89	2,742.55	0.00
GNMA	2004 A/B Single Family	4.49	01/06/05	01/20/35	744,084.29	707,110.00		(3,168.20)			740,916.09	709,210.58	5,268.78	0.00
GNMA	2004 A/B Single Family	4.49	01/13/05	01/20/35	890,188.77	845,959.49		(3,363.19)			886,825.58	848,881.36	6,285.06	0.00
GNMA	2004 A/B Single Family	4.49	01/19/05	01/20/35	640,134.30	608,332.12		(2,819.89)			637,314.41	610,048.99	4,536.76	0.00
GNMA	2004 A/B Single Family	4.49	01/28/05	01/20/35	502,426.08	477,469.18		(1,906.73)			500,519.35	479,109.66	3,547.21	0.00

GNMA	2004 A/B Single Family	4.49	02/03/05	02/20/35	2,049,912.33	1,948,097.29					(7,768.63)	2,042,143.70	1,954,802.95	14,474.29	0.00
GNMA	2004 A/B Single Family	4.49	02/10/05	02/20/35	1,439,157.66	1,371,610.20					(5,526.76)	1,433,630.90	1,376,073.79	9,990.35	0.00
GNMA	2004 A/B Single Family	5.00	02/10/05	02/20/35	1,964,008.06	1,927,960.31					(7,782.87)	1,956,225.19	1,931,184.64	11,007.20	0.00
GNMA	2004 A/B Single Family	4.49	02/17/05	02/20/35	565,179.09	537,114.83					(2,156.53)	563,022.56	538,949.64	3,991.34	0.00
GNMA	2004 A/B Single Family	5.00	02/17/05	01/20/35	598,115.52	587,140.58					(2,087.47)	596,028.05	588,401.60	3,348.49	0.00
GNMA	2004 A/B Single Family	4.49	02/24/05	02/20/35	376,471.14	357,779.44					(1,428.30)	375,042.84	359,009.46	2,658.32	0.00
GNMA	2004 A/B Single Family	5.00	03/03/05	02/20/35	422,436.29	414,690.35					(2,125.36)	420,310.93	414,938.30	2,373.31	0.00
GNMA	2004 A/B Single Family	4.49	03/03/05	03/20/35	378,053.46	360,315.91					(1,769.97)	376,283.49	361,183.11	2,637.17	0.00
GNMA	2004 A/B Single Family	5.00	03/10/05	03/20/35	280,113.39	275,680.16					(951.66)	279,161.73	276,296.75	1,568.25	0.00
Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain	
GNMA	2004 A/B Single Family	4.49	03/17/05	03/20/35	591,727.34	562,358.43					(2,394.10)	589,333.24	564,149.03	4,184.70	0.00
GNMA	2004 A/B Single Family	5.00	03/24/05	03/20/35	431,225.23	423,326.26					(1,467.63)	429,757.60	424,271.94	2,413.31	0.00
GNMA	2004 A/B Single Family	4.49	03/24/05	03/20/35	110,481.41	105,299.86					(996.19)	109,485.22	105,093.45	789.78	0.00
GNMA	2004 A/B Single Family	5.00	03/30/05	03/20/35	187,838.37	184,868.90					(970.82)	186,867.55	184,953.13	1,055.05	0.00
GNMA	2004 A/B Single Family	5.00	04/07/05	04/20/35	253,299.55	249,296.98					(853.88)	252,445.67	249,861.18	1,418.08	0.00
GNMA	2004 A/B Single Family	4.49	04/07/05	04/20/35	805,993.39	766,004.61					(3,535.63)	802,457.76	768,180.74	5,711.76	0.00
GNMA	2004 A/B Single Family	5.00	04/21/05	04/20/35	537,237.86	527,410.31					(1,993.17)	535,244.69	528,425.86	3,008.72	0.00
GNMA	2004 A/B Single Family	4.49	04/21/05	04/20/35	330,030.51	313,660.41					(1,678.41)	328,352.10	314,330.34	2,348.34	0.00
GNMA	2004 A/B Single Family	5.00	04/28/05	04/20/35	394,390.00	388,165.40					(1,400.21)	392,989.79	388,973.88	2,208.69	0.00
GNMA	2004 A/B Single Family	5.00	05/05/05	05/20/35	199,581.72	196,432.95					(682.41)	198,899.31	196,867.99	1,117.45	0.00
GNMA	2004 A/B Single Family	4.49	05/05/05	04/20/35	1,078,855.83	1,025,355.07					(4,034.22)	1,074,821.61	1,028,936.52	7,615.67	0.00
GNMA	2004 A/B Single Family	5.00	05/12/05	04/20/35	223,694.31	220,166.44					(759.36)	222,934.95	220,659.49	1,252.41	0.00
GNMA	2004 A/B Single Family	4.49	05/12/05	04/20/35	660,672.86	629,714.77					(2,454.54)	658,218.32	631,843.34	4,583.11	0.00
GNMA	2004 A/B Single Family	5.00	06/03/05	05/20/35	131,186.73	129,120.41					(490.03)	130,696.70	129,365.18	734.80	0.00
GNMA	2004 A/B Single Family	5.00	07/07/05	06/20/35	337,799.10	332,488.49					(1,125.70)	336,673.40	333,253.85	1,891.06	0.00
GNMA	2004 A/B Single Family	4.49	07/07/05	06/20/35	343,668.93	327,581.68					(1,267.92)	342,401.01	328,697.51	2,383.75	0.00
GNMA	2004 A/B Single Family	5.00	05/26/05	05/20/35	130,652.64	128,593.82					(435.30)	130,217.34	128,889.80	731.28	0.00
GNMA	2004 A/B Single Family	4.49	05/26/05	05/20/35	287,109.51	273,659.61					(1,154.31)	285,955.20	274,500.23	1,994.93	0.00
GNMA	2004 A/B Single Family	5.00	06/02/05	05/20/35	266,495.48	262,297.64					(891.83)	265,603.65	262,897.72	1,491.91	0.00
GNMA	2004 A/B Single Family	4.49	06/02/05	05/20/35	238,295.01	227,133.24					(873.34)	237,421.67	227,912.50	1,652.60	0.00
GNMA	2004 A/B Single Family	4.49	06/10/05	04/20/35	227,330.25	216,063.65					(845.50)	226,484.75	216,822.71	1,604.56	0.00
GNMA	2004 A/B Single Family	5.00	06/15/05	06/20/35	308,986.93	304,123.45					(1,233.99)	307,752.94	304,621.29	1,731.83	0.00
GNMA	2004 A/B Single Family	4.49	06/23/05	06/20/35	271,142.30	258,446.91					(987.94)	270,154.36	259,338.89	1,879.92	0.00
GNMA	2004 A/B Single Family	4.49	09/08/05	09/20/35	159,417.11	151,963.35					(571.51)	158,845.60	152,496.94	1,105.10	0.00
GNMA	2004 A/B Single Family	5.00	09/15/05	09/20/35	739,798.78	726,361.18					(2,939.81)	736,858.97	727,567.86	4,146.49	0.00
GNMA	2004 A/B Single Family	5.00	09/22/05	09/20/35	199,373.66	196,252.94					(648.93)	198,724.73	196,719.82	1,115.81	0.00
GNMA	2004 A/B Single Family	4.49	07/21/05	07/20/35	357,426.08	340,699.33					(1,311.82)	356,114.26	341,866.07	2,478.56	0.00
GNMA	2004 A/B Single Family	5.00	07/21/05	07/20/35	110,111.09	108,381.43					(665.23)	109,445.86	108,335.54	619.34	0.00
GNMA	2004 A/B Single Family	4.49	07/28/05	07/20/35	3,843,786.50	3,653,448.71					(15,346.24)	3,828,440.26	3,665,278.32	27,175.85	0.00
GNMA	2004 A/B Single Family	5.00	08/04/05	08/20/35	198,456.61	195,341.56					(658.68)	197,797.93	195,793.86	1,110.98	0.00
GNMA	2004 A/B Single Family	4.49	08/11/05	07/20/35	289,142.43	275,616.21					(1,056.86)	288,085.57	276,564.53	2,005.18	0.00
GNMA	2004 A/B Single Family	5.00	08/11/05	08/20/35	985,470.33	967,540.10					(3,272.21)	982,198.12	969,783.16	5,515.27	0.00
GNMA	2004 A/B Single Family	4.49	08/30/05	08/20/35	450,612.61	428,313.99					(1,828.83)	448,783.78	429,669.92	3,184.76	0.00
GNMA	2004 A/B Single Family	5.00	08/30/05	08/20/35	206,919.42	203,676.27					(695.08)	206,224.34	204,139.64	1,158.45	0.00
GNMA	2004 A/B Single Family	5.00	08/30/05	08/20/35	217,700.08	214,287.96					(1,689.33)	216,010.75	213,827.12	1,228.49	0.00
GNMA	2004 A/B Single Family	5.00	10/27/05	10/20/35	662,320.11	651,973.46					(2,383.79)	659,936.32	653,299.38	3,709.71	0.00
GNMA	2004 A/B Single Family	4.49	10/27/05	09/20/35	219,992.42	209,715.68					(860.24)	219,132.18	210,383.15	1,527.71	0.00
GNMA	2004 A/B Single Family	5.00	09/29/05	09/20/35	152,776.87	150,386.42					(505.03)	152,271.84	150,736.65	855.26	0.00
GNMA	2004 A/B Single Family	5.00	09/29/05	09/20/35	172,914.73	170,209.20					(567.74)	172,346.99	170,609.40	967.94	0.00
GNMA	2004 A/B Single Family	4.49	09/29/05	09/20/35	210,202.80	200,378.32					(782.49)	209,420.31	201,054.16	1,458.33	0.00
GNMA	2004 A/B Single Family	5.00	12/08/05	12/20/35			633,060.34				633,060.34	625,125.38	(7,934.96)	0.00	
GNMA	2004 A/B Single Family	5.00	12/15/05	12/20/35			1,623,189.31				1,623,189.31	1,602,853.49	(20,335.82)	0.00	
GNMA	2004 A/B Single Family	5.00	11/03/05	11/20/35	556,764.08	553,519.54					3,705.64	560,469.72	554,836.47	(2,388.71)	0.00
GNMA	2004 A/B Single Family	5.00	11/10/05	11/20/35	239,778.81	238,382.96					1,602.24	241,381.05	238,956.39	(1,028.81)	0.00
GNMA	2004 A/B Single Family	4.49	11/17/05	10/20/35	247,461.62	238,251.77					1,570.42	249,032.04	239,093.82	(728.37)	0.00
GNMA	2004 A/B Single Family	5.00	11/17/05	11/20/35	1,092,590.40	1,086,236.63					7,289.03	1,099,879.43	1,088,837.79	(4,687.87)	0.00
GNMA	2004 A/B Single Family	5.00	11/22/05	11/20/35	280,997.62	279,364.95					1,879.23	282,876.85	280,038.48	(1,205.70)	0.00
GNMA	2004 A/B Single Family	4.49	11/29/05	10/20/35	230,096.13	221,535.06					1,457.47	231,553.60	222,315.37	(677.16)	0.00
GNMA	2004 A/B Single Family	5.00	11/29/05	11/20/35	1,507,145.73	1,498,398.00					9,078.55	1,516,224.28	1,501,019.64	(6,456.91)	0.00
GNMA	2004 A/B Single Family	5.00	12/22/05	12/20/35			1,590,641.67				1,590,641.67	1,570,723.14	(19,918.53)	0.00	

GNMA	2004 A/B Single Family	5.00	12/29/05	12/20/35			1,709,287.08					1,709,287.08	1,687,894.76	(21,392.32)	0.00
GNMA	2004 A/B Single Family	4.49	12/29/05	11/20/35			217,911.88					217,911.88	208,653.70	(9,258.18)	0.00
GNMA	2004 A/B Single Family	5.00	01/05/06	01/20/36			1,422,617.06					1,422,617.06	1,408,398.05	(14,219.01)	0.00
GNMA	2004 A/B Single Family	5.00	01/12/06	01/20/36			345,875.15					345,875.15	335,670.16	(10,204.99)	0.00
GNMA	2004 A/B Single Family	5.00	01/12/06	01/20/36			865,589.36					865,589.36	856,943.01	(8,646.35)	0.00
GNMA	2004 A/B Single Family	4.49	01/12/06	12/20/35			95,697.37					95,697.37	91,882.98	(3,814.39)	0.00
GNMA	2004 A/B Single Family	5.00	01/19/06	01/20/36			1,744,965.06					1,744,965.06	1,727,545.12	(17,419.94)	0.00
GNMA	2004 A/B Single Family	5.00	01/26/06	01/20/36			1,589,154.86					1,589,154.86	1,569,289.62	(19,865.24)	0.00
GNMA	2004 A/B Single Family	5.00	01/26/06	01/20/36			214,966.20					214,966.20	208,620.97	(6,345.23)	0.00
GNMA	2004 A/B Single Family	5.00	02/09/06	01/20/36			3,654,397.06					3,654,397.06	3,563,912.54	(90,484.52)	0.00
Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/ Purchases	Amortizations/ Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain	
GNMA	2004 A/B Single Family	4.49	02/09/06	01/20/36			183,803.91				183,803.91	178,219.15	(5,584.76)	0.00	
GNMA	2004 A/B Single Family	5.00	02/09/06	02/20/36			1,646,994.01				1,646,994.01	1,646,797.49	(196.52)	0.00	
GNMA	2004 A/B Single Family	5.00	02/09/06	01/20/36			120,802.00				120,802.00	117,205.84	(3,596.16)	0.00	
GNMA	2004 A/B Single Family	5.00	02/16/06	02/20/36			3,922,755.84				3,922,755.84	3,912,309.96	(10,445.88)	0.00	
GNMA	2004 A/B Single Family	5.00	02/23/06	02/20/36			2,654,301.78				2,654,301.78	2,654,020.25	(281.53)	0.00	
GNMA	2004 A/B Single Family	5.00	02/23/06	02/20/36			1,828,853.70				1,828,853.70	1,828,659.73	(193.97)	0.00	
FNMA	2004 A/B Single Family	4.49	08/05/04	07/01/34	469,558.79	441,318.09			(2,656.24)		466,902.55	442,340.79	3,678.94	0.00	
FNMA	2004 A/B Single Family	4.49	08/12/04	08/01/34	365,996.31	343,985.56			(2,731.39)		363,264.92	344,156.47	2,902.30	0.00	
FNMA	2004 A/B Single Family	4.49	08/26/04	08/01/34	344,759.31	324,027.69			(1,671.17)		343,088.14	325,042.99	2,686.47	0.00	
FNMA	2004 A/B Single Family	4.49	09/02/04	08/01/34	247,224.33	232,358.55			(962.29)		246,262.04	233,310.05	1,913.79	0.00	
FNMA	2004 A/B Single Family	4.49	10/28/04	10/01/34	298,721.98	280,766.37			(1,155.36)		297,566.62	281,923.38	2,312.37	0.00	
FNMA	2004 A/B Single Family	5.00	10/28/04	10/01/34	255,516.06	247,532.21			(1,035.90)		254,480.16	248,873.46	2,377.15	0.00	
FNMA	2004 A/B Single Family	4.49	11/10/04	10/01/34	376,333.83	353,714.89			(1,672.40)		374,661.43	354,967.05	2,924.56	0.00	
FNMA	2004 A/B Single Family	5.00	11/23/04	11/01/34	279,286.82	270,563.22			(979.25)		278,307.57	272,178.91	2,594.94	0.00	
FNMA	2004 A/B Single Family	4.49	02/10/05	01/01/35	270,840.78	254,085.77			(1,113.84)		269,726.94	255,011.44	2,039.51	0.00	
FNMA	2004 A/B Single Family	5.00	02/10/05	02/01/35	460,097.15	445,741.55			(1,624.69)		458,472.46	448,392.13	4,275.27	0.00	
FNMA	2004 A/B Single Family	5.00	03/29/05	04/01/35	250,212.82	241,902.95			(1,745.68)		248,467.14	242,564.72	2,407.45	0.00	
FNMA	2004 A/B Single Family	4.49	04/21/05	04/01/35	353,662.22	331,793.62			(1,373.39)		352,288.83	333,079.37	2,659.14	0.00	
FNMA	2004 A/B Single Family	4.49	06/10/05	05/01/35	285,866.05	268,195.54			(1,177.20)		284,688.85	269,171.41	2,153.07	0.00	
FNMA	2004 A/B Single Family	5.00	06/29/05	06/01/35	297,926.25	288,043.34			(1,080.32)		296,845.93	289,805.90	2,842.88	0.00	
FNMA	2004 A/B Single Family	4.49	07/14/05	04/01/35	164,305.25	154,151.06			(612.28)		163,692.97	154,772.79	1,234.01	0.00	
FNMA	2004 A/B Single Family	5.00	07/14/05	07/01/35	75,756.03	73,243.54			(252.67)		75,503.36	73,713.23	722.36	0.00	
FNMA	2004 A/B Single Family	5.00	09/22/05	09/01/35	364,455.28	352,378.55			(1,207.04)		363,248.24	354,646.59	3,475.08	0.00	
FNMA	2004 A/B Single Family	4.49	10/06/05	09/01/35	403,174.43	378,272.00			(1,629.33)		401,545.10	379,677.66	3,034.99	0.00	
FNMA	2004 A/B Single Family	5.00	10/20/05	09/01/35	330,547.09	319,597.81			(1,089.92)		329,457.17	321,659.56	3,151.67	0.00	
FNMA	2004 A/B Single Family	5.00	11/17/05	10/01/35	323,517.08	314,304.50	18.57				323,535.65	315,882.00	1,558.93	0.00	
FNMA	2004 A/B Single Family	5.00	12/15/05	12/01/35			306,452.09				306,452.09	299,206.18	(7,245.91)	0.00	
FNMA	2004 A/B Single Family	4.49	12/29/05	12/01/35			417,792.55				417,792.55	395,054.59	(22,737.96)	0.00	
FNMA	2004 A/B Single Family	5.00	12/29/05	12/01/35			1,001,904.11				1,001,904.11	978,220.45	(23,683.66)	0.00	
FNMA	2004 A/B Single Family	5.00	01/12/06	01/01/36			364,374.08				364,374.08	355,763.28	(8,610.80)	0.00	
FNMA	2004 A/B Single Family	1.02	01/12/06	12/01/35			128,189.64				128,189.64	122,705.14	(5,484.50)	0.00	
FNMA	2004 A/B Single Family	5.00	01/26/06	01/01/36			492,547.38				492,547.38	480,910.52	(11,636.86)	0.00	
FNMA	2004 A/B Single Family	5.00	02/09/06	01/01/36			401,866.92				401,866.92	394,232.12	(7,634.80)	0.00	
FNMA	2004 A/B Single Family	5.00	02/16/06	02/01/36			546,216.95				546,216.95	535,841.37	(10,375.58)	0.00	
FNMA	2004 A/B Single Family	5.00	02/23/06	02/01/36			1,141,426.76				1,141,426.76	1,119,748.35	(21,678.41)	0.00	
Repo Agmt	2004 A/B Single Family	4.55	02/28/06	03/01/06	79,148,214.17	79,148,214.17					47,466,197.86	47,466,197.86	-	0.00	
	2004 A/B Single Family Total				175,232,310.64	171,291,367.14	35,572,674.56	(31,682,016.31)	(684,887.59)	0.00	177,115,138.30	173,402,657.65	228,462.85	0.00	
Repo Agmt	2004 CDEF Single Family	4.55	02/28/06	03/01/06	107,971.49	107,971.49	36,386.46				144,357.95	144,357.95	-	0.00	
Repo Agmt	2004 CDEF Single Family	4.55	02/28/06	03/01/06	513,299.02	513,299.02	121,723.63				635,022.65	635,022.65	-	0.00	
Repo Agmt	2004 CDEF Single Family	4.55	02/28/06	03/01/06	104,088.11	104,088.11	3,166,892.28				3,270,980.39	3,270,980.39	-	0.00	
Repo Agmt	2004 CDEF Single Family	4.55	02/28/06	03/01/06	35,226.04	35,226.04				(34,847.60)	378.44	-	0.00		
GICs	2004 CDEF Single Family	3.80	12/16/04	03/01/36	1,177,665.43	1,177,665.43			(564,852.29)		612,813.14	612,813.14	-	0.00	
GNMA	2004 CDEF Single Family	4.49	08/11/05	07/20/35	27,349.78	26,046.04			(97.69)		27,252.09	26,136.31	187.96	0.00	
GNMA	2004 CDEF Single Family	4.49	08/30/05	08/20/35	17,795.57	16,947.06			(62.09)		17,733.48	17,007.76	122.79	0.00	
GNMA	2004 CDEF Single Family	4.49	10/27/05	10/20/35	41,512.45	39,531.82			(191.33)		41,321.12	39,632.56	292.07	0.00	
GNMA	2004 CDEF Single Family	4.49	10/27/05	10/20/35	27,752.77	26,428.75			(118.86)		27,633.91	26,504.67	194.78	0.00	
GNMA	2004 CDEF Single Family	4.49	09/29/05	09/20/35	153,797.92	146,463.83			(558.67)		153,239.25	146,972.73	1,067.57	0.00	
GNMA	2004 CDEF Single Family	4.49	10/06/05	09/20/35	48,852.64	46,522.28			(188.33)		48,664.31	46,674.63	340.68	0.00	

GNMA	2004 CDEF Single Family	4.49	10/20/05	10/20/35	36,584.40	34,839.21				(150.79)		36,433.61	34,944.52	256.10	0.00
GNMA	2004 CDEF Single Family	4.49	12/08/05	12/20/35			25,287.20					25,287.20	24,254.93	(1,032.27)	0.00
GNMA	2004 CDEF Single Family	4.49	12/15/05	12/20/35			37,746.96					37,746.96	36,305.21	(1,441.75)	0.00
GNMA	2004 CDEF Single Family	4.49	11/03/05	11/20/35	8,662.39	8,368.61				(32.72)		8,629.67	8,396.62	60.73	0.00
GNMA	2004 CDEF Single Family	4.49	11/10/05	11/20/35	46,884.94	45,301.31	344.35					47,229.29	45,423.71	(221.95)	0.00
GNMA	2004 CDEF Single Family	4.49	11/17/05	11/20/35	30,842.15	29,715.37	203.95					31,046.10	29,778.08	(141.24)	0.00
GNMA	2004 CDEF Single Family	4.49	11/22/05	11/20/35	23,923.42	23,049.55	176.65					24,100.07	23,115.86	(110.34)	0.00
GNMA	2004 CDEF Single Family	4.49	11/29/05	11/20/35	26,822.11	25,916.67	196.07					27,018.18	25,985.77	(126.97)	0.00
GNMA	2004 CDEF Single Family	4.49	12/22/05	12/20/35			36,529.29					36,529.29	35,134.33	(1,394.96)	0.00
GNMA	2004 CDEF Single Family	4.49	12/29/05	12/20/35			60,816.01					60,816.01	58,334.69	(2,481.32)	0.00
GNMA	2004 CDEF Single Family	4.49	01/05/06	01/20/36			39,107.69					39,107.69	37,507.59	(1,600.10)	0.00

Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
GNMA	2004 CDEF Single Family	4.49	01/12/06	01/20/36			41,671.08				41,671.08	40,076.03	(1,595.05)	0.00
GNMA	2004 CDEF Single Family	4.49	01/19/06	01/20/36			21,972.10				21,972.10	21,073.43	(898.67)	0.00
GNMA	2004 CDEF Single Family	4.49	01/26/06	01/20/36			29,832.62				29,832.62	28,612.65	(1,219.97)	0.00
GNMA	2004 CDEF Single Family	4.49	02/02/06	02/20/36			61,707.95				61,707.95	59,881.59	(1,826.36)	0.00
GNMA	2004 CDEF Single Family	4.49	02/09/06	02/20/36			28,721.21				28,721.21	27,871.35	(849.86)	0.00
GNMA	2004 CDEF Single Family	4.49	02/16/06	02/20/36			37,111.68				37,111.68	36,013.82	(1,097.86)	0.00
GNMA	2004 CDEF Single Family	4.49	02/23/06	02/20/36			40,376.84				40,376.84	39,182.69	(1,194.15)	0.00
FNMA	2004 CDEF Single Family	4.49	10/20/05	10/01/35	5,795.54	5,439.11			(20.89)		5,774.65	5,461.57	43.35	0.00
FNMA	2004 CDEF Single Family	4.49	11/10/05	11/01/35	5,584.39	5,267.33	5.13				5,589.52	5,286.53	14.07	0.00
FNMA	2004 CDEF Single Family	4.49	12/15/05	12/01/35			6,705.33				6,705.33	6,341.95	(363.38)	0.00
FNMA	2004 CDEF Single Family	4.49	01/05/06	12/01/35			7,845.76				7,845.76	7,420.64	(425.12)	0.00
FNMA	2004 CDEF Single Family	4.49	02/09/06	02/01/36			4,919.10				4,919.10	4,675.29	(243.81)	0.00
FNMA	2004 CDEF Single Family	4.49	02/23/06	01/01/36			5,482.41				5,482.41	5,210.72	(271.69)	0.00
Inv Agmt	2004 CDEF Single Family	3.80	10/28/04	03/01/36	1,562,432.42	1,562,432.42	0.00				1,562,432.42	1,562,432.42	-	0.00
FNMA	2004 CDEF Single Family	6.10	06/30/94	06/01/24	170,016.47	175,720.88			(1,068.62)		168,947.85	173,541.62	(1,110.64)	0.00
FNMA	2004 CDEF Single Family	6.90	08/17/94	08/01/24	283,937.56	299,300.56			(2,421.56)		281,516.00	292,880.38	(3,998.62)	0.00
FNMA	2004 CDEF Single Family	6.97	08/17/94	07/01/24	430,805.92	454,867.59			(1,933.77)		428,872.15	447,056.03	(5,877.79)	0.00
FNMA	2004 CDEF Single Family	7.06	08/17/94	07/01/24	185,685.08	194,704.06			(889.35)		184,795.73	192,514.07	(1,300.64)	0.00
FNMA	2004 CDEF Single Family	6.90	05/26/95	01/01/25	71,268.36	75,331.31			(270.52)		70,997.84	74,139.67	(921.12)	0.00
FNMA	2004 CDEF Single Family	7.10	08/15/95	05/01/25	98,733.55	104,317.17			(1,712.87)		97,020.68	101,800.53	(803.77)	0.00
GNMA	2004 CDEF Single Family	6.10	06/30/94	06/20/24	2,126,772.97	2,195,635.81			(127,491.85)		1,999,281.12	2,049,299.63	(18,844.33)	0.00
GNMA	2004 CDEF Single Family	6.90	08/17/94	08/20/24	1,559,405.61	1,645,511.25			(289,182.70)		1,270,222.91	1,322,389.15	(33,939.40)	0.00
GNMA	2004 CDEF Single Family	6.97	08/17/94	08/20/24	1,063,765.66	1,124,425.01			(61,491.57)		1,002,274.09	1,045,623.11	(17,310.33)	0.00
GNMA	2004 CDEF Single Family	7.06	08/17/94	08/20/24	398,356.81	420,782.98			(4,352.42)		394,004.39	409,436.78	(6,993.78)	0.00
GNMA	2004 CDEF Single Family	6.10	01/27/95	10/20/24	349,653.98	361,339.69			(1,552.15)		348,101.83	357,082.37	(2,705.17)	0.00
GNMA	2004 CDEF Single Family	6.97	02/16/95	12/20/24	592,910.75	627,353.47			(59,239.46)		533,671.29	557,179.87	(10,934.14)	0.00
GNMA	2004 CDEF Single Family	6.90	03/30/95	02/20/25	132,885.08	140,174.33			(417.65)		132,467.43	138,006.16	(1,750.52)	0.00
GNMA	2004 CDEF Single Family	7.06	03/30/95	12/20/24	87,481.11	92,406.03			(927.21)		86,553.90	89,957.91	(1,520.91)	0.00
GNMA	2004 CDEF Single Family	6.97	06/01/95	05/20/25	38,016.45	40,210.66			(227.29)		37,789.16	39,480.65	(502.72)	0.00
GNMA	2004 CDEF Single Family	6.90	08/15/95	02/20/25	51,750.11	54,643.95			(541.11)		51,209.00	53,388.61	(714.23)	0.00
GNMA	2004 CDEF Single Family				41,568.79	43,886.15			(41,568.79)				(2,317.36)	0.00
GNMA	2004 CDEF Single Family	7.10	06/29/95	05/20/25	144,676.70	152,723.70			(381.22)		144,295.48	150,103.53	(2,238.95)	0.00
GNMA	2004 CDEF Single Family	7.06	08/15/95	06/20/25	34,404.90	36,286.24			(85.78)		34,319.12	35,663.41	(537.05)	0.00
GNMA	2004 CDEF Single Family	7.10	08/15/95	08/20/25	188,158.53	198,824.67			(63,412.82)		124,745.71	129,858.31	(5,553.54)	0.00
GNMA	2004 CDEF Single Family	4.49	02/24/05	02/20/35	2,647,486.09	2,521,124.54			(10,473.51)		2,637,012.58	2,528,594.71	17,943.68	0.00
GNMA	2004 CDEF Single Family	4.49	03/17/05	03/20/35	6,766,009.33	6,443,075.27			(24,490.20)		6,741,519.13	6,464,492.81	45,907.74	0.00
GNMA	2004 CDEF Single Family	4.49	03/24/05	03/20/35	2,448,641.66	2,331,770.72			(9,234.18)		2,439,407.48	2,339,182.52	16,645.98	0.00
GNMA	2004 CDEF Single Family	4.49	03/29/05	02/20/35	422,271.97	403,270.80			(1,458.84)		420,813.13	404,627.53	2,815.57	0.00
GNMA	2004 CDEF Single Family	4.49	04/07/05	04/20/35	2,645,366.98	2,519,106.58			(9,687.31)		2,635,679.67	2,527,429.06	18,009.79	0.00
GNMA	2004 CDEF Single Family	4.49	04/14/05	04/20/35	1,198,152.98	1,140,966.48			(4,807.05)		1,193,345.93	1,144,341.86	8,182.43	0.00
GNMA	2004 CDEF Single Family	4.49	04/21/05	04/20/35	1,101,270.06	1,051,715.68			(3,805.32)		1,097,464.74	1,055,279.95	7,369.59	0.00
GNMA	2004 CDEF Single Family	4.49	04/28/05	04/20/35	1,836,274.64	1,748,631.31			(6,665.07)		1,829,609.57	1,754,504.29	12,538.05	0.00
GNMA	2004 CDEF Single Family	4.49	05/05/05	05/20/35	1,264,077.05	1,203,744.07			(4,502.46)		1,259,574.59	1,207,878.95	8,637.34	0.00
GNMA	2004 CDEF Single Family	4.49	05/12/05	05/20/35	230,310.41	219,947.02			(796.46)		229,513.95	220,696.94	1,546.38	0.00
GNMA	2004 CDEF Single Family	4.49	05/19/05	05/20/35	315,169.74	300,987.89			(1,240.10)		313,929.64	301,871.85	2,124.06	0.00
GNMA	2004 CDEF Single Family	4.49	07/14/05	07/20/35	2,250,935.26	2,149,648.87			(8,235.82)		2,242,699.44	2,156,687.79	15,274.74	0.00
GNMA	2004 CDEF Single Family	4.49	05/26/05	05/20/35	1,086,396.12	1,034,543.65			(4,865.36)		1,081,530.76	1,037,164.45	7,486.16	0.00
GNMA	2004 CDEF Single Family	4.49	06/02/05	06/20/35	1,106,500.47	1,053,688.43			(4,241.85)		1,102,258.62	1,057,050.58	7,604.00	0.00

GNMA	2004 CDEF Single Family	4.49	09/08/05	09/20/35	433,706.91	414,191.19					(1,645.43)	432,061.48	415,515.93	2,970.17	0.00
GNMA	2004 CDEF Single Family	4.49	09/15/05	09/20/35	336,893.18	321,733.83					(1,494.56)	335,398.62	322,557.00	2,317.73	0.00
GNMA	2004 CDEF Single Family	4.49	09/22/05	09/20/35	420,060.64	400,011.61					(1,471.51)	418,589.13	401,468.61	2,928.51	0.00
GNMA	2004 CDEF Single Family	4.49	07/21/05	07/20/35	543,830.31	517,873.90					(1,930.18)	541,900.13	519,701.45	3,757.73	0.00
GNMA	2004 CDEF Single Family	4.49	07/28/05	07/20/35	1,156,322.74	1,104,291.15					(5,542.26)	1,150,780.48	1,106,661.61	7,912.72	0.00
GNMA	2004 CDEF Single Family	4.49	08/04/05	07/20/35	508,217.40	485,348.91					(2,172.28)	506,045.12	486,647.70	3,471.07	0.00
GNMA	2004 CDEF Single Family	4.49	08/04/05	08/20/35	3,825,504.65	3,642,917.58					(13,435.14)	3,812,069.51	3,655,965.27	26,482.83	0.00
GNMA	2004 CDEF Single Family	4.49	08/11/05	08/20/35	1,156,372.49	1,101,180.12					(4,271.56)	1,152,100.93	1,104,930.23	8,021.67	0.00
GNMA	2004 CDEF Single Family	4.49	08/11/05	08/20/35	328,275.72	312,607.49					(1,141.23)	327,134.49	313,740.56	2,274.30	0.00
GNMA	2004 CDEF Single Family	4.49	08/30/05	08/20/35	605,608.01	576,703.02					(2,276.24)	603,331.77	578,641.14	4,214.36	0.00
GNMA	2004 CDEF Single Family	4.49	10/27/05	10/20/35	1,099,260.45	1,046,793.99					(3,876.76)	1,095,383.69	1,050,621.24	7,704.01	0.00
GNMA	2004 CDEF Single Family	4.49	10/27/05	10/20/35	348,654.81	332,013.91					(1,230.94)	347,423.87	333,226.52	2,443.55	0.00
		Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain	
GNMA	2004 CDEF Single Family	4.49	09/29/05	09/20/35	406,010.91	387,741.44					(1,629.34)	404,381.57	388,904.26	2,792.16	0.00
GNMA	2004 CDEF Single Family	4.49	10/06/05	10/20/35	415,458.99	396,764.38					(1,622.58)	413,836.41	398,000.45	2,858.65	0.00
GNMA	2004 CDEF Single Family	4.49	10/20/05	10/20/35	1,119,580.46	1,069,202.17					(3,977.70)	1,115,602.76	1,072,929.13	7,704.66	0.00
GNMA	2004 CDEF Single Family	4.49	12/08/05	11/20/35			1,315,921.98				1,315,921.98	1,262,203.50	(53,718.48)	0.00	
GNMA	2004 CDEF Single Family	4.49	12/15/05	12/20/35			647,083.36				647,083.36	620,672.56	(26,410.80)	0.00	
GNMA	2004 CDEF Single Family	4.49	11/03/05	11/20/35	1,067,258.74	1,016,319.67					(5,081.91)	1,062,176.83	1,018,778.59	7,540.83	0.00
GNMA	2004 CDEF Single Family	4.49	11/10/05	10/20/35	1,212,672.03	1,154,792.55					(6,825.58)	1,205,846.45	1,156,586.35	8,619.38	0.00
GNMA	2004 CDEF Single Family	4.49	11/17/05	11/20/35	765,153.37	728,633.45					(3,569.43)	761,583.94	730,478.35	5,414.33	0.00
GNMA	2004 CDEF Single Family	4.49	11/22/05	11/20/35	1,121,772.54	1,068,231.59					(7,473.34)	1,114,299.20	1,068,792.97	8,034.72	0.00
GNMA	2004 CDEF Single Family	4.49	11/29/05	11/20/35	682,700.61	650,116.07					(2,559.57)	680,141.04	652,369.77	4,813.27	0.00
GNMA	2004 CDEF Single Family	4.49	12/22/05	12/20/35			929,407.37				929,407.37	891,480.64	(37,926.73)	0.00	
GNMA	2004 CDEF Single Family	4.49	12/29/05	12/20/35			932,375.00				932,375.00	894,333.55	(38,041.45)	0.00	
GNMA	2004 CDEF Single Family	4.49	01/05/06	01/20/36			590,572.37				590,572.37	566,408.99	(24,163.38)	0.00	
GNMA	2004 CDEF Single Family	4.49	01/12/06	01/20/36			540,237.27				540,237.27	518,137.55	(22,099.72)	0.00	
GNMA	2004 CDEF Single Family	4.49	01/19/06	01/20/36			566,819.79				566,819.79	543,636.50	(23,183.29)	0.00	
GNMA	2004 CDEF Single Family	4.49	01/26/06	01/20/36			729,544.52				729,544.52	699,710.64	(29,833.88)	0.00	
GNMA	2004 CDEF Single Family	4.49	02/02/06	01/20/36			1,145,681.40				1,145,681.40	1,111,772.75	(33,908.65)	0.00	
GNMA	2004 CDEF Single Family	4.49	02/09/06	02/20/36			1,238,880.90				1,238,880.90	1,202,222.44	(36,658.46)	0.00	
GNMA	2004 CDEF Single Family	4.49	02/16/06	02/20/36			429,132.44				429,132.44	416,437.41	(12,695.03)	0.00	
GNMA	2004 CDEF Single Family	4.49	02/23/06	02/20/36			397,154.48				397,154.48	386,465.52	(10,688.96)	0.00	
FNMA	2004 CDEF Single Family	4.49	04/07/05	02/01/35	191,060.02	179,308.38					(909.86)	190,150.16	179,824.37	1,425.85	0.00
FNMA	2004 CDEF Single Family	4.49	05/27/05	04/01/35	273,853.51	257,009.46					(1,343.16)	272,510.35	257,718.08	2,051.78	0.00
FNMA	2004 CDEF Single Family	4.49	07/14/05	11/01/33	88,591.94	83,424.22					(1,049.55)	87,542.39	83,137.52	762.85	0.00
FNMA	2004 CDEF Single Family	4.49	12/08/05	11/01/35			365,808.84				365,808.84	345,983.13	(19,825.71)	0.00	
FNMA	2004 CDEF Single Family	4.49	01/05/06	12/01/35			314,166.72				314,166.72	297,143.74	(17,022.98)	0.00	
FNMA	2004 CDEF Single Family	4.49	01/12/06	11/01/35			114,012.54				114,012.54	107,835.15	(6,177.39)	0.00	
FNMA	2004 CDEF Single Family	1.00	02/02/06	01/01/36			165,533.96				165,533.96	157,357.36	(8,176.60)	0.00	
Repo Agmt	2004 CDEF Single Family	4.55	02/28/06	03/01/06			18,008.96				18,008.96	18,008.96	-	0.00	
GICs	2004 CDEF Single Family	2.43	10/28/04	07/01/06	27,348,182.00	27,348,182.00					(10,612,327.00)	16,735,855.00	16,735,855.00	-	0.00
Repo Agmt	2004 CDEF Single Family	4.55	02/28/06	03/01/06	2,956,803.16	2,956,803.16					(450,482.73)	2,506,320.43	2,506,320.43	-	0.00
	2004 CDEF Single Family Total				85,783,765.72	84,093,381.51	14,252,103.65	(11,662,509.62)	(831,623.72)	0.00	87,541,736.03	85,613,591.22	(237,760.60)	0.00	
Repo Agmt	2005 BCD Single Family	4.55	02/28/06	03/01/06			401,117.55				401,117.55	401,117.55	-	0.00	
Repo Agmt	2005 BCD Single Family	4.55	02/28/06	03/01/06			1,746,963.42				1,746,963.42	1,746,963.42	-	0.00	
FNMA	2005 BCD Single Family	6.15	05/01/96	04/01/26			310,209.31				310,209.31	318,839.98	8,630.67	0.00	
FNMA	2005 BCD Single Family	6.15	06/01/96	05/01/26			208,475.14				208,475.14	213,981.96	5,506.82	0.00	
FNMA	2005 BCD Single Family	6.15	07/01/96	06/01/26			297,979.21				297,979.21	306,588.27	8,609.06	0.00	
FNMA	2005 BCD Single Family	6.15	08/01/96	07/01/26			259,396.75				259,396.75	266,951.55	7,554.80	0.00	
FNMA	2005 BCD Single Family	6.15	08/01/96	08/01/26			269,780.12				269,780.12	274,971.27	5,191.15	0.00	
FNMA	2005 BCD Single Family	6.15	09/01/96	08/01/26			228,871.67				228,871.67	232,994.88	4,123.21	0.00	
FNMA	2005 BCD Single Family	6.15	10/01/96	10/01/26			530,219.32				530,219.32	539,663.46	9,444.14	0.00	
FNMA	2005 BCD Single Family	6.15	12/01/96	11/01/26			367,630.29				367,630.29	374,343.94	6,713.65	0.00	
FNMA	2005 BCD Single Family	6.15	03/01/97	01/01/27			253,323.69				253,323.69	257,766.99	4,443.30	0.00	
FNMA	2005 BCD Single Family	6.15	07/01/97	03/01/27			40,156.28				40,156.28	40,882.30	726.02	0.00	
FNMA	2005 BCD Single Family	6.15	09/01/97	07/01/27			257,547.75				257,547.75	263,314.24	5,766.49	0.00	
GNMA	2005 BCD Single Family	6.15	07/01/96	07/20/26			1,515,339.99				1,515,339.99	1,557,998.62	42,658.63	0.00	
GNMA	2005 BCD Single Family	6.15	03/01/96	03/20/26			558,195.81				558,195.81	573,964.57	15,768.76	0.00	

GNMA	2005 BCD Single Family	6.15	08/01/96	07/20/26		1,201,169.34						1,201,169.34	1,234,932.73	33,763.39	0.00
GNMA	2005 BCD Single Family	6.15	04/01/96	04/20/26		538,464.17						538,464.17	553,570.78	15,106.61	0.00
GNMA	2005 BCD Single Family	6.15	05/01/96	05/20/26		1,093,715.07						1,093,715.07	1,124,413.93	30,698.86	0.00
GNMA	2005 BCD Single Family	6.15	05/01/96	05/20/26		745,838.75						745,838.75	766,950.02	21,111.27	0.00
GNMA	2005 BCD Single Family	6.15	06/01/96	06/20/26		1,852,675.44						1,852,675.44	1,904,895.65	52,220.21	0.00
GNMA	2005 BCD Single Family	6.15	06/01/96	06/20/26		526,346.49						526,346.49	541,067.38	14,720.89	0.00
GNMA	2005 BCD Single Family	6.15	07/01/96	06/20/26		1,632,536.06						1,632,536.06	1,677,999.09	45,463.03	0.00
GNMA	2005 BCD Single Family	6.15	08/01/96	08/20/26		1,062,519.76						1,062,519.76	1,087,666.94	25,147.18	0.00
GNMA	2005 BCD Single Family	6.15	09/01/96	09/20/26		491,319.16						491,319.16	502,578.82	11,259.66	0.00
GNMA	2005 BCD Single Family	6.15	09/01/96	09/20/26		409,276.51						409,276.51	418,831.69	9,555.18	0.00
GNMA	2005 BCD Single Family	6.15	10/01/96	10/20/26		1,274,026.71						1,274,026.71	1,303,342.58	29,315.87	0.00
GNMA	2005 BCD Single Family	6.15	12/01/96	12/20/26		486,120.19						486,120.19	497,146.20	11,026.01	0.00
GNMA	2005 BCD Single Family	6.15	01/01/97	12/20/26		974,546.52						974,546.52	996,673.79	22,127.27	0.00

Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain	
GNMA	2005 BCD Single Family	6.15	01/01/97	01/20/27			742,434.98				742,434.98	760,466.65	18,031.67	0.00	
GNMA	2005 BCD Single Family	6.15	02/01/97	02/20/27			570,888.89				570,888.89	584,734.24	13,845.35	0.00	
GNMA	2005 BCD Single Family	6.15	02/01/97	02/20/27			223,803.79				223,803.79	228,975.79	5,172.00	0.00	
GNMA	2005 BCD Single Family	6.15	03/01/97	03/20/27			623,637.38				623,637.38	637,560.26	13,922.88	0.00	
GNMA	2005 BCD Single Family	6.15	04/01/97	04/20/27			231,225.36				231,225.36	236,215.20	4,989.84	0.00	
GNMA	2005 BCD Single Family	6.15	06/01/97	06/20/27			294,453.85				294,453.85	300,942.69	6,488.84	0.00	
GNMA	2005 BCD Single Family	6.15	08/01/97	07/20/27			410,075.37				410,075.37	421,835.89	11,760.52	0.00	
GNMA	2005 BCD Single Family	6.15	09/01/97	08/20/27			660,967.37				660,967.37	675,620.21	14,652.84	0.00	
GNMA	2005 BCD Single Family	6.15	02/01/98	02/20/28			193,261.49				193,261.49	197,519.06	4,257.57	0.00	
GNMA	2005 BCD Single Family	6.15	03/01/98	01/20/28			345,392.66				345,392.66	353,001.65	7,608.99	0.00	
GNMA	2005 BCD Single Family	6.15	04/01/98	04/20/28			280,103.63				280,103.63	286,274.31	6,170.68	0.00	
GNMA	2005 BCD Single Family	6.15	06/01/98	05/20/28			459,649.89				459,649.89	469,775.98	10,126.09	0.00	
GNMA	2005 BCD Single Family	6.15	07/01/98	06/20/28			203,067.68				203,067.68	207,541.26	4,473.58	0.00	
GNMA	2005 BCD Single Family	6.15	09/01/98	07/20/28			442,390.22				442,390.22	452,136.08	9,745.86	0.00	
GNMA	2005 BCD Single Family	6.15	11/01/98	10/20/28			758,046.78				758,046.78	774,746.55	16,699.77	0.00	
Repo Agmt	2005 BCD Single Family	4.55	02/28/06	03/01/06			2,850,000.00				2,850,000.00	2,850,000.00	-	0.00	
Repo Agmt	2005 BCD Single Family	4.55	02/28/06	03/01/06			24,235.94				24,235.94	24,235.94	-	0.00	
Repo Agmt	2005 BCD Single Family	4.55	02/28/06	03/01/06			9,222.64				9,222.64	9,222.64	-	0.00	
2005 BCD Single Family Total						0.00	0.00	28,856,618.39	0.00	0.00	0.00	28,856,618.39	29,451,217.00	594,598.61	0.00

GNMA	2002 A-D SF MRB	4.49	12/09/04	12/20/34	76,681.70	72,909.87			(334.09)		76,347.61	73,104.86	529.08	0.00
GNMA	2002 A-D SF MRB	4.49	12/16/04	12/20/34	71,411.68	67,898.26			(249.07)		71,162.61	68,140.52	491.33	0.00
GNMA	2002 A-D SF MRB	4.49	10/14/04	09/20/34	6,121.41	5,836.93			(38.86)		6,082.55	5,839.57	41.50	0.00
GNMA	2002 A-D SF MRB	4.49	10/01/04	10/20/34	12,708.63	12,118.54			(42.07)		12,666.56	12,160.42	83.95	0.00
GNMA	2002 A-D SF MRB	4.49	10/01/04	10/20/34	22,899.61	21,773.93			(80.08)		22,819.53	21,848.98	155.13	0.00
GNMA	2002 A-D SF MRB	4.49	11/04/04	10/20/34	99,894.73	94,984.96			(350.49)		99,544.24	95,313.12	678.65	0.00
GNMA	2002 A-D SF MRB	4.49	11/10/04	11/20/34	21,430.54	20,377.52			(88.74)		21,341.80	20,434.83	146.05	0.00
GNMA	2002 A-D SF MRB	4.49	11/18/04	11/20/34	30,866.87	29,422.75			(33.05)		30,833.82	29,523.63	133.93	0.00
GNMA	2002 A-D SF MRB	4.49	11/23/04	11/20/34	79,168.41	75,275.95			(266.68)		78,901.73	75,549.38	540.11	0.00
GNMA	2002 A-D SF MRB	4.49	12/02/04	12/20/34	128,292.62	121,982.62			(447.07)		127,845.55	122,414.78	879.23	0.00
GNMA	2002 A-D SF MRB	4.49	12/23/04	12/20/34	75,454.22	71,742.18			(252.11)		75,202.11	72,008.83	518.76	0.00
GNMA	2002 A-D SF MRB	4.49	12/29/04	12/20/34	87,209.21	82,920.17			(321.23)		86,887.98	83,198.99	600.05	0.00
GNMA	2002 A-D SF MRB	4.49	01/06/05	01/20/35	156,171.51	148,474.53			(550.32)		155,621.19	148,961.80	1,037.59	0.00
GNMA	2002 A-D SF MRB	4.49	01/13/05	01/20/35	85,780.59	81,553.50			(301.25)		85,479.34	81,821.98	569.73	0.00
GNMA	2002 A-D SF MRB	5.40	01/13/05	01/20/35	7,400.62	7,398.02			(20.55)		7,380.07	7,410.66	33.19	0.00
GNMA	2002 A-D SF MRB	4.49	01/19/05	01/20/35	103,692.30	98,582.59			(404.34)		103,287.96	98,869.13	690.88	0.00
GNMA	2002 A-D SF MRB	5.40	01/19/05	01/20/35	10,226.44	10,222.85			(28.44)		10,198.00	10,240.31	45.90	0.00
GNMA	2002 A-D SF MRB	4.49	01/27/05	01/20/35	118,066.69	112,250.67			(507.78)		117,558.91	112,530.36	787.47	0.00
GNMA	2002 A-D SF MRB	4.49	02/03/05	02/20/35	177,671.13	168,913.70			(653.76)		177,017.37	169,446.48	1,186.54	0.00
GNMA	2002 A-D SF MRB	4.49	02/10/05	02/20/35	57,110.37	54,295.01			(198.20)		56,912.17	54,478.49	381.68	0.00
GNMA	2002 A-D SF MRB	4.49	02/10/05	02/20/35	124,518.54	118,380.64			(431.24)		124,087.30	118,781.02	831.62	0.00
GNMA	2002 A-D SF MRB	4.49	02/17/05	02/20/35	82,399.80	78,338.16			(280.30)		82,119.50	78,608.36	550.50	0.00
GNMA	2002 A-D SF MRB	4.49	02/24/05	02/20/35	76,193.08	72,438.31			(307.24)		75,885.84	72,641.67	510.60	0.00
GNMA	2002 A-D SF MRB	4.49	03/03/05	03/20/35	73,649.55	70,018.56			(254.91)		73,394.64	70,257.40	493.75	0.00
GNMA	2002 A-D SF MRB	4.49	03/11/05	03/20/35	30,603.16	29,093.85			(103.93)		30,499.23	29,195.76	205.84	0.00
GNMA	2002 A-D SF MRB	4.49	03/17/05	03/20/35	46,684.43	44,382.29			(168.49)		46,515.94	44,528.18	314.38	0.00

GNMA	2002 A-D SF MRB	4.49	03/24/05	03/20/35	46,161.89	43,885.71				(156.98)		46,004.91	44,039.23	310.50	0.00
GNMA	2002 A-D SF MRB	4.49	04/07/05	04/20/35	71,511.49	67,984.42				(268.57)		71,242.92	68,199.78	483.93	0.00
GNMA	2002 A-D SF MRB	4.49	04/14/05	04/20/35	45,472.23	43,353.08				(154.92)		45,317.31	43,500.35	302.19	0.00
GNMA	2002 A-D SF MRB	4.49	04/21/05	04/20/35	64,318.72	61,146.76				(220.26)		64,098.46	61,361.25	434.75	0.00
GNMA	2002 A-D SF MRB	4.49	04/28/05	04/20/35	57,296.85	54,470.91				(196.94)		57,099.91	54,661.94	387.97	0.00
GNMA	2002 A-D SF MRB	4.49	05/05/05	05/20/35	106,273.86	101,030.45				(5,910.57)		100,363.29	96,078.68	958.80	0.00
GNMA	2002 A-D SF MRB	4.49	05/12/05	05/20/35	64,107.47	60,944.40				(225.50)		63,881.97	61,155.17	436.27	0.00
GNMA	2002 A-D SF MRB	4.49	07/07/05	07/20/35	222,433.53	211,453.97				(879.89)		221,553.64	212,107.31	1,533.23	0.00
GNMA	2002 A-D SF MRB	4.49	07/14/05	07/20/35	36,673.49	34,863.08				(127.35)		36,546.14	34,988.15	252.42	0.00
GNMA	2002 A-D SF MRB	4.49	05/26/05	05/20/35	54,875.33	52,317.98				(197.76)		54,677.57	52,487.27	367.05	0.00
GNMA	2002 A-D SF MRB	4.49	05/26/05	05/20/35	27,696.52	26,330.59				(97.43)		27,599.09	26,421.35	188.19	0.00
GNMA	2002 A-D SF MRB	4.49	06/02/05	06/20/35	50,292.92	47,948.54				(195.67)		50,097.25	48,090.76	337.89	0.00
GNMA	2002 A-D SF MRB	4.49	06/09/05	06/20/35	60,724.99	57,727.99				(234.38)		60,490.61	57,910.03	416.42	0.00
GNMA	2002 A-D SF MRB	4.49	06/15/05	06/20/35	54,568.11	52,023.79				(200.25)		54,367.86	52,190.97	367.43	0.00
Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain	
GNMA	2002 A-D SF MRB	4.49	06/23/05	06/20/35	114,743.06	109,080.60					114,310.49	109,435.23	787.20	0.00	
GNMA	2002 A-D SF MRB	4.49	06/29/05	06/20/35	56,204.88	53,431.01					56,006.97	53,618.65	385.55	0.00	
GNMA	2002 A-D SF MRB	4.49	09/08/05	09/20/35	9,888.02	9,426.76					9,838.79	9,445.56	68.03	0.00	
GNMA	2002 A-D SF MRB	4.49	09/15/05	09/20/35	17,042.91	16,201.63					16,980.18	16,257.23	118.33	0.00	
GNMA	2002 A-D SF MRB	4.49	09/22/05	09/20/35	22,335.65	21,232.67					22,254.73	21,307.32	155.57	0.00	
GNMA	2002 A-D SF MRB	4.49	07/21/05	07/20/35	31,237.62	29,780.78				(7,346.01)	23,891.61	22,935.71	500.94	0.00	
GNMA	2002 A-D SF MRB	4.49	07/28/05	07/20/35	18,461.59	17,550.27				(70.27)	18,391.32	17,607.51	127.51	0.00	
GNMA	2002 A-D SF MRB	4.49	08/04/05	08/20/35	10,810.72	10,306.38				(37.59)	10,773.13	10,342.23	73.44	0.00	
GNMA	2002 A-D SF MRB	4.49	08/11/05	07/20/35	29,751.92	28,364.00				(106.67)	29,645.25	28,459.69	202.36	0.00	
GNMA	2002 A-D SF MRB	4.49	08/18/05	08/20/35	82,626.98	78,547.73				(311.82)	82,315.16	78,808.45	572.54	0.00	
GNMA	2002 A-D SF MRB	4.49	08/30/05	08/20/35	146,685.88	139,444.92				(568.91)	146,116.97	139,893.81	1,017.80	0.00	
GNMA	2002 A-D SF MRB	4.49	09/29/05	07/20/35	12,096.98	11,532.73				(44.36)	12,052.62	11,571.12	82.75	0.00	
GNMA	2002 A-D SF MRB	4.49	10/13/05	09/20/35	15,406.98	14,646.17				(55.17)	15,351.81	14,698.55	107.55	0.00	
GNMA	2002 A-D SF MRB	4.49	10/27/05	10/20/35	101,840.77	96,810.96				(385.50)	101,455.27	97,139.35	713.89	0.00	
GNMA	2002 A-D SF MRB	4.49	11/01/05	11/20/35	25,082.90	24,149.05		157.83			25,240.73	24,233.11	(73.77)	0.00	
FNMA	2002 A-D SF MRB	4.49	11/04/04	10/01/34	12,075.30	11,352.28				(43.61)	12,031.69	11,399.21	90.54	0.00	
FNMA	2002 A-D SF MRB	4.49	12/23/04	12/01/34	12,707.96	11,947.61				(100.73)	12,607.23	11,944.74	97.86	0.00	
FNMA	2002 A-D SF MRB	4.49	01/19/05	01/01/35	16,888.15	15,876.83				(66.00)	16,822.15	15,938.37	127.54	0.00	
FNMA	2002 A-D SF MRB	4.49	01/27/05	01/01/35	17,234.74	16,171.66				(69.57)	17,165.17	16,228.59	126.50	0.00	
FNMA	2002 A-D SF MRB	4.49	03/14/05	12/01/34	13,637.61	12,820.73				(60.76)	13,576.85	12,863.86	103.89	0.00	
FNMA	2002 A-D SF MRB	4.49	04/07/05	02/01/35	11,826.14	11,096.42				(42.84)	11,783.30	11,140.72	87.14	0.00	
FNMA	2002 A-D SF MRB	4.49	07/28/05	07/01/35	23,726.69	22,262.36				(87.20)	23,639.49	22,351.46	176.30	0.00	
FNMA	2002 A-D SF MRB	4.49	09/08/05	08/01/35	18,296.91	17,167.43				(88.17)	18,208.74	17,216.92	137.66	0.00	
FNMA	2002 A-D SF MRB	4.49	10/20/05	09/01/35	5,056.05	4,743.90				(18.22)	5,037.83	4,763.51	37.83	0.00	
FNMA	2002 A-D SF MRB	4.49	11/01/05	10/01/35	10,394.57	9,799.43	12.09				10,406.66	9,840.05	28.53	0.00	
Repo Agmt	2002 A-D SF MRB	4.55	02/28/06	03/01/06	35,577.34	35,577.34	0.00				35,577.34	35,577.34	-	0.00	
GNMA	2002 A-D SF MRB	5.40	07/01/04	06/20/34	10,428.83	10,448.88				(6.99)	10,421.84	10,462.95	21.06	0.00	
GNMA	2002 A-D SF MRB	5.40	06/01/04	06/20/34	18,647.71	18,710.09	12.38				18,660.09	18,733.25	10.78	0.00	
GNMA	2002 A-D SF MRB	5.40	09/01/04	09/20/34	16,351.34	16,376.14				(17.20)	16,334.14	16,399.55	40.61	0.00	
GNMA	2002 A-D SF MRB	5.40	09/01/04	09/20/34	23,220.83	23,173.85				(63.70)	23,157.13	23,206.36	96.21	0.00	
GNMA	2002 A-D SF MRB	5.40	09/01/04	09/20/34	21,012.91	21,008.64				(56.72)	20,956.19	21,040.08	88.16	0.00	
GNMA	2002 A-D SF MRB	5.40	07/01/04	07/20/34	7,872.84	7,910.92	11.69				7,884.53	7,915.65	(6.96)	0.00	
GNMA	2002 A-D SF MRB	5.40	07/01/04	07/20/34	7,992.11	8,007.84				(12.27)	7,979.84	8,011.36	15.79	0.00	
GNMA	2002 A-D SF MRB	5.40	07/01/04	07/20/34	10,690.47	10,710.71				(6.32)	10,684.15	10,726.33	21.94	0.00	
GNMA	2002 A-D SF MRB	5.40	08/01/04	08/20/34	8,558.26	8,568.34				(16.38)	8,541.88	8,575.86	23.90	0.00	
GNMA	2002 A-D SF MRB	5.40	08/01/04	08/20/34	17,472.65	17,506.62				(9.92)	17,462.73	17,532.15	35.45	0.00	
GNMA	2002 A-D SF MRB	5.40	08/01/04	08/20/34	4,621.19	4,626.11				(27.89)	4,593.30	4,611.57	13.35	0.00	
GNMA	2002 A-D SF MRB	5.40	08/01/04	08/20/34	2,989.09	2,991.65				(4.96)	2,984.13	2,995.99	9.30	0.00	
GNMA	2002 A-D SF MRB	5.40	10/14/04	10/20/34	20,868.01	20,825.32				(65.71)	20,802.30	20,847.31	87.70	0.00	
Repo Agmt	2002 A-D SF MRB	4.55	02/28/06	03/01/06	10,197.23	10,197.23	109.63				10,306.86	10,306.86	-	0.00	
Repo Agmt	2002 A-D SF MRB	4.55	02/28/06	03/01/06	544,391.98	544,391.98	0.00				544,391.98	544,391.98	-	0.00	
Repo Agmt	2002 A-D SF MRB	4.55	02/28/06	03/01/06	25,357.07	25,357.07	4,050,166.94				4,075,524.01	4,075,524.01	-	0.00	
Repo Agmt	2002 A-D SF MRB	4.55	02/28/06	03/01/06	5,248.34	5,248.34	200,781.81				206,030.15	206,030.15	-	0.00	
GICs	2002 A-D SF MRB				1,944,690.78	1,944,690.78				(1,944,690.78)			-	0.00	
GICs	2002 A-D SF MRB	4.51	06/26/02	03/01/34	178,563.29	178,563.29				(2,757.73)	175,805.56	175,805.56	-	0.00	

Repo Agmt	2002 A-D SF MRB	4.55	02/28/06	03/01/06	48,252.41	48,252.41						48,247.05	48,247.05	-	0.00
Repo Agmt	2002 A-D SF MRB	4.55	02/28/06	03/01/06	68.79	68.79	0.00		(5.36)			68.79	68.79	-	0.00
GNMA	2002 A-D SF MRB	5.40	08/29/02	08/20/32	223,403.20	223,313.29				(856.19)		222,547.01	223,539.45	1,082.35	0.00
GNMA	2002 A-D SF MRB	6.15	11/12/02	11/20/32	263,585.49	271,937.89				(872.18)		262,713.31	270,170.81	(894.90)	0.00
GNMA	2002 A-D SF MRB	5.40	11/12/02	10/20/32	375,706.02	375,579.81				(101,621.07)		274,084.95	275,325.26	1,366.52	0.00
GNMA	2002 A-D SF MRB	6.15	09/12/02	08/20/32	64,160.23	66,189.44				(219.49)		63,940.74	65,751.96	(217.99)	0.00
GNMA	2002 A-D SF MRB	6.15	09/19/02	09/20/32	152,845.49	157,680.99				(530.99)		152,314.50	156,630.41	(519.59)	0.00
GNMA	2002 A-D SF MRB	5.40	09/19/02	09/20/32	353,312.36	353,177.28				(1,670.07)		351,642.29	353,217.53	1,710.32	0.00
GNMA	2002 A-D SF MRB	6.15	09/26/02	09/20/32	272,595.27	281,220.69				(84,514.67)		188,080.60	193,410.97	(3,295.05)	0.00
GNMA	2002 A-D SF MRB	5.40	09/26/02	09/20/32	240,861.37	240,770.51				(911.50)		239,949.87	241,025.99	1,166.98	0.00
GNMA	2002 A-D SF MRB	6.15	10/10/02	09/20/32	332,127.08	342,640.32				(1,196.83)		330,930.25	340,312.84	(1,130.65)	0.00
GNMA	2002 A-D SF MRB	5.40	10/10/02	09/20/32	163,200.90	163,141.30				(620.08)		162,580.82	163,311.77	790.55	0.00
GNMA	2002 A-D SF MRB	6.15	10/21/02	10/20/32	221,533.12	228,548.12				(765.03)		220,768.09	227,030.08	(753.01)	0.00
GNMA	2002 A-D SF MRB	6.15	10/29/02	10/20/32	130,006.99	134,124.71				(548.37)		129,458.62	133,131.47	(444.87)	0.00
GNMA	2002 A-D SF MRB	5.40	10/29/02	09/20/32	57,869.94	57,849.65				(340.23)		57,529.71	57,789.21	279.79	0.00
Investment	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/ Purchases	Amortizations/ Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain	
GNMA	2002 A-D SF MRB	6.15	11/05/02	10/20/32	62,649.29	64,633.87			(206.13)		62,443.16	64,215.09	(212.65)	0.00	
GNMA	2002 A-D SF MRB	5.40	11/05/02	09/20/32	141,560.47	141,511.65			(618.48)		140,941.99	141,578.67	685.50	0.00	
GNMA	2002 A-D SF MRB	6.15	11/19/02	11/20/32	82,510.87	85,125.87			(269.64)		82,241.23	84,576.19	(280.04)	0.00	
GNMA	2002 A-D SF MRB	5.40	11/19/02	11/20/32	101,104.75	101,071.59			(376.40)		100,728.35	101,185.09	489.90	0.00	
GNMA	2002 A-D SF MRB	6.15	11/26/02	11/20/32	429,322.03	442,931.11			(1,649.47)		427,672.56	439,817.51	(1,464.13)	0.00	
GNMA	2002 A-D SF MRB	5.40	11/26/02	11/20/32	274,227.54	274,139.30			(1,041.14)		273,186.40	274,426.80	1,328.64	0.00	
GNMA	2002 A-D SF MRB	6.15	11/26/02	11/20/32	103,645.55	106,931.00			(368.70)		103,276.85	106,209.67	(352.63)	0.00	
GNMA	2002 A-D SF MRB	5.40	11/26/02	11/20/32	147,733.89	147,686.37			(1,147.90)		146,585.99	147,251.58	713.11	0.00	
GNMA	2002 A-D SF MRB	6.15	12/12/02	12/20/32	63,877.66	65,903.54			(207.41)		63,670.25	65,479.36	(216.77)	0.00	
GNMA	2002 A-D SF MRB	5.40	12/12/02	12/20/32	110,191.49	110,157.69			(422.16)		109,769.33	110,269.39	533.86	0.00	
GNMA	2002 A-D SF MRB	6.15	12/30/02	12/20/32	121,707.73	125,569.55			(616.21)		121,091.52	124,533.89	(419.45)	0.00	
GNMA	2002 A-D SF MRB	5.40	12/30/02	12/20/32	208,594.91	208,534.09			(774.25)		207,820.66	208,770.38	1,010.54	0.00	
GNMA	2002 A-D SF MRB	6.15	12/30/02	12/20/32	177,163.84	182,785.31			(690.68)		176,473.16	181,489.93	(604.70)	0.00	
GNMA	2002 A-D SF MRB	5.40	12/30/02	12/20/32	103,043.92	103,013.87			(380.92)		102,663.00	103,132.16	499.21	0.00	
GNMA	2002 A-D SF MRB	6.15	01/07/03	12/20/32	117,313.16	121,036.28			(395.73)		116,917.43	120,242.01	(398.54)	0.00	
GNMA	2002 A-D SF MRB	6.15	01/23/03	01/20/33	495,313.86	510,886.72			(1,663.90)		493,649.96	507,804.72	(1,418.10)	0.00	
GNMA	2002 A-D SF MRB	5.40	01/23/03	01/20/33	181,017.54	180,917.65			(672.49)		180,345.05	181,149.76	904.60	0.00	
GNMA	2002 A-D SF MRB	6.15	01/23/03	01/20/33	110,471.36	113,944.62			(360.83)		110,110.53	113,267.80	(315.99)	0.00	
GNMA	2002 A-D SF MRB	5.40	01/23/03	01/20/33	104,194.91	104,137.38			(382.86)		103,812.05	104,275.23	520.71	0.00	
GNMA	2002 A-D SF MRB	6.15	01/30/03	01/20/33	362,814.45	374,223.36			(1,351.14)		361,463.31	371,829.66	(1,042.56)	0.00	
GNMA	2002 A-D SF MRB	5.40	01/30/03	01/20/33	436,327.54	436,088.97			(89,401.64)		346,925.90	348,475.67	1,788.34	0.00	
GNMA	2002 A-D SF MRB	6.15	02/12/03	02/20/33	430,589.76	444,135.74			(1,979.39)		428,610.37	440,908.22	(1,248.13)	0.00	
GNMA	2002 A-D SF MRB	6.15	02/20/03	02/20/33	174,612.61	180,107.04			(574.02)		174,038.59	179,033.42	(499.60)	0.00	
GNMA	2002 A-D SF MRB	5.40	03/03/03	03/20/33	119,266.45	119,204.97			(433.09)		118,833.36	119,367.94	596.06	0.00	
GNMA	2002 A-D SF MRB	6.15	02/27/03	02/20/33	442,960.81	456,901.50			(1,427.81)		441,533.00	454,207.14	(1,266.55)	0.00	
GNMA	2002 A-D SF MRB	5.40	02/27/03	01/20/33	108,270.81	108,214.13			(397.83)		107,872.98	108,357.38	541.08	0.00	
GNMA	2002 A-D SF MRB	6.15	03/12/03	02/20/33	423,404.28	436,734.35			(1,811.63)		421,592.65	433,699.20	(1,223.52)	0.00	
GNMA	2002 A-D SF MRB	6.15	03/24/03	03/20/33	159,779.35	164,811.69			(753.89)		159,025.46	163,594.05	(463.75)	0.00	
GNMA	2002 A-D SF MRB	5.40	03/24/03	02/20/33	111,410.60	111,354.85			(662.04)		110,748.56	111,248.35	555.54	0.00	
GNMA	2002 A-D SF MRB	6.15	04/02/03	04/20/33	202,796.90	209,186.22			(674.45)		202,122.45	207,931.27	(580.50)	0.00	
GNMA	2002 A-D SF MRB	6.15	04/02/03	03/20/33	162,077.49	167,183.40			(517.43)		161,560.06	166,202.66	(463.31)	0.00	
GNMA	2002 A-D SF MRB	6.15	04/10/03	03/20/33	322,388.76	332,547.28			(1,303.08)		321,085.68	330,314.40	(929.80)	0.00	
GNMA	2002 A-D SF MRB	6.15	04/10/03	03/20/33	71,702.66	73,962.05			(248.21)		71,454.45	73,508.23	(205.61)	0.00	
GNMA	2002 A-D SF MRB	5.40	04/10/03	01/20/33	92,201.96	92,156.83			(338.72)		91,863.24	92,278.80	460.69	0.00	
GNMA	2002 A-D SF MRB	6.15	04/17/03	04/20/33	165,794.68	171,020.27			(581.80)		165,212.88	169,963.00	(475.47)	0.00	
GNMA	2002 A-D SF MRB	6.15	04/24/03	04/20/33	171,560.20	176,968.58			(586.92)		170,973.28	175,889.92	(491.74)	0.00	
GNMA	2002 A-D SF MRB	6.15	04/29/03	03/20/33	89,101.64	89,101.63			(291.39)		88,810.25	91,364.33	(254.91)	0.00	
GNMA	2002 A-D SF MRB	6.15	05/08/03	04/20/33	52,142.07	53,786.45			(175.84)		51,966.23	53,461.28	(149.33)	0.00	
GNMA	2002 A-D SF MRB	6.15	05/08/03	04/20/33	85,245.37	87,933.67			(278.06)		84,967.31	87,411.74	(243.87)	0.00	
GNMA	2002 A-D SF MRB	6.15	05/15/03	04/20/33	181,394.14	187,115.73			(612.90)		180,781.24	185,983.08	(519.75)	0.00	
GNMA	2002 A-D SF MRB	6.15	05/22/03	05/20/33	64,776.96	66,820.70			(204.87)		64,572.09	66,430.68	(185.15)	0.00	
GNMA	2002 A-D SF MRB	6.15	06/10/03	06/20/33	64,255.39	66,283.83			(205.40)		64,049.99	65,894.71	(183.72)	0.00	
GNMA	2002 A-D SF MRB	6.15	06/19/03	05/20/33	82,897.63	85,515.01			(261.55)		82,636.08	85,016.54	(236.92)	0.00	
GNMA	2002 A-D SF MRB	6.15	07/17/03	07/20/33	52,550.05	54,210.78			(169.98)		52,380.07	53,890.47	(150.33)	0.00	

GNMA	2002 A-D SF MRB	6.15	07/17/03	07/20/33	95,560.85	98,580.84				(508.61)		95,052.24	97,793.12	(279.11)	0.00
GNMA	2002 A-D SF MRB	6.15	07/24/03	07/20/33	88,560.90	91,360.24				(287.75)		88,273.15	90,819.04	(253.45)	0.00
GNMA	2002 A-D SF MRB	6.15	07/30/03	07/20/33	49,034.59	50,584.74				(152.66)		48,881.93	50,292.00	(140.08)	0.00
GNMA	2002 A-D SF MRB	6.15	09/04/03	08/20/33	56,000.26	57,772.48				(172.21)		55,828.05	57,440.34	(159.93)	0.00
GNMA	2002 A-D SF MRB	6.15	09/30/03	09/20/33	168,027.11	173,348.79				(522.24)		167,504.87	172,346.47	(480.08)	0.00
GNMA	2002 A-D SF MRB	6.15	10/09/03	08/20/33	154,920.49	159,827.85				(477.61)		154,442.88	158,907.71	(442.53)	0.00
GNMA	2002 A-D SF MRB	6.15	01/15/04	12/20/33	66,328.47	68,435.68				(221.39)		66,107.08	68,024.29	(190.00)	0.00
GNMA	2002 A-D SF MRB	6.15	02/26/04	02/20/34	48,665.41	50,256.19				(144.84)		48,520.57	49,904.21	(207.14)	0.00
GNMA	2002 A-D SF MRB	6.15	03/11/04	03/20/34	105,108.09	108,545.29				(309.20)		104,798.89	107,788.91	(447.18)	0.00
GNMA	2002 A-D SF MRB	5.40	07/08/04	06/20/34	250,492.78	250,289.26				(852.94)		249,639.84	250,626.29	1,189.97	0.00
GNMA	2002 A-D SF MRB	6.15	04/01/04	04/20/34	40,435.20	41,758.33				(118.13)		40,317.07	41,468.18	(172.02)	0.00
GNMA	2002 A-D SF MRB	5.40	06/17/04	06/20/34	448,547.74	448,175.59				(1,575.79)		446,971.95	448,730.42	2,130.62	0.00
GNMA	2002 A-D SF MRB	5.40	09/02/04	09/20/34	392,567.12	392,268.74				(1,304.35)		391,262.77	392,829.44	1,865.05	0.00
GNMA	2002 A-D SF MRB	5.40	09/09/04	09/20/34	556,552.45	555,099.07				(1,857.75)		554,694.70	555,877.74	2,636.42	0.00
GNMA	2002 A-D SF MRB	5.40	09/16/04	09/20/34	503,611.05	503,234.36				(1,639.79)		501,971.26	503,987.32	2,392.75	0.00
GNMA	2002 A-D SF MRB	5.40	07/15/04	07/20/34	189,648.11	189,495.57				(786.98)		188,861.13	189,608.96	900.37	0.00

Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
GNMA	2002 A-D SF MRB	5.40	07/22/04	07/20/34	191,970.53	191,817.28			(826.83)		191,143.70	191,901.54	911.09	0.00
GNMA	2002 A-D SF MRB	5.40	07/29/04	07/20/34	256,764.24	256,560.79			(845.36)		255,918.88	256,935.05	1,219.62	0.00
GNMA	2002 A-D SF MRB	5.40	08/05/04	08/20/34	205,404.65	205,243.34			(795.29)		204,609.36	205,423.46	975.41	0.00
GNMA	2002 A-D SF MRB	5.40	08/12/04	08/20/34	419,674.94	419,347.92			(1,382.16)		418,292.78	419,959.64	1,993.88	0.00
GNMA	2002 A-D SF MRB	5.40	08/20/04	08/20/34	110,898.01	110,812.27			(873.21)		110,024.80	110,463.91	524.85	0.00
GNMA	2002 A-D SF MRB	5.40	08/26/04	08/20/34	71,716.15	71,661.15			(236.68)		71,479.47	71,765.12	340.65	0.00
GNMA	2002 A-D SF MRB	5.40	12/02/04	12/20/34	420,764.34	420,478.92			(1,384.73)		419,379.61	421,093.30	1,999.11	0.00
GNMA	2002 A-D SF MRB	4.49	12/09/04	12/20/34	1,405,436.41	1,335,678.63			(6,780.07)		1,398,656.34	1,339,250.78	10,352.22	0.00
GNMA	2002 A-D SF MRB	4.49	12/16/04	12/20/34	1,308,823.13	1,243,868.21			(5,153.28)		1,303,669.85	1,248,306.26	9,591.33	0.00
GNMA	2002 A-D SF MRB	5.40	10/14/04	10/20/34	500,133.53	498,843.08			(1,842.23)		498,291.30	499,369.68	2,368.83	0.00
GNMA	2002 A-D SF MRB	4.49	10/14/04	09/20/34	112,203.51	106,930.17			(773.46)		111,430.05	106,978.46	821.75	0.00
GNMA	2002 A-D SF MRB	5.40	10/21/04	10/20/34	1,697,946.57	1,696,729.60			(5,881.63)		1,692,064.94	1,698,912.18	8,064.21	0.00
GNMA	2002 A-D SF MRB	4.49	10/21/04	10/20/34	232,953.26	222,006.51			(910.98)		232,042.28	222,773.86	1,168.33	0.00
GNMA	2002 A-D SF MRB	5.40	10/28/04	10/20/34	392,119.68	391,112.67			(1,456.56)		390,663.12	391,512.92	1,856.81	0.00
GNMA	2002 A-D SF MRB	4.49	10/29/04	10/20/34	419,738.12	398,889.44			(1,703.10)		418,035.02	400,264.36	3,078.02	0.00
GNMA	2002 A-D SF MRB	4.49	11/04/04	10/20/34	1,831,022.90	1,740,085.27			(7,413.00)		1,823,609.90	1,746,097.04	13,424.77	0.00
GNMA	2002 A-D SF MRB	5.40	11/04/04	11/20/34	463,597.28	463,271.09			(1,524.54)		462,072.74	463,949.16	2,202.61	0.00
GNMA	2002 A-D SF MRB	4.49	11/10/04	11/20/34	392,814.73	373,307.86			(1,841.35)		390,973.38	374,357.61	2,891.10	0.00
GNMA	2002 A-D SF MRB	5.40	11/10/04	11/20/34	148,838.61	148,734.65			(543.10)		148,295.51	148,898.48	706.93	0.00
GNMA	2002 A-D SF MRB	4.49	11/18/04	11/20/34	567,174.25	539,012.65			(2,311.61)		564,862.64	540,860.69	4,159.65	0.00
GNMA	2002 A-D SF MRB	4.49	11/23/04	11/20/34	1,451,067.86	1,379,024.32			(5,620.56)		1,445,447.30	1,384,033.44	10,629.68	0.00
GNMA	2002 A-D SF MRB	4.49	12/02/04	12/20/34	2,351,394.49	2,234,671.27			(9,316.87)		2,342,077.62	2,242,588.31	17,233.91	0.00
GNMA	2002 A-D SF MRB	5.40	12/23/04	12/20/34	279,020.70	278,836.48			(917.79)		278,102.91	279,244.09	1,325.40	0.00
GNMA	2002 A-D SF MRB	4.49	12/23/04	12/20/34	1,382,911.04	1,314,287.22			(5,239.34)		1,377,671.70	1,319,172.10	10,124.22	0.00
GNMA	2002 A-D SF MRB	4.49	12/29/04	12/20/34	1,598,371.27	1,519,063.41			(6,619.13)		1,591,752.14	1,524,171.36	11,727.08	0.00
GNMA	2002 A-D SF MRB	4.49	01/06/05	01/20/35	2,862,218.81	2,719,992.21			(11,302.65)		2,850,916.16	2,728,918.75	20,229.19	0.00
GNMA	2002 A-D SF MRB	5.40	01/06/05	01/20/35	449,678.55	449,342.17			(1,432.49)		448,246.06	450,100.83	2,191.15	0.00
GNMA	2002 A-D SF MRB	4.49	01/13/05	01/20/35	1,572,138.67	1,494,026.54			(6,192.25)		1,565,946.42	1,498,944.97	11,110.68	0.00
GNMA	2002 A-D SF MRB	5.40	01/13/05	01/20/35	135,629.41	135,528.78			(429.40)		135,200.01	135,760.28	660.90	0.00
GNMA	2002 A-D SF MRB	4.49	01/19/05	01/20/35	1,900,405.42	1,805,992.37			(8,212.40)		1,892,193.02	1,811,241.75	13,461.78	0.00
GNMA	2002 A-D SF MRB	5.40	01/19/05	01/20/35	187,416.47	187,278.36			(593.39)		186,823.08	187,598.21	913.24	0.00
GNMA	2002 A-D SF MRB	4.49	01/27/05	01/20/35	2,163,873.70	2,056,385.95			(10,242.44)		2,153,631.26	2,061,509.77	15,366.26	0.00
GNMA	2002 A-D SF MRB	4.49	02/03/05	02/20/35	3,256,155.97	3,094,429.22			(13,270.90)		3,242,885.07	3,104,189.62	23,031.30	0.00
GNMA	2002 A-D SF MRB	4.49	02/10/05	02/20/35	1,046,639.65	994,662.19			(4,031.68)		1,042,607.97	998,023.56	7,393.05	0.00
GNMA	2002 A-D SF MRB	4.49	02/10/05	02/20/35	2,282,012.06	2,168,684.39			(8,784.05)		2,273,228.01	2,176,019.32	16,118.98	0.00
GNMA	2002 A-D SF MRB	5.40	02/17/05	11/20/34	195,055.88	194,936.36			(631.43)		194,424.45	195,231.74	926.81	0.00
GNMA	2002 A-D SF MRB	4.49	02/17/05	02/20/35	1,510,107.96	1,435,122.76			(5,712.43)		1,504,395.53	1,440,072.70	10,662.37	0.00
GNMA	2002 A-D SF MRB	4.49	02/24/05	02/20/35	1,396,369.49	1,327,040.06			(6,172.02)		1,390,197.47	1,330,765.42	9,897.38	0.00
GNMA	2002 A-D SF MRB	4.49	03/03/05	03/20/35	1,349,716.60	1,282,711.26			(5,156.72)		1,344,559.88	1,287,086.68	9,532.14	0.00
GNMA	2002 A-D SF MRB	4.49	03/11/05	03/20/35	560,825.22	532,987.38			(2,091.70)		558,733.52	534,854.25	3,958.57	0.00
GNMA	2002 A-D SF MRB	5.40	03/17/05	02/20/35	127,841.66	127,753.90			(408.46)		127,433.20	127,968.38	622.94	0.00
GNMA	2002 A-D SF MRB	4.49	03/17/05	03/20/35	855,527.20	813,065.24			(3,373.85)		852,153.35	815,737.93	6,046.54	0.00
GNMA	2002 A-D SF MRB	4.49	03/24/05	03/20/35	845,949.03	803,968.14			(3,157.99)		842,791.04	806,780.60	5,970.45	0.00

GNMA	2002 A-D SF MRB	4.49	04/07/05	04/20/35	1,310,464.23	1,245,446.51				(5,323.30)		1,305,140.93	1,249,391.79	9,268.58	0.00
GNMA	2002 A-D SF MRB	4.49	04/14/05	04/20/35	833,276.59	794,210.51				(3,081.92)		830,194.67	796,908.43	5,779.84	0.00
GNMA	2002 A-D SF MRB	5.40	04/21/05	04/20/35	232,415.97	231,829.79				(739.18)		231,676.79	232,221.99	1,131.38	0.00
GNMA	2002 A-D SF MRB	4.49	04/21/05	04/20/35	1,178,646.42	1,120,183.44				(4,388.92)		1,174,257.50	1,124,112.66	8,318.14	0.00
GNMA	2002 A-D SF MRB	4.49	04/28/05	04/20/35	1,049,958.46	997,884.69				(3,911.41)		1,046,047.05	1,001,384.32	7,411.04	0.00
GNMA	2002 A-D SF MRB	5.40	04/28/05	04/20/35	133,484.66	133,398.14				(421.49)		133,063.17	133,627.13	650.48	0.00
GNMA	2002 A-D SF MRB	4.49	05/05/05	05/20/35	1,947,408.78	1,850,836.24				(108,794.93)		1,838,613.85	1,760,121.82	18,080.51	0.00
GNMA	2002 A-D SF MRB	5.40	05/05/05	04/20/35	234,249.59	233,661.62				(750.76)		233,498.83	234,051.39	1,140.53	0.00
GNMA	2002 A-D SF MRB	4.49	05/12/05	05/20/35	1,174,724.43	1,116,476.26				(4,432.92)		1,170,291.51	1,120,337.51	8,294.17	0.00
GNMA	2002 A-D SF MRB	4.49	07/07/05	07/20/35	4,075,642.70	3,873,749.47				(16,871.40)		4,058,771.30	3,885,718.48	28,840.41	0.00
GNMA	2002 A-D SF MRB	5.40	07/07/05	07/20/35	119,763.91	119,693.78				(753.62)		119,010.29	119,522.17	582.01	0.00
GNMA	2002 A-D SF MRB	4.49	07/14/05	07/20/35	671,959.86	638,677.17				(2,449.48)		669,510.38	640,968.53	4,740.84	0.00
GNMA	2002 A-D SF MRB	4.49	05/26/05	05/20/35	1,005,549.72	958,443.83				(3,878.94)		1,001,670.78	961,545.23	6,980.34	0.00
GNMA	2002 A-D SF MRB	5.40	05/26/05	05/20/35	162,104.41	162,003.42				(505.33)		161,599.08	162,287.89	789.80	0.00
GNMA	2002 A-D SF MRB	4.49	05/26/05	05/20/34	507,527.60	482,365.50				(1,919.45)		505,608.15	484,028.19	3,582.14	0.00
GNMA	2002 A-D SF MRB	4.49	06/02/05	06/20/35	921,563.66	878,397.48				(3,802.70)		917,760.96	881,002.93	6,408.15	0.00
GNMA	2002 A-D SF MRB	5.40	06/09/05	05/20/35	171,322.12	171,217.47				(533.86)		170,788.26	171,518.50	834.89	0.00
Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in Market Value	Recognized Gain	
GNMA	2002 A-D SF MRB	4.49	06/09/05	06/20/35	1,112,698.82	1,057,552.88			(4,535.79)		1,108,163.03	1,060,887.79	7,870.70	0.00	
GNMA	2002 A-D SF MRB	4.49	06/15/05	06/20/35	999,877.29	953,054.45			(3,880.39)		995,996.90	956,116.98	6,942.92	0.00	
GNMA	2002 A-D SF MRB	4.49	06/23/05	06/20/35	2,102,485.64	1,998,311.57			(8,364.40)		2,094,121.24	2,004,808.40	14,861.23	0.00	
GNMA	2002 A-D SF MRB	4.49	06/29/05	06/20/35	1,029,856.49	978,834.04			(3,831.50)		1,026,024.99	982,271.67	7,269.13	0.00	
GNMA	2002 A-D SF MRB	4.49	09/08/05	09/20/35	181,164.83	172,694.22			(922.24)		180,242.59	173,038.74	1,266.76	0.00	
GNMA	2002 A-D SF MRB	5.40	09/08/05	08/20/35	60,437.66	60,405.67			(280.58)		60,157.08	60,419.24	294.15	0.00	
GNMA	2002 A-D SF MRB	4.49	09/15/05	09/20/35	312,256.73	296,807.19			(1,186.66)		311,070.07	297,825.70	2,205.17	0.00	
GNMA	2002 A-D SF MRB	4.49	09/22/05	09/20/35	409,217.92	388,973.79			(1,520.41)		407,697.51	390,341.41	2,888.03	0.00	
GNMA	2002 A-D SF MRB	4.49	07/21/05	07/20/35	572,356.72	545,571.70			(134,671.99)		437,684.73	420,172.91	9,273.20	0.00	
GNMA	2002 A-D SF MRB	4.49	07/28/05	07/20/35	338,264.01	321,513.76			(1,342.52)		336,921.49	322,562.44	2,391.20	0.00	
GNMA	2002 A-D SF MRB	4.49	08/04/05	08/20/35	198,075.83	188,808.61			(716.46)		197,359.37	189,465.49	1,373.34	0.00	
GNMA	2002 A-D SF MRB	5.40	08/11/05	07/20/35	64,676.73	64,640.88			(197.41)		64,479.32	64,758.68	315.21	0.00	
GNMA	2002 A-D SF MRB	4.49	08/11/05	07/20/35	545,117.61	519,616.74			(2,028.77)		543,088.84	521,369.76	3,781.79	0.00	
GNMA	2002 A-D SF MRB	4.49	08/18/05	08/20/35	1,513,901.83	1,438,962.12			(5,922.06)		1,507,979.77	1,443,738.35	10,698.29	0.00	
GNMA	2002 A-D SF MRB	4.49	08/30/05	08/20/35	2,687,583.10	2,554,573.35			(10,780.31)		2,676,802.79	2,562,796.81	19,003.77	0.00	
GNMA	2002 A-D SF MRB	4.49	09/29/05	07/20/35	221,633.87	211,274.91			(834.70)		220,799.17	211,978.22	1,538.01	0.00	
GNMA	2002 A-D SF MRB	4.49	10/13/05	09/20/35	282,270.98	268,311.83			(1,032.21)		281,238.77	269,271.31	1,991.69	0.00	
GNMA	2002 A-D SF MRB	4.49	10/27/05	10/20/35	1,865,782.11	1,773,536.80			(7,163.50)		1,858,618.61	1,779,552.82	13,179.52	0.00	
GNMA	2002 A-D SF MRB	5.40	10/20/05	09/20/35	43,943.46	43,921.85			(185.05)		43,758.41	43,950.75	213.95	0.00	
GNMA	2002 A-D SF MRB	4.49	11/01/05	11/20/35	464,065.69	442,400.70			(1,665.65)		462,400.04	443,940.58	3,205.53	0.00	
FNMA	2002 A-D SF MRB	6.40	07/24/03	11/01/32	77,588.98	79,368.87			(226.23)		77,362.75	79,114.24	(28.40)	0.00	
FNMA	2002 A-D SF MRB	5.40	08/14/03	09/01/32	115,973.98	114,580.15			(442.95)		115,531.03	114,614.84	477.64	0.00	
FNMA	2002 A-D SF MRB	6.15	08/14/03	12/01/31	65,691.19	67,113.30			(565.04)		65,126.15	66,383.49	(164.77)	0.00	
FNMA	2002 A-D SF MRB	6.40	08/28/03	11/01/32	48,919.89	50,042.11			(142.63)		48,777.26	49,881.58	(17.90)	0.00	
FNMA	2002 A-D SF MRB	5.45	03/25/04	02/01/34	83,917.58	82,584.97			(261.54)		83,656.04	82,780.16	456.73	0.00	
FNMA	2002 A-D SF MRB	6.15	04/01/04	02/01/34	104,310.21	106,500.64			(312.34)		103,997.87	105,784.80	(403.50)	0.00	
FNMA	2002 A-D SF MRB	5.40	10/28/04	10/01/34	307,790.12	303,692.21			(1,092.91)		306,697.21	304,087.01	1,487.71	0.00	
FNMA	2002 A-D SF MRB	4.49	11/04/04	10/01/34	221,268.39	207,969.00			(852.85)		220,415.54	208,828.81	1,712.66	0.00	
FNMA	2002 A-D SF MRB	4.49	12/23/04	12/01/34	232,867.29	218,875.34			(1,908.07)		230,959.22	218,822.83	1,855.56	0.00	
FNMA	2002 A-D SF MRB	4.49	01/19/05	01/01/35	309,446.71	290,856.98			(1,271.88)		308,174.83	291,984.46	2,399.36	0.00	
FNMA	2002 A-D SF MRB	4.49	01/27/05	01/01/35	315,795.92	296,258.06			(1,337.11)		314,458.81	297,301.08	2,380.13	0.00	
FNMA	2002 A-D SF MRB	4.49	03/14/05	12/01/34	249,876.20	234,870.54			(1,153.85)		248,722.35	235,660.61	1,943.92	0.00	
FNMA	2002 A-D SF MRB	5.40	03/24/05	02/01/35	243,090.34	239,869.28			(1,009.79)		242,080.55	240,035.50	1,176.01	0.00	
FNMA	2002 A-D SF MRB	4.49	04/07/05	02/01/35	216,681.50	203,281.83			(816.07)		215,865.43	204,093.37	1,627.61	0.00	
FNMA	2002 A-D SF MRB	4.49	07/28/05	07/01/35	434,699.25	407,837.36			(1,633.31)		433,065.94	409,469.59	3,265.54	0.00	
FNMA	2002 A-D SF MRB	5.40	07/14/05	04/01/35	113,713.60	112,128.84			(358.18)		113,355.42	112,301.97	531.31	0.00	
FNMA	2002 A-D SF MRB	4.49	09/08/05	08/01/35	335,208.33	314,500.09			(1,631.74)		333,576.59	315,406.80	2,538.45	0.00	
FNMA	2002 A-D SF MRB	4.49	10/20/05	09/01/35	92,627.02	86,906.35			(335.93)		92,291.09	87,265.61	695.19	0.00	
FNMA	2002 A-D SF MRB	4.49	11/01/05	10/01/35	191,335.12	179,521.46			(689.28)		190,645.84	180,265.60	1,433.42	0.00	
GICs	2002 A-D SF MRB	2.23	09/24/04	03/01/34	11,524.43	11,524.43	0.00				11,524.43	11,524.43	-	0.00	
Repo Agmt	2002 A-D SF MRB	4.55	02/28/06	03/01/06	1,210,821.19	1,210,821.19	13,010.21				1,223,831.40	1,223,831.40	-	0.00	
2002 A-D SF MRB Total					97,084,284.72	93,810,054.05	4,264,262.58	(1,947,453.87)	(882,535.92)	0.00	98,518,557.51	95,796,525.16	552,198.32	0.00	

Repo Agmt	2004A Single Family (Jr Lien)	4.55	02/28/06	03/01/06	1,263.34	1,263.34	1,127.30				2,390.64	2,390.64	-	0.00	
Repo Agmt	2004A Single Family (Jr Lien)	4.55	02/28/06	03/01/06	124,205.19	124,205.19	0.00				124,205.19	124,205.19	-	0.00	
Repo Agmt	2004A Single Family (Jr Lien)	4.55	02/28/06	03/01/06	3,593,457.71	3,593,457.71			(1,150,937.63)		2,442,520.08	2,442,520.08	-	0.00	
	2004A Single Family (Jr Lien) Total				3,718,926.24	3,718,926.24	1,127.30		(1,150,937.63)	0.00	0.00	2,569,115.91	2,569,115.91	0.00	0.00
Repo Agmt	1991 A S/F (1980 A Refunding)	4.55	02/28/06	03/01/06	10,636.26	10,636.26			(3,842.17)		6,794.09	6,794.09	-	0.00	
GICs	1991 A S/F (1980 A Refunding)	6.08	11/14/96	09/30/29	54,572.87	54,572.87	61,358.55				115,931.42	115,931.42	-	0.00	
Repo Agmt	1991 A S/F (1980 A Refunding)	4.55	02/28/06	03/01/06	15.84	15.84	2,682.75				2,698.59	2,698.59	-	0.00	
GICs	1991 A S/F (1980 A Refunding)	6.08	11/14/96	09/30/29	153,637.20	153,637.20			(129.29)		153,507.91	153,507.91	-	0.00	
Repo Agmt	1991 A S/F (1980 A Refunding)	4.55	02/28/06	03/01/06			11,858.13				11,858.13	11,858.13	-	0.00	
GICs	1991 A S/F (1980 A Refunding)	4.51	06/26/02	03/01/34	542,008.82	542,008.82	0.52				542,009.34	542,009.34	-	0.00	
Repo Agmt	1991 A S/F (1980 A Refunding)	4.55	02/28/06	03/01/06	0.08	0.08	0.00				0.08	0.08	-	0.00	
Repo Agmt	1991 A S/F (1980 A Refunding)	4.55	02/28/06	03/01/06			0.30				0.30	0.30	-	0.00	
GICs	1991 A S/F (1980 A Refunding)	6.08	11/14/96	09/30/29	10.07	10.07	0.27				10.34	10.34	-	0.00	
	1991 A S/F (1980 A Refunding) Total				760,881.14	760,881.14	75,900.52		(3,971.46)	0.00	0.00	832,810.20	832,810.20	0.00	0.00
Repo Agmt	1994 A&B SF (1983 Refunding)	4.55	02/28/06	03/01/06	0.02	0.02	309.91				309.93	309.93	-	0.00	
Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain	
Repo Agmt	1994 A&B SF (1983 Refunding)	4.55	02/28/06	03/01/06	26.31	26.31	0.88				27.19	27.19	-	0.00	
GICs	1994 A&B SF (1983 Refunding)	6.08	11/14/96	09/30/29	10,720.16	10,720.16	7,502.58				18,222.74	18,222.74	-	0.00	
FNMA	1994 A&B SF (1983 Refunding)	6.15	05/30/96	04/01/26	15,355.71	15,855.30			(57.05)		15,298.66	15,724.53	(73.72)	0.00	
FNMA	1994 A&B SF (1983 Refunding)	6.15	06/27/96	05/01/26	10,356.35	10,671.20			(74.89)		10,281.46	10,553.15	(43.16)	0.00	
FNMA	1994 A&B SF (1983 Refunding)	6.15	07/15/96	06/01/26	14,818.23	15,322.88			(122.61)		14,695.62	15,120.30	(79.97)	0.00	
FNMA	1994 A&B SF (1983 Refunding)	6.15	07/01/96	06/01/26	11,343.71	11,739.80			(30.57)		11,313.14	11,646.73	(62.50)	0.00	
FNMA	1994 A&B SF (1983 Refunding)	6.15	08/15/96	07/01/26	12,919.88	13,363.91			(127.09)		12,792.79	13,165.50	(71.32)	0.00	
FNMA	1994 A&B SF (1983 Refunding)	6.15	08/29/96	08/01/26	13,404.07	13,700.64			(99.11)		13,304.96	13,561.02	(40.51)	0.00	
FNMA	1994 A&B SF (1983 Refunding)	6.15	09/16/96	08/01/26	11,504.15	11,737.91			(216.71)		11,287.44	11,490.83	(30.37)	0.00	
FNMA	1994 A&B SF (1983 Refunding)	6.15	10/30/96	10/01/26	26,403.44	26,931.63			(254.01)		26,149.43	26,615.04	(62.58)	0.00	
FNMA	1994 A&B SF (1983 Refunding)	6.15	12/23/96	11/01/26	18,412.57	18,793.78			(282.41)		18,130.16	18,461.87	(49.50)	0.00	
FNMA	1994 A&B SF (1983 Refunding)	6.15	03/27/97	01/01/27	12,613.48	12,860.93			(120.04)		12,493.44	12,712.54	(28.35)	0.00	
FNMA	1994 A&B SF (1983 Refunding)	6.15	07/15/97	03/01/27	2,052.59	2,094.35			(72.10)		1,980.49	2,016.23	(6.02)	0.00	
FNMA	1994 A&B SF (1983 Refunding)	6.15	09/29/97	07/01/27	12,773.07	13,085.93			(71.46)		12,701.61	12,986.19	(28.28)	0.00	
GNMA	1994 A&B SF (1983 Refunding)	6.15	07/30/96	07/20/26	77,270.19	79,981.97			(2,553.43)		74,716.76	76,837.30	(591.24)	0.00	
GNMA	1994 A&B SF (1983 Refunding)	6.15	03/28/96	03/20/26	27,668.30	28,648.80			(139.94)		27,528.36	28,306.93	(201.93)	0.00	
GNMA	1994 A&B SF (1983 Refunding)	6.15	08/15/96	07/20/26	64,321.56	66,573.15			(5,082.90)		59,238.66	60,904.34	(585.91)	0.00	
GNMA	1994 A&B SF (1983 Refunding)	6.15	04/29/96	04/20/26	33,836.37	35,024.09			(7,281.82)		26,554.55	27,300.97	(441.30)	0.00	
GNMA	1994 A&B SF (1983 Refunding)	6.15	05/15/96	05/20/26	58,278.24	60,321.16			(4,338.92)		53,939.32	55,453.81	(528.43)	0.00	
GNMA	1994 A&B SF (1983 Refunding)	6.15	05/30/96	05/20/26	39,507.40	40,906.23			(2,724.77)		36,782.63	37,824.40	(357.06)	0.00	
GNMA	1994 A&B SF (1983 Refunding)	6.15	06/17/96	06/20/26	97,097.74	100,514.51			(5,728.56)		91,369.18	93,945.54	(840.41)	0.00	
GNMA	1994 A&B SF (1983 Refunding)	6.15	06/29/96	06/20/26	26,040.02	26,947.89			(82.17)		25,957.85	26,684.33	(181.39)	0.00	
GNMA	1994 A&B SF (1983 Refunding)	6.15	07/15/96	06/20/26	86,073.67	89,056.67			(5,561.00)		80,512.67	82,755.47	(740.20)	0.00	
GNMA	1994 A&B SF (1983 Refunding)	6.15	08/29/96	08/20/26	54,419.92	55,966.59			(2,018.87)		52,401.05	53,641.50	(306.22)	0.00	
GNMA	1994 A&B SF (1983 Refunding)	6.15	09/16/96	09/20/26	27,148.13	27,889.47			(2,917.32)		24,230.81	24,786.15	(186.00)	0.00	
GNMA	1994 A&B SF (1983 Refunding)	6.15	09/26/96	09/20/26	21,500.10	22,100.85			(1,315.53)		20,184.57	20,655.92	(129.40)	0.00	
GNMA	1994 A&B SF (1983 Refunding)	6.15	10/30/96	10/20/26	68,132.27	69,997.05			(6,575.42)		61,556.85	62,973.42	(448.21)	0.00	
GNMA	1994 A&B SF (1983 Refunding)	6.15	11/26/96	11/20/26	38,470.76	39,574.33			(233.91)		38,236.85	39,149.90	(190.52)	0.00	
GNMA	1994 A&B SF (1983 Refunding)	6.15	12/23/96	12/20/26	27,247.75	27,981.84			(3,273.32)		23,974.43	24,518.23	(190.29)	0.00	
GNMA	1994 A&B SF (1983 Refunding)	6.15	01/16/97	12/20/26	50,642.62	52,008.49			(2,580.01)		48,062.61	49,153.90	(274.58)	0.00	
GNMA	1994 A&B SF (1983 Refunding)	6.15	01/30/97	01/20/27	36,833.52	37,907.67			(218.43)		36,615.09	37,504.65	(184.59)	0.00	
GNMA	1994 A&B SF (1983 Refunding)	6.15	02/13/97	02/20/27	31,860.99	32,787.99			(3,706.02)		28,154.97	28,837.89	(244.08)	0.00	
GNMA	1994 A&B SF (1983 Refunding)	6.15	02/27/97	02/20/27	14,198.41	14,588.08			(3,160.85)		11,037.56	11,292.61	(134.62)	0.00	
GNMA	1994 A&B SF (1983 Refunding)	6.15	03/27/97	03/20/27	31,191.40	32,012.30			(434.93)		30,756.47	31,443.16	(134.21)	0.00	
GNMA	1994 A&B SF (1983 Refunding)	6.15	04/29/97	04/20/27	11,468.37	11,757.91			(64.77)		11,403.60	11,649.65	(43.49)	0.00	
GNMA	1994 A&B SF (1983 Refunding)	6.15	05/29/97	05/20/27	15,649.80	16,044.89			(122.94)		15,526.86	15,861.86	(60.09)	0.00	
GNMA	1994 A&B SF (1983 Refunding)	6.15	06/26/97	06/20/27	14,606.91	14,985.23			(85.11)		14,521.80	14,841.87	(58.25)	0.00	
GNMA	1994 A&B SF (1983 Refunding)	6.15	08/18/97	07/20/27	20,787.61	21,520.60			(563.80)		20,223.81	20,804.08	(152.72)	0.00	
GNMA	1994 A&B SF (1983 Refunding)	6.15	09/29/97	08/20/27	32,786.20	33,637.68			(187.76)		32,598.44	33,318.73	(131.19)	0.00	
GNMA	1994 A&B SF (1983 Refunding)	6.15	02/26/98	02/20/28	9,579.94	9,820.09			(48.66)		9,531.28	9,741.23	(30.20)	0.00	
GNMA	1994 A&B SF (1983 Refunding)	6.15	03/26/98	01/20/28	17,150.52	17,580.50			(116.48)		17,034.04	17,409.32	(54.70)	0.00	

GNMA	1994 A&B SF (1983 Refunding)	6.15	04/29/98	04/20/28	13,888.89	14,237.05				(74.73)		13,814.16	14,118.46	(43.86)	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.15	06/25/98	05/20/28	22,826.90	23,399.18				(157.91)		22,668.99	23,168.38	(72.89)	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.15	07/16/98	06/20/28	10,130.10	10,384.09				(115.25)		10,014.85	10,235.51	(33.33)	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.15	09/10/98	07/20/28	21,971.19	22,522.00				(153.41)		21,817.78	22,298.42	(70.17)	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.15	11/19/98	10/20/28	37,589.28	38,531.66				(203.99)		37,385.29	38,208.91	(118.76)	0.00
Repo Agmt	1994 A&B SF (1983 Refunding)	4.55	02/28/06	03/01/06	18,974.40	18,974.40		203.85				19,178.25	19,178.25	-	0.00
Repo Agmt	1994 A&B SF (1983 Refunding)	4.55	02/28/06	03/01/06	11.24	11.24		5,538.68				5,549.92	5,549.92	-	0.00
Repo Agmt	1994 A&B SF (1983 Refunding)	4.55	02/28/06	03/01/06	7.60	7.60		0.00				7.60	7.60	-	0.00
Repo Agmt	1994 A&B SF (1983 Refunding)	4.55	02/28/06	03/01/06	10,411.93	10,411.93		111.94				10,523.87	10,523.87	-	0.00
Repo Agmt	1994 A&B SF (1983 Refunding)	4.55	02/28/06	03/01/06	201,115.09	201,115.09		158,278.73				359,393.82	359,393.82	-	0.00
FNMA	1994 A&B SF (1983 Refunding)	6.75	02/20/98	01/01/28	5,081.04	5,192.76				(108.33)		4,972.71	5,075.49	(8.94)	0.00
FNMA	1994 A&B SF (1983 Refunding)	6.25	03/27/98	03/01/28	5,437.12	5,555.43				(35.99)		5,401.13	5,511.26	(8.18)	0.00
FNMA	1994 A&B SF (1983 Refunding)	6.25	06/29/98	05/01/28	3,700.21	3,780.66				(29.06)		3,671.15	3,745.93	(5.67)	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.75	02/20/98	01/20/28	33,221.32	34,149.21				(2,545.48)		30,675.84	31,468.52	(135.21)	0.00
FNMA	1994 A&B SF (1983 Refunding)	6.25	11/30/98	09/01/28	5,816.61	5,943.19				(28.61)		5,788.00	5,906.03	(8.55)	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.25	03/27/98	03/20/28	57,800.29	59,414.65				(2,030.33)		55,769.96	57,211.06	(173.26)	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.25	05/19/98	05/20/28	41,316.77	42,470.75				(1,402.34)		39,914.43	40,945.83	(122.58)	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	07/28/00	06/20/30	21,831.19	21,686.43				(145.09)		21,686.10	21,651.59	110.25	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.25	08/14/98	07/20/28	23,992.01	24,662.11				(147.28)		23,844.73	24,460.88	(53.95)	0.00

Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
GNMA	1994 A&B SF (1983 Refunding)	6.25	06/29/98	06/20/28	11,057.30	11,366.16			(1,375.86)		9,681.44	9,931.63	(58.67)	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.25	09/18/98	09/20/28	15,109.74	15,531.71			(79.59)		15,030.15	15,418.49	(33.63)	0.00
FNMA	1994 A&B SF (1983 Refunding)	6.25	03/31/99	11/01/28	2,387.69	2,439.64			(44.24)		2,343.45	2,391.23	(4.17)	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.25	11/30/98	11/20/28	14,305.02	14,704.55			(82.78)		14,222.24	14,589.73	(32.04)	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.25	11/30/98	11/20/28	10,283.95	10,571.19			(1,394.13)		8,889.82	9,119.54	(57.52)	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.25	11/30/98	10/20/28	3,431.04	3,526.85			(695.18)		2,735.86	2,806.55	(25.12)	0.00
FNMA	1994 A&B SF (1983 Refunding)	6.25	05/27/99	11/01/28	2,571.20	2,627.75			(44.08)		2,527.12	2,579.36	(4.31)	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.25	02/16/99	02/20/29	22,529.03	23,144.97			(1,599.22)		20,929.81	21,448.66	(97.09)	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.25	03/31/99	02/20/29	1,162.74	1,194.53			(6.55)		1,156.19	1,184.84	(3.14)	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.25	05/27/99	05/20/29	5,972.85	6,136.16			(29.54)		5,943.31	6,090.66	(15.96)	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	07/30/99	07/20/29	16,773.32	16,660.61			(1,018.80)		15,754.52	15,725.06	83.25	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	08/26/99	08/20/29	13,919.04	13,825.48			(79.75)		13,839.29	13,813.39	67.66	0.00
FNMA	1994 A&B SF (1983 Refunding)	5.45	09/20/99	08/01/29	1,790.47	1,765.55			(8.73)		1,781.74	1,767.06	10.24	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	09/20/99	09/20/29	7,590.59	7,539.58			(39.96)		7,550.63	7,536.51	36.89	0.00
FNMA	1994 A&B SF (1983 Refunding)	5.45	12/20/99	12/01/29	7,489.36	7,386.50			(50.28)		7,439.08	7,379.15	42.93	0.00
FNMA	1994 A&B SF (1983 Refunding)	5.45	01/19/00	12/01/29	5,189.37	5,118.14			(54.29)		5,135.08	5,093.77	29.92	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	10/28/99	10/20/29	26,835.15	26,654.80			(782.13)		26,053.02	26,004.28	131.61	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	11/18/99	11/20/29	3,165.74	3,144.49			(22.53)		3,143.21	3,137.36	15.40	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	12/30/99	12/20/29	50,536.07	50,196.42			(273.31)		50,262.76	50,168.73	245.62	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	01/28/00	01/20/30	13,897.85	13,805.76			(67.42)		13,830.43	13,808.49	70.15	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	02/22/00	01/20/30	5,393.59	5,357.83			(29.19)		5,364.40	5,355.87	27.23	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	03/27/00	02/20/30	9,465.18	9,402.40			(73.38)		9,391.80	9,376.84	47.82	0.00
FNMA	1994 A&B SF (1983 Refunding)	5.45	04/27/00	03/01/30	5,196.03	5,124.83			(36.03)		5,160.00	5,116.74	27.94	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	04/27/00	04/20/30	10,601.37	10,531.08			(901.67)		9,699.70	9,684.28	54.87	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	05/30/00	04/20/30	2,428.80	2,412.68			(11.67)		2,417.13	2,413.26	12.25	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	06/21/00	05/20/30	12,357.56	12,275.63			(61.44)		12,296.12	12,276.57	62.38	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	09/18/00	09/20/30	20,785.60	20,647.80			(104.55)		20,681.05	20,648.17	104.92	0.00
FNMA	1994 A&B SF (1983 Refunding)	5.45	07/24/00	06/01/30	4,955.54	4,887.54			(48.11)		4,907.43	4,866.19	26.76	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	07/30/99	07/20/29	139,213.92	138,278.38			(8,455.80)		130,758.12	130,513.58	691.00	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	08/26/99	08/20/29	115,523.91	114,747.65			(661.92)		114,861.99	114,647.24	561.51	0.00
FNMA	1994 A&B SF (1983 Refunding)	5.45	09/20/99	08/01/29	14,858.99	14,654.73			(72.48)		14,786.51	14,667.24	84.99	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	09/20/99	09/20/29	62,999.75	62,576.37			(331.62)		62,668.13	62,550.92	306.17	0.00
FNMA	1994 A&B SF (1983 Refunding)	5.45	12/20/99	12/01/29	62,159.29	61,305.84			(417.38)		61,741.91	61,244.87	356.41	0.00
FNMA	1994 A&B SF (1983 Refunding)	5.45	01/19/00	12/01/29	43,070.53	42,479.14			(450.52)		42,620.01	42,276.88	248.26	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	10/28/99	10/20/29	222,724.06	221,227.35			(6,491.45)		216,232.61	215,828.25	1,092.35	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	11/18/99	11/20/29	26,274.94	26,098.37			(186.98)		26,087.96	26,039.18	127.79	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	12/30/99	12/30/29	419,434.91	416,616.26			(2,268.39)		417,166.52	416,386.37	2,038.50	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	01/28/00	01/20/30	115,348.66	114,583.93			(559.55)		114,789.11	114,606.63	852.25	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	02/22/00	01/20/30	44,765.32	44,468.52			(242.26)		44,523.06	44,452.27	226.01	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	03/27/00	02/20/30	21,419.14	21,148.10			(165.05)		21,254.09	21,090.62	107.57	0.00

GNMA	1994 A&B SF (1983 Refunding)	5.45	06/22/99	06/20/29	129,900.17	129,027.26					(8,329.33)	121,570.84	121,343.52	645.59	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	07/30/99	07/20/29	160,782.45	159,721.88					(895.43)	159,887.02	159,608.02	781.57	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	08/26/99	08/20/29	93,939.30	93,308.04					(609.20)	93,330.10	93,155.59	456.75	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	09/20/99	09/20/29	78,878.30	78,348.23					(445.73)	78,432.57	78,285.89	383.39	0.00
FNMA	1994 A&B SF (1983 Refunding)	5.45	12/21/99	11/01/29	63,234.65	62,366.42					(808.18)	62,426.47	61,923.93	365.69	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	10/29/99	10/20/29	176,811.45	175,623.27					(1,011.92)	175,799.53	175,470.77	859.42	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	11/18/99	11/20/29	207,197.49	205,805.14					(10,366.22)	196,831.27	196,463.22	1,024.30	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	12/30/99	12/20/29	240,924.73	239,305.73					(1,462.55)	239,462.18	239,014.40	1,171.22	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	01/28/00	01/20/30	240,701.37	239,105.50					(6,438.72)	234,262.65	233,890.16	1,223.38	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	02/22/00	01/20/30	114,685.92	113,925.54					(809.27)	113,876.65	113,695.59	579.32	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	03/27/00	02/20/30	62,764.14	62,347.76					(401.73)	62,362.41	62,263.00	316.97	0.00
FNMA	1994 A&B SF (1983 Refunding)	5.45	02/23/00	01/01/30	25,569.34	25,218.28					(123.53)	25,445.81	25,240.98	146.23	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	07/28/00	06/20/30	181,192.59	179,991.29					(1,204.27)	179,988.32	179,702.14	915.12	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	03/27/00	02/20/30	57,138.97	56,889.18					(443.99)	56,694.98	56,734.54	289.35	0.00
FNMA	1994 A&B SF (1983 Refunding)	5.45	04/27/00	03/01/30	43,125.91	42,534.65					(299.04)	42,826.87	42,467.54	231.93	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	04/27/00	04/20/30	87,988.37	87,405.00					(7,483.60)	80,504.77	80,376.77	455.37	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	05/30/00	04/20/30	20,158.24	20,024.57					(96.91)	20,061.33	20,029.41	101.75	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	06/21/00	05/20/30	102,564.33	101,884.30					(509.95)	102,054.38	101,892.08	517.73	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	09/18/00	09/20/30	172,514.73	171,370.95					(867.77)	171,646.96	171,374.03	870.85	0.00
FNMA	1994 A&B SF (1983 Refunding)	5.45	07/24/00	06/01/30	41,129.09	40,565.22					(399.34)	40,729.75	40,388.05	222.17	0.00

Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
GNMA	1994 A&B SF (1983 Refunding)	5.45	07/24/00	06/20/30	213,397.25	211,982.46			(10,665.56)		202,731.69	202,409.38	1,092.48	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	08/28/00	08/20/30	39,067.67	38,808.68			(184.12)		38,883.55	38,821.75	197.19	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	03/27/00	02/20/30	9,450.45	9,388.01			(60.48)		9,389.97	9,375.25	47.72	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	04/27/00	03/20/30	86,798.33	86,222.87			(449.18)		86,349.15	86,211.86	438.17	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	05/30/00	05/20/30	86,740.62	86,165.55			(790.37)		85,950.25	85,813.61	438.43	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	06/21/00	06/20/30	169,648.87	168,524.11			(9,021.77)		160,627.10	160,371.71	869.37	0.00
FNMA	1994 A&B SF (1983 Refunding)	5.45	05/31/00	05/01/30	38,441.43	37,914.42			(189.63)		38,251.80	37,930.88	206.09	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	10/23/00	09/20/30	27,259.24	27,078.51			(12,550.97)		14,708.27	14,684.89	157.35	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	10/30/00	10/20/30	45,747.51	45,444.14			(299.26)		45,448.25	45,375.93	231.05	0.00
FNMA	1994 A&B SF (1983 Refunding)	5.45	07/24/00	06/01/30	77,773.43	76,707.12			(533.49)		77,239.94	76,591.86	418.23	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	12/21/00	05/20/30	15,830.52	15,725.58			(95.79)		15,734.73	15,709.73	79.94	0.00
FNMA	1994 A&B SF (1983 Refunding)	5.45	10/06/00	09/01/30	43,901.07	43,299.20			(212.27)		43,688.80	43,322.27	235.34	0.00
FNMA	1994 A&B SF (1983 Refunding)	5.45	10/30/00	08/01/30	47,945.89	47,288.55			(332.17)		47,613.72	47,214.24	257.86	0.00
FNMA	1994 A&B SF (1983 Refunding)	5.45	02/12/01	02/01/30	16,406.98	16,181.73			(80.44)		16,326.54	16,195.13	93.84	0.00
GNMA	1994 A&B SF (1983 Refunding)	4.49	07/07/05	07/20/35	288,934.26	274,672.16			(1,142.94)		287,791.32	275,520.83	1,991.61	0.00
GNMA	1994 A&B SF (1983 Refunding)	4.49	09/15/05	09/20/35	22,140.88	21,045.42			(84.15)		22,056.73	21,117.64	156.37	0.00
GNMA	1994 A&B SF (1983 Refunding)	4.49	09/22/05	09/20/35	29,016.01	27,580.59			(107.81)		28,908.20	27,677.56	204.78	0.00
GNMA	1994 A&B SF (1983 Refunding)	4.49	08/11/05	07/20/35	38,646.82	36,843.96			(138.55)		38,508.27	36,968.26	262.85	0.00
GNMA	1994 A&B SF (1983 Refunding)	4.49	08/18/05	08/20/35	107,329.89	102,031.08			(432.72)		106,897.17	102,369.74	771.38	0.00
GNMA	1994 A&B SF (1983 Refunding)	4.49	08/30/05	08/20/35	190,540.44	181,134.63			(739.00)		189,801.44	181,717.72	1,322.09	0.00
GNMA	1994 A&B SF (1983 Refunding)	4.49	09/29/05	07/20/35	15,715.17	14,980.67			(59.18)		15,655.99	15,030.54	109.05	0.00
GNMA	1994 A&B SF (1983 Refunding)	4.49	10/13/05	09/20/35	20,014.70	19,024.92			(73.20)		19,941.50	19,092.95	141.23	0.00
GNMA	1994 A&B SF (1983 Refunding)	4.49	10/27/05	10/20/35	132,295.18	59,451.60			(507.91)		131,787.27	126,181.01	67,237.32	0.00
GNMA	1994 A&B SF (1983 Refunding)	4.49	11/01/05	11/20/35	32,581.94	31,368.88	205.01				32,786.95	31,478.07	(95.82)	0.00
FNMA	1994 A&B SF (1983 Refunding)	4.49	09/08/05	08/01/35	23,768.27	22,299.94			(115.70)		23,652.57	22,364.23	179.99	0.00
FNMA	1994 A&B SF (1983 Refunding)	4.49	11/01/05	10/01/35	13,502.23	12,729.15	15.70				13,517.93	12,781.91	37.06	0.00
	1994 A&B SF (1983 Refunding) Total				7,470,666.83	7,370,317.62	172,167.28	0.00	(181,014.64)	0.00	7,461,819.47	7,448,555.72	87,085.46	0.00
Repo Agmt	1995 C SF (1985 A&B Refunding)	4.55	02/28/06	03/01/06	265,048.72	265,048.72			(262,691.72)		2,357.00	2,357.00	-	0.00
Repo Agmt	1995 C SF (1985 A&B Refunding)	4.55	02/28/06	03/01/06			0.06				0.06	0.06	-	0.00
GICs	1995 C SF (1985 A&B Refunding)	6.08	11/14/96	09/30/29	110,669.59	110,669.59			(110,669.37)		0.22	0.22	-	0.00
GICs	1995 C SF (1985 A&B Refunding)				4.40	4.40			(4.40)				-	0.00
	1995 C SF (1985 A&B Refunding) Total				375,722.71	375,722.71	0.06	(373,365.49)	0.00	0.00	2,357.28	2,357.28	0.00	0.00
Repo Agmt	2005A Single Family	4.55	02/28/06	03/01/06	8,470.13	8,470.13	7,924.65				16,394.78	16,394.78	-	0.00
Repo Agmt	2005A Single Family	4.55	02/28/06	03/01/06	1,656.05	1,656.05	1,847,182.13				1,848,838.18	1,848,838.18	-	0.00
GICs	2005A Single Family				125,381.97	125,381.97			(125,381.97)				-	0.00
Repo Agmt	2005A Single Family	4.55	02/28/06	03/01/06	935.23	935.23	354,585.87				355,521.10	355,521.10	-	0.00
Inv Agmt	2005A Single Family	3.50	05/13/05	09/01/06	750,454.62	750,454.62			(354,575.82)		395,878.80	395,878.80	-	0.00

GNMA	2005A Single Family	4.49	08/11/05	07/20/35	1,240,359.22	1,181,018.48			(4,653.91)			1,235,705.31	1,185,111.58	8,747.01	0.00
GNMA	2005A Single Family	4.49	08/30/05	08/20/35	807,033.14	768,438.95			(2,935.10)			804,098.04	771,191.29	5,687.44	0.00
GNMA	2005A Single Family	4.49	10/27/05	10/20/35	1,882,422.37	1,792,511.18			(8,777.86)			1,873,644.51	1,797,078.72	13,345.40	0.00
GNMA	2005A Single Family	4.49	10/27/05	10/20/35	1,258,481.20	1,198,371.67			(5,462.63)			1,253,018.57	1,201,814.44	8,905.40	0.00
GNMA	2005A Single Family	4.49	09/29/05	09/20/35	6,974,504.50	6,641,182.51			(26,100.53)			6,948,403.97	6,664,257.80	49,175.82	0.00
GNMA	2005A Single Family	4.49	10/06/05	09/20/35	2,215,342.44	2,109,482.85			(8,732.14)			2,206,610.30	2,116,390.89	15,640.18	0.00
GNMA	2005A Single Family	4.49	10/20/05	10/20/35	1,658,982.08	1,579,732.01			(6,954.41)			1,652,027.67	1,584,506.95	11,729.35	0.00
GNMA	2005A Single Family	4.49	12/08/05	12/20/35							1,146,610.21	1,099,803.36	(46,806.85)	0.00	
GNMA	2005A Single Family	4.49	12/15/05	12/20/35							1,115,982.91	1,073,357.70	(42,625.21)	0.00	
GNMA	2005A Single Family	4.49	11/03/05	11/20/35	392,730.21	379,462.18			3,139.02			395,869.23	380,731.98	(1,869.22)	0.00
GNMA	2005A Single Family	4.49	11/10/05	11/20/35	2,125,927.68	2,054,119.87			15,613.84			2,141,541.52	2,059,669.85	(10,063.86)	0.00
GNMA	2005A Single Family	4.49	11/17/05	11/20/35	1,398,491.22	1,347,399.08			9,248.10			1,407,739.32	1,350,242.63	(6,404.55)	0.00
GNMA	2005A Single Family	4.49	11/22/05	11/20/35	1,084,771.57	1,045,147.21			8,010.20			1,092,781.77	1,048,154.27	(5,003.14)	0.00
GNMA	2005A Single Family	4.49	11/29/05	11/20/35	1,216,208.44	1,175,152.42			8,890.11			1,225,098.55	1,178,285.38	(5,757.15)	0.00
GNMA	2005A Single Family	4.49	12/22/05	12/20/35					1,656,365.66			1,656,365.66	1,593,113.30	(63,252.36)	0.00
GNMA	2005A Single Family	4.49	12/29/05	12/20/35					2,757,611.08			2,757,611.08	2,645,098.91	(112,512.17)	0.00
GNMA	2005A Single Family	4.49	01/05/06	01/20/36					1,773,279.10			1,773,279.10	1,700,725.05	(72,554.05)	0.00
GNMA	2005A Single Family	4.49	01/12/06	01/20/36					1,889,512.64			1,889,512.64	1,817,187.18	(72,325.46)	0.00
GNMA	2005A Single Family	4.49	01/19/06	01/20/36					996,292.40			996,292.40	955,543.41	(40,748.99)	0.00
GNMA	2005A Single Family	4.49	01/26/06	01/20/36					1,352,715.36			1,352,715.36	1,297,397.63	(55,317.73)	0.00
GNMA	2005A Single Family	4.49	02/02/06	02/20/36					2,798,054.95			2,798,054.95	2,715,241.12	(82,813.83)	0.00
		Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain	
GNMA	2005A Single Family	4.49	02/09/06	02/20/36			1,302,320.02				1,302,320.02	1,263,784.41	(38,535.61)	0.00	
GNMA	2005A Single Family	4.49	02/16/06	02/20/36			1,682,774.12				1,682,774.12	1,632,992.57	(49,781.55)	0.00	
GNMA	2005A Single Family	4.49	02/23/06	02/20/36			1,830,827.09				1,830,827.09	1,776,680.24	(54,146.85)	0.00	
FNMA	2005A Single Family	4.49	10/20/05	10/01/35	262,796.61	246,627.93			(953.49)		261,843.12	247,646.55	1,972.11	0.00	
FNMA	2005A Single Family	4.49	11/10/05	11/01/35	253,215.83	238,839.19			232.92		253,448.75	239,709.72	637.61	0.00	
FNMA	2005A Single Family	4.49	12/15/05	12/01/35			247,080.83				247,080.83	233,690.75	(13,390.08)	0.00	
FNMA	2005A Single Family	4.49	01/05/06	12/01/35			355,754.32				355,754.32	336,477.93	(19,276.39)	0.00	
FNMA	2005A Single Family	4.49	02/09/06	02/01/36			223,049.28				223,049.28	211,994.03	(11,055.25)	0.00	
FNMA	2005A Single Family	4.49	02/23/06	01/01/36			248,591.70				248,591.70	236,272.12	(12,319.58)	0.00	
Inv Agmt	2005A Single Family	3.35	05/13/05	09/01/06	76,669,172.44	76,669,172.44		(21,515,394.38)			55,153,778.06	55,153,778.06	-	0.00	
	2005A Single Family Total				100,327,336.95	99,313,555.97	23,631,648.51	(21,995,352.17)	(64,570.07)	0.00	101,899,063.22	100,184,562.68	(700,719.56)	0.00	
	Total Single Family Investment Summary				612,987,489.62	605,202,821.27	122,250,954.60	(80,032,525.85)	(31,622,755.47)	0.00	623,583,162.90	615,504,204.90	(294,289.65)	0.00	

Texas Department of Housing and Community Affairs
Residential Mortgage Revenue Bonds Investment Summary
For Period Ending February 28, 2006

Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
Repo Agmt	1989 A&B RMRB	4.55	02/28/06	03/01/06	46,325.76	46,325.76	5,829.97				52,155.73	52,155.73	-	0.00
Repo Agmt	1989 A&B RMRB	4.55	02/28/06	03/01/06	894,798.66	894,798.66		(342,793.13)			552,005.53	552,005.53	-	0.00
Repo Agmt	1989 A&B RMRB	4.55	02/28/06	03/01/06	20,293.18	20,293.18	218.16				20,511.34	20,511.34	-	0.00
1989 A&B RMRB Total					961,417.60	961,417.60	6,048.13	(342,793.13)	0.00	0.00	624,672.60	624,672.60	0.00	0.00
Repo Agmt	1998 A/B RMRB	4.55	02/28/06	03/01/06	48,961.11	48,961.11		(2,135.74)			46,825.37	46,825.37	-	0.00
GICs	1998 A/B RMRB	5.04	12/03/98	01/01/31	7,016,208.11	7,016,208.11		(5,223,874.55)			1,792,333.56	1,792,333.56	-	0.00
GICs	1998 A/B RMRB	5.04	12/03/98	01/01/31	645,512.43	645,512.43	597,537.15				1,243,049.58	1,243,049.58	-	0.00
GNMA	1998 A/B RMRB	5.35	07/28/00	07/20/30	1,646,741.30	1,629,088.22			(8,150.30)		1,638,591.00	1,627,825.44	6,887.52	0.00
GNMA	1998 A/B RMRB	5.35	08/28/00	07/20/30	2,857,122.90	2,826,494.56			(14,481.97)		2,842,640.93	2,823,964.81	11,952.22	0.00
FNMA	1998 A/B RMRB	5.35	05/25/99	04/01/29	395,876.58	388,881.44			(2,509.84)		393,366.74	388,245.11	1,873.51	0.00
GNMA	1998 A/B RMRB	5.35	04/16/99	04/20/29	983,587.46	972,994.22			(5,523.28)		978,064.18	971,432.90	3,961.96	0.00
FNMA	1998 A/B RMRB	5.35	06/22/99	05/01/29	230,463.67	226,391.34			(3,234.41)		227,229.26	224,270.69	1,113.76	0.00
GNMA	1998 A/B RMRB	5.35	05/25/99	05/20/29	3,428,551.31	3,391,625.80			(21,158.69)		3,407,392.62	3,384,290.49	13,823.38	0.00
GNMA	1998 A/B RMRB	5.35	06/22/99	06/20/29	4,685,631.27	4,635,166.95			(32,929.98)		4,652,701.29	4,621,155.92	18,918.95	0.00
FNMA	1998 A/B RMRB	5.35	07/30/99	07/01/29	75,613.89	74,277.77			(417.32)		75,196.57	74,217.49	357.04	0.00
FNMA	1998 A/B RMRB	5.35	08/24/99	08/01/29	144,391.33	141,839.94			(1,007.77)		143,383.56	141,516.71	684.54	0.00
GNMA	1998 A/B RMRB	5.35	07/30/99	07/20/29	3,962,888.10	3,920,207.77			(191,582.69)		3,771,305.41	3,745,735.92	17,110.84	0.00
GNMA	1998 A/B RMRB	5.35	08/26/99	08/20/29	2,865,223.17	2,834,364.77			(15,711.44)		2,849,511.73	2,830,192.10	11,538.77	0.00
FNMA	1998 A/B RMRB	5.35	09/30/99	08/01/29	185,378.45	182,102.81			(924.71)		184,453.74	182,052.15	874.05	0.00
GNMA	1998 A/B RMRB	5.35	09/20/99	09/20/29	2,633,644.07	2,605,279.74			(16,103.15)		2,617,540.92	2,599,794.01	10,617.42	0.00
FNMA	1998 A/B RMRB	5.35	10/29/99	10/01/29	511,905.87	502,860.51			(5,797.32)		506,108.55	499,519.03	2,455.84	0.00
FNMA	1998 A/B RMRB	5.35	11/16/99	10/01/29	370,595.91	364,047.48			(4,182.45)		366,413.46	361,642.76	1,777.73	0.00
FNMA	1998 A/B RMRB	5.35	12/21/99	11/01/29	629,986.15	618,854.27			(5,663.97)		624,322.18	616,193.49	3,003.19	0.00
GNMA	1998 A/B RMRB	5.35	10/29/99	10/20/29	3,968,416.26	3,925,676.41			(244,513.41)		3,723,902.85	3,698,654.79	17,491.79	0.00
GNMA	1998 A/B RMRB	5.35	11/18/99	11/20/29	3,655,078.98	3,615,713.80			(20,971.25)		3,634,107.73	3,609,468.50	14,725.95	0.00
GNMA	1998 A/B RMRB	5.35	12/30/99	12/20/29	6,303,225.31	6,235,339.55			(38,013.82)		6,265,211.49	6,222,733.33	25,407.60	0.00
GNMA	1998 A/B RMRB	5.35	01/28/00	01/20/30	2,707,150.40	2,678,129.73			(16,673.66)		2,690,476.74	2,672,800.29	11,344.22	0.00
GNMA	1998 A/B RMRB	5.35	02/22/00	01/20/30	3,226,796.18	3,192,204.93			(19,322.20)		3,207,473.98	3,186,400.88	13,518.15	0.00
GNMA	1998 A/B RMRB	5.35	03/27/00	03/20/30	1,815,557.96	1,796,095.17			(10,532.06)		1,805,025.90	1,793,166.87	7,603.76	0.00
FNMA	1998 A/B RMRB	5.35	02/23/00	01/01/30	545,220.03	535,585.97			(4,409.47)		540,810.56	533,769.19	2,592.69	0.00
FNMA	1998 A/B RMRB	5.35	03/27/00	02/01/30	296,629.40	291,376.09			(3,311.17)		293,318.23	289,402.43	1,337.51	0.00
FNMA	1998 A/B RMRB	5.35	04/21/00	04/01/30	315,639.61	310,049.63			(1,604.13)		314,035.48	309,843.11	1,397.61	0.00
GNMA	1998 A/B RMRB	5.35	04/24/00	04/20/30	2,390,148.73	2,364,526.35			(15,223.13)		2,374,925.60	2,359,322.36	10,019.14	0.00
GNMA	1998 A/B RMRB	5.35	05/30/00	05/20/30	1,888,251.31	1,868,009.23			(11,806.27)		1,876,445.04	1,864,116.77	7,913.81	0.00
GNMA	1998 A/B RMRB	5.35	06/21/00	06/20/30	1,447,766.49	1,432,246.46			(83,906.24)		1,363,860.25	1,354,899.72	6,559.50	0.00
FNMA	1998 A/B RMRB	5.35	05/30/00	05/01/30	486,983.54	478,359.07			(45,446.65)		441,536.89	435,642.38	2,729.96	0.00
FNMA	1998 A/B RMRB	5.35	06/21/00	06/01/30	287,748.85	282,652.82			(2,187.10)		285,561.75	281,749.50	1,283.78	0.00
GNMA	1998 A/B RMRB	5.35	10/23/00	09/20/30	2,041,287.90	2,019,405.29			(64,949.39)		1,976,338.51	1,963,353.96	8,898.06	0.00
GNMA	1998 A/B RMRB	5.35	10/25/00	10/20/30	488,320.72	483,085.93			(4,426.48)		483,894.24	480,715.06	2,055.61	0.00
FNMA	1998 A/B RMRB	5.35	07/24/00	06/01/30	414,849.77	407,502.78			(2,836.71)		412,013.06	406,512.68	1,846.61	0.00
FNMA	1998 A/B RMRB	5.35	08/25/00	07/01/30	212,437.20	208,674.94			(1,580.87)		210,856.33	208,041.40	947.33	0.00
GNMA	1998 A/B RMRB	5.35	01/08/01	12/20/30	351,730.94	347,960.38			(4,160.17)		347,570.77	345,287.23	1,487.02	0.00
GNMA	1998 A/B RMRB	5.35	01/16/01	12/20/30	270,868.36	267,964.65			(1,724.75)		269,143.61	267,375.34	1,135.44	0.00
GNMA	1998 A/B RMRB	5.35	01/31/01	08/20/30	115,738.94	114,498.18			(545.11)		115,193.83	114,436.96	483.89	0.00
GNMA	1998 A/B RMRB	5.35	11/16/00	11/20/30	496,178.39	490,859.36			(156,012.60)		340,165.79	337,930.90	3,084.14	0.00
GNMA	1998 A/B RMRB	5.35	11/29/00	11/20/30	770,954.95	762,690.28			(3,645.72)		767,309.23	762,267.98	3,223.42	0.00
GNMA	1998 A/B RMRB	5.35	12/21/00	11/20/30	168,145.92	166,343.40			(3,996.64)		164,149.28	163,070.82	724.06	0.00
GNMA	1998 A/B RMRB	5.35	12/27/00	12/20/30	301,262.06	298,032.53			(1,360.83)		299,901.23	297,930.88	1,259.18	0.00
FNMA	1998 A/B RMRB	5.35	10/06/00	09/01/30	445,931.55	438,034.08			(3,029.45)		442,902.10	436,989.34	1,984.71	0.00
FNMA	1998 A/B RMRB	5.35	01/12/01	12/01/30	586,914.29	576,520.02			(113,841.46)		473,072.83	466,757.29	4,078.73	0.00
Repo Agmt	1998 A/B RMRB	4.55	02/28/06	03/01/06	1,297,390.03	1,297,390.03		(70,174.16)			1,227,215.87	1,227,215.87	-	0.00
Repo Agmt	1998 A/B RMRB	4.55	02/28/06	03/01/06	204.27	204.27	34,441.01				34,645.28	34,645.28	-	0.00
GNMA	1998 A/B RMRB	5.49	01/12/06	01/20/36			27,424.07				27,424.07	27,672.43	248.36	0.00

GNMA	1998 A/B RMRB	5.49	02/23/06	02/20/36	40,091.66						40,091.66	40,858.58	766.92	0.00
Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning	Beginning	Accretions/ Purchases	Amortizations/ Sales	Maturities	Transfers	Ending	Ending	Change in In Market Value	Recognized Gain
					Carrying Value 11/30/05	Market Value 11/30/05					Carrying Value 02/28/06	Market Value 02/28/06		
	1998 A/B RMRB Total				70,615,111.42	69,910,290.57	699,493.89	(5,296,184.45)	(1,209,410.03)	0.00	64,809,010.83	64,367,289.65	263,099.67	0.00
Repo Agmt	2000 BCDE RMRB	4.55	02/28/06	03/01/06	2,055,443.00	2,055,443.00		(1,876,090.91)			179,352.09	179,352.09	-	0.00
Repo Agmt	2000 BCDE RMRB	4.55	02/28/06	03/01/06	560,065.32	560,065.32	12,594.60				572,659.92	572,659.92	-	0.00
Repo Agmt	2000 BCDE RMRB	4.55	02/28/06	03/01/06	47,178.42	47,178.42	72,344.89				119,523.31	119,523.31	-	0.00
Inv Agmt	2000 BCDE RMRB	6.22	10/26/00	12/31/32	8,822,859.68	8,822,859.68		(4,527,641.57)			4,295,218.11	4,295,218.11	-	0.00
Repo Agmt	2000 BCDE RMRB	4.55	02/28/06	03/01/06	0.09	0.09	44.57				44.66	44.66	-	0.00
Inv Agmt	2000 BCDE RMRB				372,730.54	372,730.54		(372,730.54)					-	0.00
Repo Agmt	2000 BCDE RMRB	4.55	02/28/06	03/01/06	1,228.19	1,228.19	0.00				1,228.19	1,228.19	-	0.00
GNMA	2000 BCDE RMRB	6.10	02/22/01	02/20/31	1,142,664.76	1,172,028.61			(5,729.94)		1,136,934.82	1,161,117.62	(5,181.05)	0.00
GNMA	2000 BCDE RMRB	6.10	02/14/01	02/20/31	231,421.19	237,367.44			(1,248.35)		230,172.84	235,067.93	(1,051.16)	0.00
GNMA	2000 BCDE RMRB	6.10	02/14/01	01/20/31	119,757.77	122,834.65			(467.17)		119,290.60	121,827.32	(540.16)	0.00
GNMA	2000 BCDE RMRB	6.10	03/07/01	02/20/31	248,650.37	255,041.13			(960.44)		247,689.93	252,959.36	(1,121.33)	0.00
GNMA	2000 BCDE RMRB	6.10	03/07/01	02/20/31	1,375,267.27	1,410,614.11			(6,404.09)		1,368,863.18	1,397,984.74	(6,225.28)	0.00
GNMA	2000 BCDE RMRB	6.10	03/07/01	02/20/31	97,647.54	100,157.27			(409.43)		97,238.11	99,306.78	(441.06)	0.00
GNMA	2000 BCDE RMRB	6.10	03/15/01	03/20/31	363,257.60	372,595.84			(1,439.79)		361,817.81	369,517.06	(1,638.99)	0.00
GNMA	2000 BCDE RMRB	6.10	03/15/01	03/20/31	913,882.16	937,375.26			(74,744.56)		839,137.60	856,993.91	(5,636.79)	0.00
GNMA	2000 BCDE RMRB	6.10	03/29/01	03/20/31	73,495.63	75,385.37			(324.63)		73,171.00	74,728.41	(332.33)	0.00
GNMA	2000 BCDE RMRB	6.10	03/29/01	03/20/31	356,027.01	365,181.24			(28,233.60)		327,793.41	334,770.36	(2,177.28)	0.00
GNMA	2000 BCDE RMRB	6.10	04/16/01	03/20/31	185,464.49	190,234.52			(736.83)		184,727.66	188,660.85	(836.84)	0.00
GNMA	2000 BCDE RMRB	6.10	04/16/01	04/20/31	1,151,156.35	1,180,765.67			(304,274.15)		846,882.20	864,915.51	(11,576.01)	0.00
GNMA	2000 BCDE RMRB	6.10	04/30/01	04/20/31	562,738.58	577,215.85			(2,691.99)		560,046.59	571,974.92	(2,548.94)	0.00
GNMA	2000 BCDE RMRB	6.10	04/30/01	04/20/31	1,138,628.64	1,167,921.59			(59,971.68)		1,078,656.96	1,101,631.14	(6,318.77)	0.00
GNMA	2000 BCDE RMRB	6.10	04/30/01	04/20/31	98,094.41	100,618.05			(375.46)		97,718.95	99,800.26	(442.33)	0.00
GNMA	2000 BCDE RMRB	6.10	05/10/01	05/20/31	174,698.13	179,193.58			(728.93)		173,969.20	177,675.62	(789.03)	0.00
GNMA	2000 BCDE RMRB	6.10	05/10/01	05/20/31	544,463.02	558,473.54			(86,659.66)		457,803.36	467,556.89	(4,256.99)	0.00
GNMA	2000 BCDE RMRB	6.10	05/22/01	04/20/31	202,971.70	208,195.13			(87,813.69)		115,158.01	117,611.70	(2,769.74)	0.00
GNMA	2000 BCDE RMRB	6.10	05/22/01	04/20/31	1,278,250.48	1,311,145.92			(5,528.02)		1,272,722.46	1,299,840.43	(5,777.47)	0.00
GNMA	2000 BCDE RMRB	6.10	05/22/01	05/20/31	117,355.45	120,375.81			(455.86)		116,899.59	119,390.62	(529.33)	0.00
GNMA	2000 BCDE RMRB	6.10	05/30/01	05/20/31	165,575.66	169,837.57			(641.57)		164,934.09	168,449.20	(746.80)	0.00
GNMA	2000 BCDE RMRB	6.10	05/30/01	05/20/31	487,006.13	499,541.61			(50,067.25)		436,938.88	446,251.01	(3,223.35)	0.00
GNMA	2000 BCDE RMRB	6.10	05/30/01	05/20/31	48,921.88	50,181.12			(186.10)		48,735.78	49,774.45	(220.57)	0.00
GNMA	2000 BCDE RMRB	6.10	06/18/01	05/20/31	280,283.29	287,499.74			(3,435.93)		276,847.36	282,749.54	(1,314.27)	0.00
GNMA	2000 BCDE RMRB	6.10	06/18/01	05/20/31	1,452,587.76	1,489,987.69			(6,336.55)		1,446,251.21	1,477,084.37	(6,566.77)	0.00
GNMA	2000 BCDE RMRB	6.10	06/18/01	05/20/31	44,113.19	45,248.99			(179.77)		43,933.42	44,870.06	(199.16)	0.00
GNMA	2000 BCDE RMRB	6.10	06/29/01	06/20/31	253,898.04	260,436.75			(1,083.03)		252,815.01	258,206.42	(1,147.30)	0.00
GNMA	2000 BCDE RMRB	6.10	06/29/01	06/20/31	1,243,461.91	1,275,485.13			(42,180.42)		1,201,281.49	1,226,899.45	(6,405.26)	0.00
GNMA	2000 BCDE RMRB	6.10	06/29/01	06/20/31	270,252.01	277,211.89			(1,589.28)		268,662.73	274,392.12	(1,230.49)	0.00
GNMA	2000 BCDE RMRB	6.10	07/25/01	06/20/31	500,618.18	513,515.94			(67,883.50)		432,734.68	441,967.44	(3,665.00)	0.00
GNMA	2000 BCDE RMRB	6.10	07/25/01	07/20/31	1,003,752.45	1,029,614.77			(64,105.77)		939,646.68	959,696.71	(5,812.29)	0.00
GNMA	2000 BCDE RMRB	6.10	07/25/01	06/20/31	149,971.10	153,834.90			(2,796.18)		147,174.92	150,315.02	(723.70)	0.00
GNMA	2000 BCDE RMRB	6.10	08/08/01	07/20/31	234,246.38	240,283.10			(1,021.31)		233,225.07	238,202.78	(1,059.01)	0.00
GNMA	2000 BCDE RMRB	6.10	08/08/01	08/20/31	1,624,448.73	1,666,315.42			(288,905.35)		1,335,543.38	1,364,050.59	(13,359.48)	0.00
GNMA	2000 BCDE RMRB	6.10	08/08/01	07/20/31	231,266.35	237,226.27			(1,342.89)		229,923.46	234,830.71	(1,052.67)	0.00
GNMA	2000 BCDE RMRB	6.10	08/31/01	08/20/31	335,064.33	343,703.00			(1,333.47)		333,730.86	340,857.09	(1,512.44)	0.00
GNMA	2000 BCDE RMRB	6.10	08/31/01	08/20/31	1,118,374.78	1,147,208.85			(125,149.83)		993,224.95	1,014,433.49	(7,625.53)	0.00
GNMA	2000 BCDE RMRB	6.10	08/31/01	08/20/31	234,977.64	241,035.86			(1,291.26)		233,686.38	238,676.34	(1,068.26)	0.00
FNMA	2000 BCDE RMRB	6.10	02/14/01	02/01/31	302,762.92	308,833.34			(1,959.60)		300,803.32	306,004.02	(869.72)	0.00
GNMA	2000 BCDE RMRB	6.10	11/29/01	10/20/31	235,403.34	241,481.53			(944.05)		234,459.29	239,474.90	(1,062.58)	0.00
GNMA	2000 BCDE RMRB	6.10	11/29/01	10/20/31	278,119.87	285,301.00			(1,408.50)		276,711.37	282,630.84	(1,261.66)	0.00
GNMA	2000 BCDE RMRB	6.10	11/29/01	11/20/31	264,069.82	270,888.71			(1,012.18)		263,057.64	268,685.56	(1,190.97)	0.00
GNMA	2000 BCDE RMRB	6.10	09/25/01	08/20/31	329,128.67	337,617.36			(1,256.11)		327,872.56	334,877.06	(1,484.19)	0.00
GNMA	2000 BCDE RMRB	6.10	09/25/01	09/20/31	1,199,649.48	1,230,592.56			(5,514.69)		1,194,134.79	1,219,648.07	(5,429.80)	0.00
GNMA	2000 BCDE RMRB	6.10	09/25/01	08/20/31	204,378.93	209,650.14			(901.61)		203,477.32	207,824.29	(924.24)	0.00
GNMA	2000 BCDE RMRB	6.10	10/17/01	09/20/31	321,050.18	329,333.81			(119,462.32)		201,587.86	205,896.53	(3,974.96)	0.00
GNMA	2000 BCDE RMRB	6.10	10/17/01	09/20/31	986,060.07	1,011,502.06			(85,286.59)		900,773.48	920,026.33	(6,189.14)	0.00
GNMA	2000 BCDE RMRB	6.10	10/17/01	09/20/31	204,237.97	209,507.66			(1,179.43)		203,058.54	207,398.66	(929.57)	0.00
GNMA	2000 BCDE RMRB	6.10	11/15/01	08/20/31	96,235.50	98,719.43			(355.45)		95,880.05	97,930.25	(433.73)	0.00

GNMA	2000 BCDE RMRB	6.10	11/15/01	10/20/31	210,395.18	215,826.56					(796.53)	209,598.65	214,081.35	(948.68)	0.00
FNMA	2000 BCDE RMRB	6.10	03/15/01	02/01/31	279,819.34	285,432.87					(1,156.98)	278,662.36	283,483.38	(792.51)	0.00
		Current	Current	Current	Beginning	Beginning						Ending	Ending	Change in	
Investment		Interest	Purchase	Maturity	Carrying Value	Market Value	Accretions/	Amortizations/				Carrying Value	Market Value	In Market	Recognized
Type	Issue	Rate	Date	Date	11/30/05	11/30/05	Purchases	Sales	Maturities	Transfers	02/28/06	02/28/06	Value	Gain	
GNMA	2000 BCDE RMRB	6.10	01/22/02	12/20/31	207,784.84	213,155.03			(1,322.89)		206,461.95	210,883.71	(948.43)	0.00	
FNMA	2000 BCDE RMRB	6.10	05/10/01	04/01/31	380,023.11	387,656.59			(2,348.58)		377,674.53	384,217.77	(1,090.24)	0.00	
GNMA	2000 BCDE RMRB	6.10	02/25/02	02/20/32	398,248.94	408,388.25			(2,872.43)		395,376.51	403,957.87	(1,557.95)	0.00	
FNMA	2000 BCDE RMRB	6.10	05/30/01	04/01/31	234,628.80	239,343.44			(973.73)		233,655.07	237,705.08	(664.63)	0.00	
FNMA	2000 BCDE RMRB	6.10	07/12/01	05/01/31	314,971.04	321,305.89			(2,023.67)		312,947.37	318,377.52	(904.70)	0.00	
GNMA	2000 BCDE RMRB	6.10	05/15/02	05/20/32	618,263.23	634,026.34			(2,905.47)		615,357.76	628,735.76	(2,385.11)	0.00	
GNMA	2000 BCDE RMRB	6.10	05/24/02	05/20/32	113,196.70	116,083.09			(413.11)		112,783.59	115,235.89	(434.09)	0.00	
GNMA	2000 BCDE RMRB	6.10	03/21/02	02/20/32	312,367.26	320,322.95			(2,371.55)		309,995.71	316,726.82	(1,224.58)	0.00	
GNMA	2000 BCDE RMRB	6.10	04/17/02	04/20/32	267,026.36	273,831.11			(964.14)		266,062.22	271,843.19	(1,023.78)	0.00	
GNMA	2000 BCDE RMRB	6.10	04/29/02	04/20/32	472,731.95	484,780.73			(50,260.24)		422,471.71	431,652.86	(2,867.63)	0.00	
GNMA	2000 BCDE RMRB	6.10	05/15/02	05/20/32	172,342.28	176,736.26			(95,149.09)		77,193.19	78,871.37	(2,715.80)	0.00	
GNMA	2000 BCDE RMRB	6.10	05/15/02	02/20/32	45,313.39	46,468.46			(162.93)		45,150.46	46,131.81	(173.72)	0.00	
GNMA	2000 BCDE RMRB	6.10	08/29/02	08/20/32	1,252,379.37	1,284,367.83			(59,119.09)		1,193,260.28	1,219,257.13	(5,991.61)	0.00	
GNMA	2000 BCDE RMRB	6.10	06/03/02	05/20/32	543,081.73	556,931.95			(2,158.11)		540,923.62	552,687.30	(2,086.54)	0.00	
GNMA	2000 BCDE RMRB	6.10	06/10/02	06/20/32	616,968.05	632,705.11			(2,270.16)		614,697.89	628,068.47	(2,366.48)	0.00	
GNMA	2000 BCDE RMRB	6.10	06/19/02	06/20/32	664,748.96	681,707.56			(2,994.88)		661,754.08	676,150.97	(2,561.71)	0.00	
GNMA	2000 BCDE RMRB	6.10	06/25/02	06/20/32	454,400.16	465,993.42			(1,891.57)		452,508.59	462,354.13	(1,747.72)	0.00	
GNMA	2000 BCDE RMRB	6.10	07/05/02	06/20/32	1,141,056.23	1,170,173.04			(66,536.03)		1,074,520.20	1,097,903.66	(5,733.35)	0.00	
GNMA	2000 BCDE RMRB	6.10	07/15/02	07/20/32	57,479.42	58,946.45			(198.77)		57,280.65	58,527.48	(220.20)	0.00	
GNMA	2000 BCDE RMRB	6.10	07/22/02	07/20/32	791,037.56	811,229.31			(58,970.06)		732,067.50	748,004.58	(4,254.67)	0.00	
GNMA	2000 BCDE RMRB	6.10	07/29/02	07/20/32	321,801.56	330,016.77			(62,602.77)		259,198.79	264,842.36	(2,571.64)	0.00	
GNMA	2000 BCDE RMRB	6.10	08/01/02	07/20/32	345,020.53	353,828.85			(1,253.78)		343,766.75	351,251.97	(1,323.10)	0.00	
GNMA	2000 BCDE RMRB	6.10	08/12/02	08/20/32	1,507,876.45	1,546,381.52			(6,909.48)		1,500,966.97	1,533,658.38	(5,813.66)	0.00	
GNMA	2000 BCDE RMRB	6.10	08/23/02	08/20/32	1,475,297.37	1,512,976.59			(58,114.32)		1,417,183.05	1,448,055.44	(6,806.83)	0.00	
GNMA	2000 BCDE RMRB	6.10	11/12/02	10/20/32	553,715.89	567,877.26			(53,838.48)		499,877.41	510,784.38	(3,254.40)	0.00	
GNMA	2000 BCDE RMRB	6.10	09/12/02	08/20/32	914,867.08	938,240.40			(3,665.35)		911,201.73	931,059.13	(3,515.92)	0.00	
GNMA	2000 BCDE RMRB	6.10	09/19/02	09/20/32	465,336.64	477,227.17			(57,998.52)		407,338.12	416,216.76	(3,011.89)	0.00	
GNMA	2000 BCDE RMRB	6.10	09/26/02	09/20/32	1,396,664.64	1,432,355.77			(6,605.53)		1,390,059.11	1,420,360.66	(5,389.58)	0.00	
GNMA	2000 BCDE RMRB	6.10	10/10/02	10/20/32	1,354,459.91	1,389,082.25			(58,776.84)		1,295,683.07	1,323,936.61	(6,368.80)	0.00	
GNMA	2000 BCDE RMRB	6.10	10/21/02	10/20/32	860,895.49	882,905.89			(3,315.90)		857,579.59	876,284.27	(3,305.72)	0.00	
GNMA	2000 BCDE RMRB	6.10	10/29/02	11/20/32	636,838.52	653,123.11			(66,034.85)		570,803.67	583,255.82	(3,832.44)	0.00	
FNMA	2000 BCDE RMRB	6.10	08/31/01	06/01/31	605,520.32	617,711.91			(3,700.10)		601,820.22	612,275.12	(1,736.69)	0.00	
GNMA	2000 BCDE RMRB	6.10	11/05/02	10/20/32	479,430.99	491,690.99			(2,235.61)		477,195.38	487,605.93	(1,849.45)	0.00	
GNMA	2000 BCDE RMRB	6.10	11/19/02	11/20/32	31,403.97	32,207.26			(108.92)		31,295.05	31,978.02	(120.32)	0.00	
GNMA	2000 BCDE RMRB	6.10	11/26/02	11/20/32	219,087.58	224,692.35			(39,973.89)		179,113.69	183,023.12	(1,695.34)	0.00	
GNMA	2000 BCDE RMRB	6.10	11/26/02	11/20/32	161,249.22	165,374.35			(592.90)		160,656.32	164,162.88	(618.57)	0.00	
GNMA	2000 BCDE RMRB	6.10	12/12/02	11/20/32	123,171.39	126,323.17			(718.41)		122,452.98	125,126.45	(478.31)	0.00	
GNMA	2000 BCDE RMRB	6.10	12/19/02	06/20/32	65,284.76	66,955.04			(238.34)		65,046.42	66,466.28	(250.42)	0.00	
GNMA	2000 BCDE RMRB	6.10	12/30/02	09/20/32	89,740.75	92,037.55			(1,047.30)		88,693.45	90,630.22	(360.03)	0.00	
GNMA	2000 BCDE RMRB	6.10	12/30/02	11/20/32	35,152.01	36,051.76			(128.06)		35,023.95	35,788.87	(134.83)	0.00	
GNMA	2000 BCDE RMRB	6.10	01/07/03	12/20/32	127,901.45	131,175.85			(738.50)		127,162.95	129,940.81	(496.54)	0.00	
GNMA	2000 BCDE RMRB	6.10	01/23/03	01/20/33	25,735.61	26,386.64			(583.43)		25,152.18	25,707.37	(95.84)	0.00	
GNMA	2000 BCDE RMRB	6.10	01/23/03	01/20/33	392,011.77	401,928.39			(54,276.24)		337,735.53	345,190.37	(2,461.78)	0.00	
GNMA	2000 BCDE RMRB	6.10	02/12/03	02/20/33	238,361.54	244,393.52			(1,146.18)		237,215.36	242,453.61	(793.73)	0.00	
FNMA	2000 BCDE RMRB	6.10	10/17/01	09/01/31	345,057.00	352,348.59			(2,404.74)		342,652.26	348,919.43	(1,024.42)	0.00	
GNMA	2000 BCDE RMRB	6.10	02/20/03	02/20/33	355,106.82	364,094.25			(50,789.78)		304,317.04	311,037.99	(2,266.48)	0.00	
GNMA	2000 BCDE RMRB	6.10	02/27/03	02/20/33	104,534.29	107,180.28			(343.17)		104,191.12	106,492.54	(344.57)	0.00	
GNMA	2000 BCDE RMRB	6.10	03/24/03	03/20/33	193,180.04	198,072.04			(673.61)		192,506.43	196,760.76	(637.67)	0.00	
GNMA	2000 BCDE RMRB	6.10	04/02/03	03/20/33	151,512.94	155,350.40			(497.84)		151,015.10	154,353.11	(499.45)	0.00	
GNMA	2000 BCDE RMRB	6.10	04/10/03	04/20/33	41,073.51	42,113.98			(601.55)		40,471.96	41,366.72	(145.71)	0.00	
GNMA	2000 BCDE RMRB	6.10	04/17/03	04/20/33	151,002.83	154,828.46			(1,045.59)		149,957.24	153,272.95	(509.92)	0.00	
GNMA	2000 BCDE RMRB	6.10	04/24/03	04/20/33	27,637.37	28,337.65			(90.88)		27,546.49	28,155.66	(91.11)	0.00	
GNMA	2000 BCDE RMRB	6.10	04/29/03	04/20/33	340,136.82	348,755.88			(1,139.72)		338,997.10	346,494.41	(1,121.75)	0.00	
GNMA	2000 BCDE RMRB	6.10	05/08/03	04/20/33	83,983.85	86,112.27			(329.91)		83,653.94	85,504.31	(278.05)	0.00	
GNMA	2000 BCDE RMRB	6.10	05/15/03	04/20/33	73,029.35	74,880.37			(235.78)		72,793.57	74,403.93	(240.66)	0.00	
GNMA	2000 BCDE RMRB	6.10	05/22/03	05/20/33	149,804.73	153,602.32			(552.18)		149,252.55	152,554.98	(495.16)	0.00	
GNMA	2000 BCDE RMRB	6.10	05/29/03	04/20/33	103,613.32	106,240.16			(336.63)		103,276.69	105,561.94	(341.59)	0.00	

Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
GNMA	2000 BCDE RMRB	6.10	06/10/03	05/20/33	136,555.48	140,018.19			(467.53)		136,087.95	139,100.07	(450.59)	0.00
GNMA	2000 BCDE RMRB	6.10	06/19/03	06/20/33	198,780.08	203,821.67			(929.08)		197,851.00	202,231.17	(661.42)	0.00
GNMA	2000 BCDE RMRB	6.10	06/19/03	06/20/33	61,358.94	62,915.17			(202.85)		61,156.09	62,510.01	(202.31)	0.00
GNMA	2000 BCDE RMRB	6.10	06/26/03	06/20/33	100,211.38	102,753.32			(319.29)		99,892.09	102,103.89	(330.14)	0.00
GNMA	2000 BCDE RMRB	6.10	07/03/03	07/20/33	73,535.46	75,401.05			(233.62)		73,301.84	74,925.18	(242.25)	0.00
GNMA	2000 BCDE RMRB	6.10	07/10/03	07/20/33	488,858.55	501,261.84			(1,616.21)		487,242.34	498,034.27	(1,611.36)	0.00
GNMA	2000 BCDE RMRB	6.10	07/17/03	07/20/33	242,157.23	248,301.97			(795.13)		241,362.10	246,708.53	(798.31)	0.00
GNMA	2000 BCDE RMRB	6.10	07/24/03	07/20/33	49,667.95	50,928.43			(157.20)		49,510.75	50,607.62	(163.61)	0.00
GNMA	2000 BCDE RMRB	6.10	07/30/03	07/20/33	269,633.28	276,476.61			(882.65)		268,750.63	274,705.12	(888.84)	0.00
GNMA	2000 BCDE RMRB	6.10	08/07/03	08/20/33	230,140.92	235,983.12			(750.55)		229,390.37	234,473.97	(758.60)	0.00
GNMA	2000 BCDE RMRB	6.10	08/14/03	08/20/33	238,315.72	244,366.17			(752.09)		237,563.63	242,829.08	(785.00)	0.00
FNMA	2000 BCDE RMRB	6.10	12/27/01	10/01/31	230,649.92	235,305.88			(1,001.51)		229,648.41	233,650.08	(654.29)	0.00
GNMA	2000 BCDE RMRB	6.10	08/21/03	08/20/33	211,395.46	216,762.89			(673.79)		210,721.67	215,392.62	(696.48)	0.00
GNMA	2000 BCDE RMRB	6.10	08/28/03	08/20/33	346,173.22	354,963.78			(1,133.23)		345,039.99	352,689.36	(1,141.19)	0.00
GNMA	2000 BCDE RMRB	6.10	09/04/03	08/20/33	160,858.59	164,943.86			(698.68)		160,159.91	163,711.07	(534.11)	0.00
GNMA	2000 BCDE RMRB	6.10	09/18/03	09/20/33	448,971.75	460,377.36			(1,462.52)		447,509.23	457,434.88	(1,479.96)	0.00
GNMA	2000 BCDE RMRB	6.10	09/18/03	08/20/33	82,633.28	84,732.40			(261.10)		82,372.18	84,199.01	(272.29)	0.00
GNMA	2000 BCDE RMRB	6.10	09/29/03	09/20/33	367,896.05	377,243.54			(1,535.44)		366,360.61	374,487.91	(1,220.19)	0.00
GNMA	2000 BCDE RMRB	6.10	10/09/03	09/20/33	292,710.54	300,148.93			(1,140.32)		291,570.22	298,039.58	(969.03)	0.00
GNMA	2000 BCDE RMRB	6.10	10/16/03	09/20/33	89,772.82	92,054.42			(281.60)		89,491.22	91,477.13	(295.69)	0.00
GNMA	2000 BCDE RMRB	5.40	10/23/03	10/20/33	239,918.94	238,725.36			(942.14)		238,976.80	238,990.73	1,207.51	0.00
GNMA	2000 BCDE RMRB	6.10	10/23/03	10/20/33	246,754.36	253,026.68			(789.77)		245,964.59	251,423.82	(813.09)	0.00
GNMA	2000 BCDE RMRB	5.40	10/30/03	10/20/33	153,854.84	153,089.75			(540.95)		153,313.89	153,323.15	774.35	0.00
GNMA	2000 BCDE RMRB	6.10	10/30/03	08/20/33	59,158.71	60,662.55			(202.70)		58,956.01	60,264.55	(195.30)	0.00
GNMA	2000 BCDE RMRB	5.40	11/13/03	11/20/33	537,088.29	534,421.11			(2,082.89)		535,005.40	535,041.40	2,703.18	0.00
GNMA	2000 BCDE RMRB	6.10	11/13/03	11/20/33	139,837.80	143,393.68			(449.94)		139,387.86	142,482.89	(460.85)	0.00
GNMA	2000 BCDE RMRB	5.40	11/20/03	11/20/33	506,531.15	504,017.26			(1,803.97)		504,727.18	504,762.68	2,549.39	0.00
GNMA	2000 BCDE RMRB	6.10	11/20/03	10/20/33	48,100.56	49,323.79			(149.55)		47,951.01	49,015.84	(158.40)	0.00
GNMA	2000 BCDE RMRB	5.40	11/26/03	11/20/33	331,690.72	330,045.21			(1,624.54)		330,066.18	330,090.05	1,669.38	0.00
GNMA	2000 BCDE RMRB	5.40	12/04/03	11/20/33	414,897.98	412,840.94			(1,677.62)		413,220.36	413,251.50	2,088.18	0.00
GNMA	2000 BCDE RMRB	5.40	12/11/03	12/20/33	361,638.39	359,846.85			(1,265.41)		360,372.98	360,401.59	1,820.15	0.00
GNMA	2000 BCDE RMRB	5.40	12/18/03	12/20/33	984,060.71	979,188.64			(4,046.23)		980,014.48	980,095.21	4,952.80	0.00
GNMA	2000 BCDE RMRB	5.40	12/23/03	12/20/33	873,325.55	869,003.49			(3,377.69)		869,947.86	870,021.28	4,395.48	0.00
GNMA	2000 BCDE RMRB	5.40	01/08/04	01/20/34	133,280.26	132,523.85			(577.05)		132,703.21	132,584.71	637.91	0.00
GNMA	2000 BCDE RMRB	5.40	01/15/04	01/20/34	1,243,735.14	1,236,680.37			(6,397.80)		1,237,337.34	1,236,236.22	5,953.65	0.00
GNMA	2000 BCDE RMRB	5.40	01/22/04	01/20/34	294,089.83	291,879.04			(1,025.69)		293,064.14	292,256.73	1,403.38	0.00
GNMA	2000 BCDE RMRB	5.40	01/29/04	01/20/34	50,627.69	50,340.83			(206.79)		50,420.90	50,376.34	242.30	0.00
GNMA	2000 BCDE RMRB	6.10	02/02/04	12/20/33	114,450.70	117,365.03			(69,469.06)		44,981.64	45,982.00	(1,913.97)	0.00
GNMA	2000 BCDE RMRB	5.75	03/25/04	03/20/34	40,040.66	40,437.39			(128.18)		39,912.48	40,352.87	43.66	0.00
GNMA	2000 BCDE RMRB	5.75	03/30/04	03/20/34	164,591.73	166,222.73			(550.88)		164,040.85	165,851.04	179.19	0.00
GNMA	2000 BCDE RMRB	5.75	07/08/04	07/20/34	752,449.50	759,939.45			(2,530.09)		749,919.41	758,228.34	818.98	0.00
GNMA	2000 BCDE RMRB	5.75	07/08/04	07/20/34	255,892.13	258,439.32			(1,625.70)		254,266.43	257,083.66	270.04	0.00
GNMA	2000 BCDE RMRB	5.75	04/08/04	04/20/34	165,965.04	167,610.52			(541.94)		165,423.10	167,249.42	180.84	0.00
GNMA	2000 BCDE RMRB	5.75	04/15/04	04/20/34	212,719.59	214,829.26			(819.49)		211,900.10	214,240.17	230.40	0.00
GNMA	2000 BCDE RMRB	5.75	04/22/04	04/20/34	130,701.66	131,998.16			(415.64)		130,286.02	131,725.06	142.54	0.00
GNMA	2000 BCDE RMRB	5.75	04/29/04	04/20/34	262,401.28	265,005.00			(924.35)		261,476.93	264,365.80	285.15	0.00
GNMA	2000 BCDE RMRB	5.75	05/06/04	05/20/34	191,752.21	193,655.68			(631.50)		191,120.71	193,233.04	208.86	0.00
GNMA	2000 BCDE RMRB	5.75	05/13/04	05/20/34	304,829.21	307,856.09			(1,028.74)		303,800.47	307,159.09	331.74	0.00
GNMA	2000 BCDE RMRB	5.75	05/20/04	05/20/34	558,786.90	564,337.20			(1,812.09)		556,974.81	563,134.07	608.96	0.00
GNMA	2000 BCDE RMRB	5.75	05/27/04	05/20/34	251,447.55	253,945.88			(811.11)		250,636.44	253,408.85	274.08	0.00
GNMA	2000 BCDE RMRB	5.75	06/03/04	06/20/34	408,606.69	412,667.77			(1,299.93)		407,306.76	411,813.41	445.57	0.00
GNMA	2000 BCDE RMRB	5.75	06/10/04	06/20/34	433,201.04	437,507.89			(1,506.39)		431,694.65	436,472.47	470.97	0.00
GNMA	2000 BCDE RMRB	5.75	06/17/04	06/20/34	183,866.18	185,694.72			(595.67)		183,270.51	185,299.43	200.38	0.00
GNMA	2000 BCDE RMRB	5.75	06/24/04	06/20/34	488,316.84	493,174.62			(1,789.46)		486,527.38	491,915.02	529.86	0.00
GNMA	2000 BCDE RMRB	5.75	09/02/04	08/20/34	106,794.76	107,860.43			(335.63)		106,459.13	107,641.29	116.49	0.00
GNMA	2000 BCDE RMRB	5.75	09/09/04	08/20/34	106,361.01	107,422.64			(332.27)		106,028.74	107,206.41	116.04	0.00
GNMA	2000 BCDE RMRB	5.75	09/16/04	09/20/34	95,571.34	96,525.59			(296.61)		95,274.73	96,333.27	104.29	0.00
GNMA	2000 BCDE RMRB	5.75	09/23/04	08/20/34	97,414.63	98,387.58			(328.77)		97,085.86	98,164.81	106.00	0.00
GNMA	2000 BCDE RMRB	5.75	09/29/04	09/20/34	287,621.24	290,494.79			(1,087.80)		286,533.44	289,718.67	311.68	0.00

GNMA	2000 BCDE RMRB	5.75	10/07/04	10/20/34	144,943.20	146,391.86				(466.76)		144,476.44	146,083.07	157.97	0.00
GNMA	2000 BCDE RMRB	5.75	07/15/04	07/20/34	561,118.50	566,705.66				(1,827.28)		559,291.22	565,489.76	611.38	0.00
GNMA	2000 BCDE RMRB	5.75	07/22/04	07/20/34	620,156.12	626,333.00				(2,679.28)		617,476.84	624,322.11	668.39	0.00
GNMA	2000 BCDE RMRB	5.75	07/29/04	07/20/34	386,805.88	390,659.73				(1,207.01)		385,598.87	389,874.75	422.03	0.00
		Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain	
GNMA	2000 BCDE RMRB	5.75	08/05/04	08/20/34	499,669.03	504,648.86					496,890.23	502,401.70	531.64	0.00	
GNMA	2000 BCDE RMRB	5.75	08/12/04	08/20/34	725,286.47	732,517.06					721,758.90	729,766.80	777.31	0.00	
GNMA	2000 BCDE RMRB	5.75	08/19/04	08/20/34	246,409.96	248,500.90					245,516.74	247,876.49	268.81	0.00	
GNMA	2000 BCDE RMRB	5.75	08/26/04	08/20/34	77,550.97	78,324.57					77,307.94	78,166.14	84.60	0.00	
GNMA	2000 BCDE RMRB	5.75	12/02/04	11/20/34	90,185.72	91,089.24					89,882.58	90,884.23	98.13	0.00	
GNMA	2000 BCDE RMRB	5.75	12/17/04	12/20/34	193,601.20	195,542.08					193,011.35	195,163.60	211.37	0.00	
GNMA	2000 BCDE RMRB	5.75	10/14/04	10/20/34	58,774.82	59,362.37					58,582.58	59,234.16	64.03	0.00	
GNMA	2000 BCDE RMRB	5.75	10/28/04	10/20/34	118,315.60	119,499.11					117,952.29	119,264.94	129.14	0.00	
GNMA	2000 BCDE RMRB	5.75	11/04/04	10/20/34	63,059.06	63,690.01					62,860.81	63,560.55	68.79	0.00	
GNMA	2000 BCDE RMRB	5.75	11/23/04	11/20/34	61,474.77	62,090.44					61,287.72	61,970.51	67.12	0.00	
GNMA	2000 BCDE RMRB	5.75	12/23/04	12/20/34	303,518.53	306,562.27					302,477.85	305,851.66	330.07	0.00	
GNMA	2000 BCDE RMRB	5.75	02/17/05	02/20/35	53,029.90	53,560.85					52,871.59	53,461.53	58.99	0.00	
GNMA	2000 BCDE RMRB	5.75	05/05/05	04/20/35	140,547.43	141,959.35					140,130.56	141,698.88	156.40	0.00	
FNMA	2000 BCDE RMRB	6.10	06/10/02	05/01/32	177,158.25	180,748.02					176,462.64	179,551.06	(501.35)	0.00	
GNMA	2000 BCDE RMRB	5.75	09/08/05	08/20/35	63,789.75	64,756.99					63,605.50	64,640.51	67.77	0.00	
GNMA	2000 BCDE RMRB	5.75	10/27/05	10/20/35	725,693.52	127,207.81					(600,743.86)	124,949.66	600,524.55	0.00	
GNMA	2000 BCDE RMRB	5.75	09/29/05	09/20/35	139,167.55	141,280.42					138,759.08	141,019.71	147.76	0.00	
GNMA	2000 BCDE RMRB	5.75	11/22/05	11/20/35	251,305.18	255,069.56			202.95		251,508.13	254,345.43	(927.08)	0.00	
GNMA	2000 BCDE RMRB	5.75	12/29/05	12/20/35					123,792.45		123,792.45	125,190.99	1,398.54	0.00	
FNMA	2000 BCDE RMRB	6.10	07/29/02	07/01/32	293,314.41	299,117.20					291,672.69	296,637.60	(837.88)	0.00	
GNMA	2000 BCDE RMRB	5.75	02/02/06	01/20/36					159,525.65		159,525.65	162,100.74	2,575.09	0.00	
FNMA	2000 BCDE RMRB	6.10	09/12/02	07/01/32	349,478.20	356,398.18					348,218.94	354,152.43	(986.49)	0.00	
FNMA	2000 BCDE RMRB	6.10	10/29/02	10/01/32	246,984.46	251,880.80					(877.18)	246,107.28	250,306.62	(697.00)	0.00
FNMA	2000 BCDE RMRB	6.10	04/10/03	03/01/33	266,358.43	271,468.00					(70,331.54)	196,026.89	199,210.51	(1,925.95)	0.00
FNMA	2000 BCDE RMRB	6.10	07/03/03	05/01/33	269,490.99	274,670.59					(892.94)	268,598.05	272,970.14	(807.51)	0.00
FNMA	2000 BCDE RMRB	6.10	08/14/03	08/01/33	250,942.45	255,770.69					(822.45)	250,120.00	254,196.42	(751.82)	0.00
FNMA	2000 BCDE RMRB	6.10	09/04/03	08/01/33	213,014.69	217,114.92					(2,703.28)	210,311.41	213,740.76	(670.88)	0.00
FNMA	2000 BCDE RMRB	6.10	12/04/03	10/01/33	148,441.79	151,305.02					(521.54)	147,920.25	150,338.14	(445.34)	0.00
FNMA	2000 BCDE RMRB	5.40	12/11/03	11/01/33	255,834.68	252,678.25					(1,007.02)	254,827.66	252,815.35	1,144.12	0.00
FNMA	2000 BCDE RMRB	5.40	01/29/04	01/01/34	234,449.86	231,562.15					(1,220.41)	233,229.45	231,392.57	1,050.83	0.00
FNMA	2000 BCDE RMRB	5.75	05/13/04	05/01/34	262,901.65	264,062.08					(1,179.76)	261,721.89	262,856.30	(26.02)	0.00
FNMA	2000 BCDE RMRB	5.75	06/10/04	06/01/34	280,578.96	281,821.08					(1,565.53)	279,013.43	280,226.45	(29.10)	0.00
FNMA	2000 BCDE RMRB	5.75	07/15/04	07/01/34	300,709.70	302,045.50					(988.77)	299,720.93	301,028.49	(28.24)	0.00
FNMA	2000 BCDE RMRB	5.75	08/19/04	08/01/34	241,313.34	242,388.95					(801.49)	240,511.85	241,564.75	(22.71)	0.00
FNMA	2000 BCDE RMRB	5.75	09/23/04	08/01/34	74,986.68	75,321.98					(245.34)	74,741.34	75,069.60	(7.04)	0.00
FNMA	2000 BCDE RMRB	5.75	11/10/04	10/01/34	46,738.94	46,948.94					(143.08)	46,595.86	46,801.51	(4.35)	0.00
FNMA	2000 BCDE RMRB	5.75	02/03/05	02/01/35	235,305.21	236,376.10					(718.86)	234,586.35	235,604.68	(52.56)	0.00
FNMA	2000 BCDE RMRB	5.75	06/26/05	04/01/35	64,337.35	64,634.12					(190.60)	64,146.75	64,429.16	(14.36)	0.00
FNMA	2000 BCDE RMRB	5.75	10/27/05	10/01/35	269,031.38	270,286.98					(772.23)	268,259.15	269,454.75	(60.00)	0.00
FNMA	2000 BCDE RMRB	5.75	01/12/06	12/01/35					219,573.41		219,573.41	220,559.57	986.16	0.00	
Inv Agmt	2000 BCDE RMRB				881,867.83	881,867.83								-	0.00
Repo Agmt	2000 BCDE RMRB	4.55	02/28/06	03/01/06					371,191.73		371,191.73	371,191.73	-	0.00	
Repo Agmt	2000 BCDE RMRB	4.55	02/28/06	03/01/06	8.58	8.58			0.00		8.58	8.58	-	0.00	
GNMA	2000 BCDE RMRB	5.40	10/30/03	10/20/33	19,950.10	19,850.90					(78.35)	19,871.75	19,872.96	100.41	0.00
GNMA	2000 BCDE RMRB	5.40	10/20/03	10/20/33	12,793.67	12,729.98					(44.98)	12,748.69	12,749.39	64.39	0.00
GNMA	2000 BCDE RMRB	5.40	11/19/03	10/20/33	44,660.80	44,439.10					(173.20)	44,487.60	44,490.68	224.78	0.00
GNMA	2000 BCDE RMRB	5.40	11/20/03	11/20/33	42,119.94	41,910.91					(150.02)	41,969.92	41,972.89	212.00	0.00
GNMA	2000 BCDE RMRB	5.40	11/26/03	11/20/33	27,581.29	27,444.49					(135.09)	27,446.20	27,448.21	138.81	0.00
GNMA	2000 BCDE RMRB	5.40	12/04/03	11/20/33	34,500.28	34,329.26					(139.50)	34,360.78	34,363.40	173.64	0.00
GNMA	2000 BCDE RMRB	5.40	12/11/03	12/20/33	30,071.55	29,922.60					(105.22)	29,966.33	29,968.73	151.35	0.00
GNMA	2000 BCDE RMRB	5.40	12/18/03	12/20/33	81,828.27	81,423.17					(336.46)	81,491.81	81,498.56	411.85	0.00
GNMA	2000 BCDE RMRB	5.40	12/23/03	12/20/33	72,620.25	72,260.86					(280.87)	72,339.38	72,345.50	365.51	0.00
GNMA	2000 BCDE RMRB	5.40	01/01/04	01/20/34	11,082.75	11,019.85					(47.98)	11,034.77	11,024.91	53.04	0.00
GNMA	2000 BCDE RMRB	5.40	01/15/04	01/20/34	103,421.16	102,834.56					(531.99)	102,889.17	102,797.63	495.06	0.00
GNMA	2000 BCDE RMRB	5.40	01/22/04	01/20/34	24,454.68	24,270.82					(85.29)	24,369.39	24,302.23	116.70	0.00

Repo Agmt	2001 A-E RMRB	4.55	02/28/06	03/01/06	4,438.55	4,438.55						4,486.27	4,486.27	-	0.00
Repo Agmt	2001 A-E RMRB	4.55	02/28/06	03/01/06	80,711.59	80,711.59	867.23					81,578.82	81,578.82	-	0.00
Repo Agmt	2001 A-E RMRB	4.55	02/28/06	03/01/06	3,093.47	3,093.47	33.35					3,126.82	3,126.82	-	0.00
Repo Agmt	2001 A-E RMRB	4.55	02/28/06	03/01/06	13,271.19	13,271.19						12,644.08	12,644.08	-	0.00
Repo Agmt	2001 A-E RMRB	4.55	02/28/06	03/01/06	0.21	0.21						0.07	0.07	-	0.00
Repo Agmt	2001 A-E RMRB	4.55	02/28/06	03/01/06						1.99		1.99	1.99	-	0.00

Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
GICs	2001 A-E RMRB	4.71	10/30/01	07/01/33	5,635,831.61	5,635,831.61		(4,437,290.23)			1,198,541.38	1,198,541.38	-	0.00
GICs	2001 A-E RMRB	4.71	10/30/01	07/01/33	187,358.49	187,358.49		(237.50)			187,120.99	187,120.99	-	0.00
GICs	2001 A-E RMRB	4.71	10/30/01	07/01/33	2,629,097.27	2,629,097.27		(120,000.00)			2,509,097.27	2,509,097.27	-	0.00
GNMA	2001 A-E RMRB	8.19	07/25/90	06/20/15	264,463.04	282,347.77			(5,162.46)		259,300.58	275,709.50	(1,475.81)	0.00
GNMA	2001 A-E RMRB	7.19	07/25/90	06/20/15	66,494.03	69,576.03			(1,376.62)		65,117.41	67,464.95	(734.46)	0.00
GNMA	2001 A-E RMRB	8.19	07/25/90	06/20/15	59,579.38	63,608.47			(1,562.56)		58,016.82	61,688.16	(357.75)	0.00
GNMA	2001 A-E RMRB	7.19	01/22/90	11/20/14	235,930.67	246,520.13			(26,163.01)		209,767.66	216,854.32	(3,502.80)	0.00
GNMA	2001 A-E RMRB	8.19	01/22/90	11/20/14	30,787.92	32,771.71			(695.94)		30,091.98	31,958.08	(117.69)	0.00
GNMA	2001 A-E RMRB	7.19	01/01/90	11/20/14	165,604.06	173,035.91			(25,251.54)		140,352.52	145,093.33	(2,691.04)	0.00
GNMA	2001 A-E RMRB	8.19	01/01/90	11/20/14	125,160.11	133,223.75			(3,354.96)		121,805.15	129,357.94	(510.85)	0.00
GNMA	2001 A-E RMRB	7.19	01/01/90	12/20/14	173,553.29	181,344.59			(3,779.55)		169,773.74	175,510.78	(2,054.26)	0.00
GNMA	2001 A-E RMRB	8.19	02/28/90	12/20/14	222,603.48	236,952.53			(5,852.52)		216,750.96	230,198.10	(901.91)	0.00
GNMA	2001 A-E RMRB	7.19	01/20/90	01/20/15	252,591.53	264,265.65			(6,044.14)		246,547.39	255,403.25	(2,818.26)	0.00
GNMA	2001 A-E RMRB	8.19	01/01/90	01/20/15	359,105.77	383,340.51			(7,512.71)		351,593.06	373,793.32	(2,034.48)	0.00
GNMA	2001 A-E RMRB	7.19	02/27/90	01/20/15	132,426.24	138,548.15			(2,586.12)		129,840.12	134,505.26	(1,456.77)	0.00
GNMA	2001 A-E RMRB	8.19	02/27/90	12/20/14	126,292.08	134,432.83			(2,479.67)		123,812.41	131,493.64	(459.52)	0.00
GNMA	2001 A-E RMRB	7.19	02/27/90	01/20/15	148,880.31	155,762.88			(3,190.25)		145,690.06	150,924.69	(1,647.94)	0.00
GNMA	2001 A-E RMRB	8.19	02/27/90	01/20/15	183,748.91	196,152.63			(3,507.93)		180,240.98	191,624.65	(1,020.05)	0.00
GNMA	2001 A-E RMRB	7.19	03/30/90	01/20/15	115,815.78	121,170.78			(3,257.01)		112,558.77	116,604.04	(1,309.73)	0.00
GNMA	2001 A-E RMRB	8.19	03/30/90	01/20/15	137,975.37	147,290.41			(2,555.80)		135,419.57	143,973.73	(760.88)	0.00
GNMA	2001 A-E RMRB	7.19	03/30/90	02/20/15	107,033.15	111,983.88			(3,035.61)		103,997.54	107,736.77	(1,211.50)	0.00
GNMA	2001 A-E RMRB	8.19	03/30/90	02/20/15	269,332.56	287,520.40			(7,106.01)		262,226.55	278,794.97	(1,619.42)	0.00
GNMA	2001 A-E RMRB	7.19	04/26/90	03/20/15	364,782.16	381,662.85			(7,980.84)		356,801.32	369,638.19	(4,043.82)	0.00
GNMA	2001 A-E RMRB	8.19	04/26/90	03/20/15	242,841.19	259,245.52			(6,062.08)		236,779.11	251,745.19	(1,438.25)	0.00
GNMA	2001 A-E RMRB	7.19	04/26/90	03/20/15	330,863.31	346,174.37			(43,343.22)		287,520.09	297,864.40	(4,966.75)	0.00
GNMA	2001 A-E RMRB	8.19	04/26/90	03/20/15	676,826.83	722,547.53			(43,201.44)		633,625.39	673,674.83	(5,671.26)	0.00
GNMA	2001 A-E RMRB	7.19	05/29/90	04/20/15	156,124.40	163,353.10			(6,527.87)		149,596.53	154,982.34	(1,842.89)	0.00
GNMA	2001 A-E RMRB	8.19	05/29/90	03/20/15	37,947.80	40,511.63			(691.93)		37,255.87	39,611.09	(208.61)	0.00
GNMA	2001 A-E RMRB	7.19	05/29/90	04/20/15	213,072.64	222,938.18			(27,174.86)		185,897.78	192,590.58	(3,172.74)	0.00
GNMA	2001 A-E RMRB	8.19	05/29/90	04/20/15	520,595.91	555,776.48			(9,758.52)		510,837.39	543,139.00	(2,878.96)	0.00
GNMA	2001 A-E RMRB	7.19	06/28/90	05/20/15	88,607.21	92,711.96			(1,677.21)		86,930.00	90,061.76	(972.99)	0.00
GNMA	2001 A-E RMRB	8.19	06/28/90	05/20/15	86,903.70	92,778.60			(1,737.21)		85,166.49	90,553.91	(487.48)	0.00
GNMA	2001 A-E RMRB	7.19	06/28/90	05/20/15	109,769.69	114,854.86			(13,743.55)		96,026.14	99,485.68	(1,625.63)	0.00
GNMA	2001 A-E RMRB	8.19	06/28/90	05/20/15	328,795.64	351,022.90			(7,581.64)		321,214.00	341,533.08	(1,908.18)	0.00
GNMA	2001 A-E RMRB	6.19	06/28/90	05/20/15	119,024.98	122,424.11			(2,382.93)		116,642.05	118,639.82	(1,401.36)	0.00
GNMA	2001 A-E RMRB	7.19	07/25/90	06/20/15	59,507.19	62,265.36			(1,213.74)		58,293.45	60,395.00	(656.62)	0.00
GNMA	2001 A-E RMRB	7.19	09/13/90	06/20/15	31,451.80	32,910.11			(586.18)		30,865.62	31,978.83	(345.10)	0.00
GNMA	2001 A-E RMRB	8.19	09/13/90	07/20/15	115,463.59	123,275.60			(1,980.41)		113,483.18	120,668.09	(627.10)	0.00
GNMA	2001 A-E RMRB	7.19	09/13/90	07/20/15	95,547.55	99,979.03			(1,715.00)		93,832.55	97,218.06	(1,045.97)	0.00
GNMA	2001 A-E RMRB	8.19	09/13/90	08/20/15	192,485.91	205,512.08			(12,957.41)		179,528.50	190,897.50	(1,657.17)	0.00
GNMA	2001 A-E RMRB	6.19	09/13/90	07/20/15	111,136.34	114,316.16			(2,345.35)		108,790.99	110,660.09	(1,310.72)	0.00
GNMA	2001 A-E RMRB	8.19	09/28/90	08/20/15	121,490.07	129,712.28			(3,382.97)		118,107.10	125,587.15	(742.16)	0.00
GNMA	2001 A-E RMRB	6.19	09/28/90	08/20/15	234,362.90	241,073.06			(25,346.30)		209,016.60	212,611.71	(3,115.05)	0.00
GNMA	2001 A-E RMRB	7.19	09/28/90	08/20/15	225,025.02	235,466.17			(5,313.20)		219,711.82	227,643.48	(2,509.49)	0.00
GNMA	2001 A-E RMRB	8.19	09/28/90	08/20/15	476,118.85	508,341.61			(35,075.75)		441,043.10	468,975.56	(4,290.30)	0.00
GNMA	2001 A-E RMRB	7.19	10/31/90	08/20/15	9,508.78	9,950.08			(166.96)		9,341.82	9,679.15	(103.97)	0.00
GNMA	2001 A-E RMRB	8.19	10/31/90	09/20/15	134,391.03	143,490.00			(2,544.92)		131,846.11	140,199.71	(745.37)	0.00
GNMA	2001 A-E RMRB	6.19	10/31/90	09/20/15	170,303.60	175,184.02			(3,683.98)		166,619.62	169,489.56	(2,010.48)	0.00
GNMA	2001 A-E RMRB	7.19	10/31/90	09/20/15	49,565.00	51,866.12			(1,402.46)		48,162.54	49,902.42	(561.24)	0.00
GNMA	2001 A-E RMRB	8.19	10/31/90	09/20/15	308,225.62	329,093.98			(5,370.75)		302,854.87	322,043.27	(1,679.96)	0.00
GNMA	2001 A-E RMRB	6.19	11/28/90	10/20/15	152,909.84	157,295.25			(3,621.69)		149,288.15	151,863.03	(1,810.53)	0.00
GNMA	2001 A-E RMRB	8.19	11/28/90	10/20/15	523,418.71	558,869.01			(9,006.60)		514,412.11	547,017.05	(2,845.36)	0.00
GNMA	2001 A-E RMRB	7.19	12/21/90	10/20/15	79,354.34	83,040.88			(1,372.98)		77,981.36	80,800.91	(866.99)	0.00

GNMA	2001 A-E RMRB	5.45	11/12/02	10/20/32	363,946.07	364,576.50					(2,103.26)	361,842.81	364,400.07	1,926.83	0.00
GNMA	2001 A-E RMRB	5.45	09/12/02	08/20/32	343,291.23	343,866.76					(102,232.76)	241,058.47	242,748.86	1,114.86	0.00
GNMA	2001 A-E RMRB	4.95	09/12/02	08/20/32	559,662.62	549,507.05					(2,336.10)	557,326.52	549,822.65	2,651.70	0.00
GNMA	2001 A-E RMRB	5.45	09/19/02	09/20/32	116,245.47	116,441.43					(434.32)	115,811.15	116,624.33	617.22	0.00
GNMA	2001 A-E RMRB	4.95	09/19/02	09/20/32	559,985.34	549,828.87					(3,101.56)	556,883.78	549,390.82	2,663.51	0.00
GNMA	2001 A-E RMRB	5.45	09/26/02	09/20/32	608,897.96	609,927.45					(2,641.96)	606,256.00	610,515.98	3,230.49	0.00
GNMA	2001 A-E RMRB	4.95	09/26/02	09/20/32	389,650.00	382,584.85					(1,648.71)	388,001.29	382,782.60	1,846.46	0.00
GNMA	2001 A-E RMRB	5.45	10/10/02	09/20/32	604,508.05	605,537.48					(2,343.60)	602,164.45	606,402.42	3,208.54	0.00

Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
GNMA	2001 A-E RMRB	4.95	10/10/02	09/20/32	454,028.77	445,801.71			(1,916.86)		452,111.91	446,035.89	2,151.04	0.00
GNMA	2001 A-E RMRB	5.45	10/21/02	10/20/32	154,551.97	154,816.87			(579.38)		153,972.59	155,058.11	820.62	0.00
GNMA	2001 A-E RMRB	4.95	10/21/02	10/20/32	434,639.25	426,768.26			(1,780.96)		432,858.29	427,046.19	2,058.89	0.00
GNMA	2001 A-E RMRB	5.45	10/29/02	11/20/32	129,401.23	129,624.20			(484.01)		128,917.22	129,827.28	687.09	0.00
GNMA	2001 A-E RMRB	4.95	10/29/02	11/20/32	320,197.65	314,401.96			(1,326.58)		318,871.07	314,592.37	1,516.99	0.00
GNMA	2001 A-E RMRB	5.45	11/05/02	10/20/32	433,621.52	434,370.00			(1,704.09)		431,917.43	434,967.74	2,301.83	0.00
GNMA	2001 A-E RMRB	4.95	11/05/02	10/20/32	263,226.06	258,462.36			(1,073.66)		262,152.40	258,635.54	1,246.84	0.00
GNMA	2001 A-E RMRB	5.45	11/19/02	11/20/32	111,845.61	112,040.26			(462.61)		111,383.00	112,171.20	593.55	0.00
GNMA	2001 A-E RMRB	4.95	11/19/02	11/20/32	75,045.70	73,688.62			(303.58)		74,742.12	73,740.48	355.44	0.00
GNMA	2001 A-E RMRB	5.45	11/26/02	11/20/32	196,067.50	196,409.94			(744.84)		195,322.66	196,706.09	1,040.99	0.00
GNMA	2001 A-E RMRB	4.95	11/26/02	11/20/32	80,882.80	79,420.65			(331.08)		80,551.72	79,472.70	383.13	0.00
GNMA	2001 A-E RMRB	5.45	11/26/02	11/20/32	191,151.81	191,485.63			(744.54)		190,407.27	191,755.84	1,014.75	0.00
GNMA	2001 A-E RMRB	4.95	12/12/02	11/20/32	193,701.79	190,202.63			(803.57)		192,898.22	190,316.58	917.52	0.00
GNMA	2001 A-E RMRB	5.45	12/12/02	11/20/32	370,568.31	371,220.31			(1,786.07)		368,782.24	371,398.65	1,964.41	0.00
GNMA	2001 A-E RMRB	5.45	12/19/02	12/20/32	421,287.00	422,031.64			(1,993.49)		419,293.51	422,272.13	2,233.98	0.00
GNMA	2001 A-E RMRB	4.95	12/19/02	11/20/32	66,806.21	65,599.71			(268.40)		66,537.81	65,647.70	316.39	0.00
GNMA	2001 A-E RMRB	5.45	12/30/02	12/20/32	444,675.96	445,466.00			(1,869.49)		442,806.47	445,955.72	2,359.21	0.00
GNMA	2001 A-E RMRB	5.45	12/30/02	12/20/32	44,334.42	44,413.19			(165.68)		44,168.74	44,482.87	235.36	0.00
GNMA	2001 A-E RMRB	4.95	12/30/02	12/20/32	131,002.95	128,638.64			(536.60)		130,466.35	128,722.47	620.43	0.00
GNMA	2001 A-E RMRB	5.45	01/09/03	12/20/32	110,634.06	110,831.51			(976.67)		109,657.39	110,438.17	583.33	0.00
GNMA	2001 A-E RMRB	5.45	01/23/03	01/20/33	390,673.37	391,273.67			(1,587.33)		389,086.04	391,823.08	2,136.74	0.00
GNMA	2001 A-E RMRB	4.95	01/23/03	01/20/33	384,691.39	377,745.29			(2,518.87)		382,172.52	377,134.63	1,908.21	0.00
GNMA	2001 A-E RMRB	5.45	01/23/03	01/20/33	94,641.57	94,787.00			(347.82)		94,293.75	94,957.07	517.89	0.00
GNMA	2001 A-E RMRB	4.95	01/23/03	01/20/33	55,755.23	54,748.50			(718.96)		55,036.27	54,310.77	281.23	0.00
GNMA	2001 A-E RMRB	5.45	01/30/03	12/20/32	291,269.09	291,793.94			(1,238.10)		290,030.99	292,101.06	1,545.22	0.00
GNMA	2001 A-E RMRB	4.95	01/30/03	01/20/33	77,550.20	76,150.32			(468.93)		77,081.27	76,065.55	384.16	0.00
GNMA	2001 A-E RMRB	5.45	02/12/03	01/20/33	244,973.29	245,353.67			(1,177.62)		243,795.67	245,514.62	1,338.57	0.00
GNMA	2001 A-E RMRB	4.95	02/12/03	02/20/33	164,851.76	161,878.09			(664.33)		164,187.43	162,026.01	812.25	0.00
GNMA	2001 A-E RMRB	5.45	02/20/03	02/20/33	183,699.98	183,986.89			(691.47)		183,008.51	184,300.54	1,005.12	0.00
GNMA	2001 A-E RMRB	5.45	02/27/03	02/20/33	94,127.12	94,274.61			(345.74)		93,781.38	94,443.95	515.08	0.00
GNMA	2001 A-E RMRB	4.95	02/27/03	02/20/33	143,470.10	140,883.83			(750.64)		142,719.46	140,842.36	709.17	0.00
GNMA	2001 A-E RMRB	4.95	03/12/03	02/20/33	165,122.09	162,147.31			(676.98)		164,445.11	162,284.07	813.74	0.00
GNMA	2001 A-E RMRB	5.45	03/20/03	02/20/33	276,660.54	277,098.80			(1,127.95)		275,532.59	277,483.98	1,513.13	0.00
GNMA	2001 A-E RMRB	4.95	03/20/03	02/20/33	210,648.62	206,854.90			(924.94)		209,723.68	206,968.86	1,038.90	0.00
GNMA	2001 A-E RMRB	5.45	04/02/03	03/20/33	116,225.89	116,411.53			(469.11)		115,756.78	116,578.13	635.71	0.00
GNMA	2001 A-E RMRB	5.45	04/10/03	03/20/33	127,453.76	127,658.23			(538.16)		126,915.60	127,816.90	696.83	0.00
GNMA	2001 A-E RMRB	5.45	04/17/03	03/20/33	56,954.42	57,046.08			(487.66)		56,466.76	56,868.11	309.69	0.00
GNMA	2001 A-E RMRB	5.45	04/29/03	04/20/33	226,707.46	227,075.29			(837.20)		225,870.26	227,478.43	1,240.34	0.00
GNMA	2001 A-E RMRB	5.45	05/08/03	04/20/33	211,450.75	211,795.33			(806.02)		210,644.73	212,146.21	1,156.90	0.00
GNMA	2001 A-E RMRB	4.95	05/08/03	04/20/33	148,499.32	145,831.51			(595.10)		147,904.22	145,968.06	731.65	0.00
GNMA	2001 A-E RMRB	4.95	05/15/03	04/20/33	151,107.72	148,393.95			(596.74)		150,510.98	148,541.45	744.24	0.00
GNMA	2001 A-E RMRB	5.45	05/22/03	04/20/33	156,502.30	156,759.07			(584.43)		155,917.87	157,030.99	856.35	0.00
GNMA	2001 A-E RMRB	5.45	05/29/03	05/20/33	291,742.05	292,223.06			(1,048.17)		290,693.88	292,771.55	1,596.66	0.00
GNMA	2001 A-E RMRB	5.45	06/10/03	05/20/33	270,202.02	270,650.24			(973.10)		269,228.92	271,155.91	1,478.77	0.00
GNMA	2001 A-E RMRB	5.45	06/19/03	06/20/33	117,139.93	117,335.43			(421.39)		116,718.54	117,555.14	641.10	0.00
GNMA	2001 A-E RMRB	5.45	06/19/03	06/20/33	228,312.69	228,693.74			(1,546.52)		226,766.17	228,391.55	1,244.33	0.00
GNMA	2001 A-E RMRB	5.45	06/26/03	06/20/33	107,653.35	107,833.57			(556.55)		107,096.80	107,864.98	587.96	0.00
GNMA	2001 A-E RMRB	5.45	07/10/03	06/20/33	50,844.07	50,929.81			(179.47)		50,664.60	51,028.62	278.28	0.00
GNMA	2001 A-E RMRB	5.45	07/17/03	07/20/33	54,402.86	54,495.03			(190.85)		54,212.01	54,601.96	297.78	0.00
GNMA	2001 A-E RMRB	5.45	07/24/03	07/20/33	50,781.65	50,867.99			(180.17)		50,601.48	50,965.72	277.90	0.00
GNMA	2001 A-E RMRB	5.45	07/30/03	07/20/33	53,508.50	53,599.70			(187.69)		53,320.81	53,704.89	292.88	0.00

GNMA	2001 A-E RMRB	4.80	04/29/04	04/20/34	23,168.27	22,514.51	(111.03)					23,057.24	22,504.41	100.93	0.00
GNMA	2001 A-E RMRB	5.49	04/29/04	04/20/34	10,918.81	10,949.59	(39.91)					10,878.90	10,971.82	62.14	0.00
GNMA	2001 A-E RMRB	4.80	05/06/04	04/20/34	17,993.32	17,530.21	(68.99)					17,924.33	17,539.19	77.97	0.00
GNMA	2001 A-E RMRB	5.49	05/06/04	04/20/34	7,138.47	7,158.62	(23.55)					7,114.92	7,175.71	40.64	0.00
GNMA	2001 A-E RMRB	5.49	05/13/04	04/20/34	11,102.34	11,133.78	(43.26)					11,059.08	11,153.68	63.16	0.00
GNMA	2001 A-E RMRB	4.80	05/13/04	04/20/34	11,272.73	10,982.65	(42.13)					11,230.60	10,989.35	48.83	0.00
GNMA	2001 A-E RMRB	5.49	05/27/04	05/20/34	19,299.88	19,354.78	(64.05)					19,235.83	19,400.62	109.89	0.00
GNMA	2001 A-E RMRB	5.49	06/03/04	05/20/34	17,750.68	17,801.28	(75.94)					17,674.74	17,826.26	100.92	0.00
GNMA	2001 A-E RMRB	5.49	06/24/04	06/20/34	14,021.71	14,061.97	(45.58)					13,976.13	14,096.23	79.84	0.00
GNMA	2001 A-E RMRB	5.49	09/02/04	08/20/34	27,673.86	27,703.36	(90.21)					27,583.65	27,770.32	157.17	0.00
GNMA	2001 A-E RMRB	5.49	09/09/04	09/20/34	29,457.09	29,543.72	(94.66)					29,362.43	29,616.81	167.75	0.00

Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
GNMA	2001 A-E RMRB	5.49	09/16/04	09/20/34	25,745.98	25,821.82			(82.87)		25,663.11	25,885.57	146.62	0.00
GNMA	2001 A-E RMRB	5.49	09/23/04	09/20/34	11,848.57	11,883.57			(38.04)		11,810.53	11,912.99	67.46	0.00
GNMA	2001 A-E RMRB	4.80	09/29/04	09/20/34	14,210.98	13,847.03			(51.48)		14,159.50	13,857.07	61.52	0.00
GNMA	2001 A-E RMRB	5.49	09/29/04	09/20/34	17,041.51	17,091.91			(55.83)		16,985.68	17,133.12	97.04	0.00
GNMA	2001 A-E RMRB	5.49	10/07/04	09/20/34	19,920.04	19,979.09			(65.47)		19,854.57	20,027.03	113.41	0.00
GNMA	2001 A-E RMRB	4.80	10/07/04	09/20/34	14,062.17	13,702.14			(61.80)		14,000.37	13,701.43	61.09	0.00
GNMA	2001 A-E RMRB	5.49	07/15/04	04/20/34	12,115.00	12,149.98			(40.15)		12,074.85	12,178.81	68.98	0.00
GNMA	2001 A-E RMRB	5.49	07/22/04	07/20/34	11,754.95	11,789.01			(38.14)		11,716.81	11,817.79	66.92	0.00
GNMA	2001 A-E RMRB	5.49	07/29/04	07/20/34	6,691.48	6,710.89			(21.62)		6,669.86	6,727.38	38.11	0.00
GNMA	2001 A-E RMRB	5.49	08/05/04	08/20/34	26,761.36	26,839.23			(91.79)		26,669.57	26,899.78	152.34	0.00
GNMA	2001 A-E RMRB	5.49	08/19/04	08/20/34	22,989.17	23,056.33			(109.85)		22,879.32	23,077.09	130.61	0.00
GNMA	2001 A-E RMRB	5.49	08/26/04	08/20/34	13,696.75	13,736.83			(44.24)		13,652.51	13,770.57	77.98	0.00
GNMA	2001 A-E RMRB	5.49	12/02/04	11/20/34	38,555.85	38,672.12			(141.61)		38,414.24	38,749.88	219.37	0.00
GNMA	2001 A-E RMRB	4.80	12/02/04	11/20/34	26,298.87	25,626.84			(96.39)		26,202.48	25,644.30	113.85	0.00
GNMA	2001 A-E RMRB	4.80	10/14/04	09/20/34	3,397.09	3,310.11			(35.45)		3,361.64	3,289.85	15.19	0.00
GNMA	2001 A-E RMRB	5.49	10/21/04	06/20/34	10,596.07	10,607.79			(114.68)		10,481.39	10,552.74	59.63	0.00
GNMA	2001 A-E RMRB	4.80	10/28/04	09/20/34	10,628.51	10,330.30			(46.69)		10,581.82	10,329.79	46.18	0.00
GNMA	2001 A-E RMRB	5.49	10/28/04	10/20/34	15,054.15	15,099.05			(49.44)		15,004.71	15,135.33	85.72	0.00
GNMA	2001 A-E RMRB	5.49	11/04/04	10/20/34	7,252.15	7,273.86			(24.54)		7,227.61	7,290.60	41.28	0.00
GNMA	2001 A-E RMRB	5.49	12/29/04	12/20/34	47,921.45	48,067.11			(152.07)		47,769.38	48,187.99	272.95	0.00
GNMA	2001 A-E RMRB	4.80	12/29/04	12/20/34	15,279.69	14,889.58			(54.40)		15,225.29	14,901.30	66.12	0.00
GNMA	2001 A-E RMRB	5.49	01/06/05	01/20/35	11,339.58	11,373.13			(35.31)		11,304.27	11,404.03	66.21	0.00
GNMA	2001 A-E RMRB	5.49	01/13/05	12/20/34	18,195.20	18,250.74			(57.95)		18,137.25	18,296.41	103.62	0.00
GNMA	2001 A-E RMRB	5.49	01/27/05	01/20/35	59,026.41	59,091.18			(183.89)		58,842.52	59,252.20	344.91	0.00
GNMA	2001 A-E RMRB	5.49	03/10/05	12/20/34	12,037.86	12,075.21			(37.81)		12,000.05	12,105.96	68.56	0.00
GNMA	2001 A-E RMRB	5.49	04/21/05	04/20/35	7,285.09	7,307.33			(22.26)		7,262.83	7,327.60	42.53	0.00
GNMA	2001 A-E RMRB	5.49	05/05/05	03/20/35	6,742.36	6,763.01			(20.74)		6,721.62	6,781.64	39.37	0.00
GNMA	2001 A-E RMRB	5.49	07/07/05	06/20/35	14,463.00	14,508.13			(44.04)		14,418.96	14,548.53	84.44	0.00
GNMA	2001 A-E RMRB	4.80	07/07/05	06/20/35	8,832.35	8,434.57			(31.83)		8,800.52	8,443.82	41.08	0.00
GNMA	2001 A-E RMRB	4.80	06/02/05	04/20/35	35,714.86	34,020.85			(132.33)		35,582.53	34,054.43	165.91	0.00
GNMA	2001 A-E RMRB	5.49	09/08/05	08/20/35	14,399.13	14,417.83			(57.04)		14,342.09	14,444.86	84.07	0.00
GNMA	2001 A-E RMRB	5.49	09/15/05	09/20/35	26,897.69	26,932.78			(86.81)		26,810.88	27,003.14	157.17	0.00
GNMA	2001 A-E RMRB	5.49	08/04/05	08/20/35	35,632.09	35,744.17			(110.62)		35,521.47	35,841.57	208.02	0.00
GNMA	2001 A-E RMRB	4.80	10/13/05	09/20/35	13,598.33	12,984.72			(51.75)		13,546.58	12,996.32	63.35	0.00
GNMA	2001 A-E RMRB	5.49	10/13/05	10/20/35	27,895.15	27,984.65			(90.05)		27,805.10	28,057.42	162.82	0.00
GNMA	2001 A-E RMRB	5.49	12/19/05	12/20/35			26,784.30				26,784.30	27,028.99	244.69	0.00
GNMA	2001 A-E RMRB	5.49	11/17/05	11/20/35	33,581.77	34,025.57	207.31				33,789.08	34,096.77	(136.11)	0.00
GNMA	2001 A-E RMRB	4.80	11/22/05	10/20/35	26,196.32	24,409.51			(400.57)		25,795.75	24,394.02	385.08	0.00
GNMA	2001 A-E RMRB	4.80	12/22/05	12/20/35			22,851.32				22,851.32	21,921.70	(929.62)	0.00
GNMA	2001 A-E RMRB	5.49	12/29/05	11/20/35			19,744.41				19,744.41	19,924.97	180.56	0.00
GNMA	2001 A-E RMRB	5.49	01/12/06	01/20/36			8,524.97				8,524.97	8,602.18	77.21	0.00
FNMA	2001 A-E RMRB	5.49	05/29/03	04/01/33	29,248.40	28,991.68			(105.13)		29,143.27	29,047.03	160.48	0.00
FNMA	2001 A-E RMRB	4.80	09/18/03	07/01/33	13,567.00	13,022.05			(58.55)		13,508.45	13,079.18	115.68	0.00
FNMA	2001 A-E RMRB	5.49	12/04/03	11/01/33	16,252.95	16,111.68			(61.03)		16,191.92	16,139.84	89.19	0.00
FNMA	2001 A-E RMRB	4.80	01/15/04	11/01/33	34,729.69	33,336.41			(141.64)		34,588.05	33,490.63	295.86	0.00
FNMA	2001 A-E RMRB	4.80	02/26/04	01/01/34	12,049.93	11,556.59			(59.71)		11,990.22	11,592.69	95.81	0.00
FNMA	2001 A-E RMRB	5.49	04/08/04	06/01/33	7,846.02	7,778.16			(28.57)		7,817.45	7,792.65	43.06	0.00
FNMA	2001 A-E RMRB	5.49	09/01/04	08/01/34	27,934.45	27,794.16			(91.95)		27,842.50	27,865.68	163.47	0.00

FNMA	2001 A-E RMRB	4.80	09/23/04	08/01/34	7,023.24	6,736.32				(67.08)	6,956.16	6,726.16	56.92	0.00
FNMA	2001 A-E RMRB	4.80	11/10/04	10/01/34	6,998.09	6,712.33				(26.93)	6,971.16	6,740.78	55.38	0.00
FNMA	2001 A-E RMRB	5.49	04/07/05	01/01/35	10,309.13	10,200.55				(32.52)	10,276.61	10,226.93	58.90	0.00
FNMA	2001 A-E RMRB	5.49	07/14/05	05/01/35	4,404.91	4,358.71				(13.56)	4,391.35	4,370.31	25.16	0.00
FNMA	2001 A-E RMRB	4.80	07/14/05	04/01/35	8,684.14	8,154.87				(33.09)	8,651.05	8,192.41	70.63	0.00
FNMA	2001 A-E RMRB	5.49	11/03/05	10/01/35	27,929.56	27,770.48				(3.07)	27,926.49	27,794.02	26.61	0.00
FNMA	2001 A-E RMRB	4.80	12/15/05	06/01/35							13,000.21	12,553.98	(446.23)	0.00
FNMA	2001 A-E RMRB	4.80	12/15/05	10/01/35							8,145.17	7,711.70	(433.47)	0.00
	2001 A-E RMRB Total				67,486,306.08	67,716,552.25	172,276.40	(4,624,394.03)	(1,056,771.07)	0.00	61,977,417.38	62,329,325.82	121,662.27	0.00
Repo Agmt	2002 A/B RMRB	4.55	02/28/06	03/01/06	85,106.56	85,106.56				(78,890.16)	6,216.40	6,216.40	-	0.00
Repo Agmt	2002 A/B RMRB	4.55	02/28/06	03/01/06	191,411.77	191,411.77				(53,330.16)	138,081.61	138,081.61	-	0.00
Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
Repo Agmt	2002 A/B RMRB	4.55	02/28/06	03/01/06	16,370.86	16,370.86		(5,940.74)			10,430.12	10,430.12	-	0.00
Repo Agmt	2002 A/B RMRB	4.55	02/28/06	03/01/06	320.14	320.14	3.60				323.74	323.74	-	0.00
GICs	2002 A/B RMRB	4.20	12/18/02	04/01/34	2,361,123.15	2,361,123.15		(1,672,223.02)			688,900.13	688,900.13	-	0.00
Mutual Fund	2002 A/B RMRB	4.10	02/01/06	03/01/06	1.46	1.46	0.00				1.46	1.46	-	0.00
Repo Agmt	2002 A/B RMRB				70.04	70.04		(70.04)					-	0.00
GNMA	2002 A/B RMRB	5.49	03/12/03	03/20/33	40,627.35	40,759.60			(145.11)		40,482.24	40,852.50	238.01	0.00
GNMA	2002 A/B RMRB	5.49	03/20/03	02/20/33	98,466.74	98,787.62			(421.92)		98,044.82	98,941.97	576.27	0.00
GNMA	2002 A/B RMRB	5.49	04/02/03	03/20/33	316,555.53	317,591.33			(48,442.86)		268,112.67	270,569.57	1,421.10	0.00
GNMA	2002 A/B RMRB	4.80	04/02/03	03/20/33	93,846.78	91,432.50			(480.69)		93,366.09	91,343.98	392.17	0.00
GNMA	2002 A/B RMRB	5.49	04/10/03	03/20/33	45,001.61	45,149.13			(167.02)		44,834.59	45,245.66	263.55	0.00
GNMA	2002 A/B RMRB	4.80	04/10/03	04/20/33	582,432.96	567,454.72			(2,344.75)		580,088.21	567,530.01	2,420.04	0.00
GNMA	2002 A/B RMRB	5.49	04/17/03	04/20/33	568,825.46	570,695.33			(2,447.36)		566,378.10	571,576.85	3,328.88	0.00
GNMA	2002 A/B RMRB	4.80	04/17/03	03/20/33	79,656.30	77,608.03			(321.09)		79,335.21	77,617.93	330.99	0.00
GNMA	2002 A/B RMRB	4.80	04/24/03	04/20/33	196,075.95	191,035.84			(791.14)		195,284.81	191,059.26	814.56	0.00
GNMA	2002 A/B RMRB	5.49	04/29/03	04/20/33	108,434.89	108,792.45			(389.23)		108,045.66	109,038.39	635.17	0.00
GNMA	2002 A/B RMRB	4.80	04/29/03	03/20/33	81,111.80	79,026.84			(333.69)		80,778.11	79,030.32	337.17	0.00
GNMA	2002 A/B RMRB	5.49	05/08/03	05/20/33	333,388.69	334,491.06			(1,184.28)		332,204.41	335,260.15	1,953.37	0.00
GNMA	2002 A/B RMRB	5.49	05/15/03	05/20/33	126,045.54	126,463.06			(448.71)		125,596.83	126,752.87	738.52	0.00
GNMA	2002 A/B RMRB	4.80	05/15/03	04/20/33	321,041.21	312,794.24			(119,829.69)		201,211.52	196,861.09	3,896.54	0.00
GNMA	2002 A/B RMRB	5.49	05/22/03	05/20/33	312,407.92	313,444.67			(1,194.14)		311,213.78	314,080.19	1,829.66	0.00
GNMA	2002 A/B RMRB	4.80	05/22/03	04/20/33	218,944.16	213,320.97			(878.17)		218,065.99	213,352.45	909.65	0.00
GNMA	2002 A/B RMRB	5.49	05/29/03	05/20/33	175,162.04	175,744.21			(668.17)		174,493.87	176,101.93	1,025.89	0.00
GNMA	2002 A/B RMRB	4.80	05/29/03	05/20/33	166,894.10	162,609.02			(670.00)		166,224.10	162,632.43	693.41	0.00
GNMA	2002 A/B RMRB	5.49	06/10/03	05/20/33	172,815.72	173,391.87			(612.05)		172,203.67	173,792.40	1,012.58	0.00
GNMA	2002 A/B RMRB	4.80	06/10/03	05/20/33	298,232.96	290,578.64			(1,209.75)		297,023.21	290,608.25	1,239.36	0.00
GNMA	2002 A/B RMRB	5.49	06/19/03	06/20/33	95,647.05	95,966.92			(338.65)		95,308.40	96,188.69	560.42	0.00
GNMA	2002 A/B RMRB	4.80	06/19/03	06/20/33	87,736.42	85,485.46			(346.73)		87,389.69	85,503.14	364.41	0.00
GNMA	2002 A/B RMRB	5.49	06/19/03	06/20/33	207,704.75	208,399.32			(743.62)		206,961.13	208,872.64	1,216.94	0.00
GNMA	2002 A/B RMRB	4.80	06/19/03	06/20/33	55,977.62	54,541.49			(225.18)		55,752.44	54,548.90	232.59	0.00
GNMA	2002 A/B RMRB	5.49	06/26/03	06/20/33	42,408.05	42,550.03			(149.22)		42,258.83	42,649.30	248.49	0.00
GNMA	2002 A/B RMRB	4.80	06/26/03	06/20/33	90,569.20	88,246.05			(360.55)		90,208.65	88,261.74	376.24	0.00
GNMA	2002 A/B RMRB	5.49	07/03/03	06/20/33	126,197.33	126,620.74			(445.17)		125,752.16	126,915.01	739.44	0.00
GNMA	2002 A/B RMRB	5.49	07/10/03	06/20/33	269,981.48	270,888.93			(961.70)		269,019.78	271,509.10	1,581.87	0.00
GNMA	2002 A/B RMRB	4.80	07/10/03	06/20/33	119,451.06	116,388.45			(475.04)		118,976.02	116,409.62	496.21	0.00
GNMA	2002 A/B RMRB	4.80	07/17/03	06/20/33	642,688.00	626,213.92			(4,201.02)		638,486.98	624,717.48	2,704.58	0.00
GNMA	2002 A/B RMRB	5.49	07/24/03	07/20/33	330,051.04	331,165.07			(1,242.34)		328,808.70	331,855.60	1,932.87	0.00
GNMA	2002 A/B RMRB	4.80	07/24/03	07/20/33	329,103.07	320,669.74			(1,325.80)		327,777.27	320,711.07	1,367.13	0.00
GNMA	2002 A/B RMRB	5.49	07/30/03	07/20/33	99,489.73	99,825.94			(378.40)		99,111.33	100,030.25	582.71	0.00
GNMA	2002 A/B RMRB	5.49	08/07/03	07/20/33	230,418.85	231,199.15			(837.23)		229,581.62	231,711.84	1,349.92	0.00
GNMA	2002 A/B RMRB	4.80	08/07/03	06/20/33	90,978.92	88,648.41			(359.56)		90,619.36	88,666.72	377.87	0.00
GNMA	2002 A/B RMRB	5.49	08/14/03	08/20/33	135,298.24	135,757.53			(475.33)		134,822.91	136,075.00	792.80	0.00
GNMA	2002 A/B RMRB	4.80	08/14/03	07/20/33	265,058.24	258,270.50			(1,042.67)		264,015.57	258,328.65	1,100.82	0.00
GNMA	2002 A/B RMRB	5.49	08/21/03	08/20/33	102,345.60	102,693.64			(362.51)		101,983.09	102,930.82	599.69	0.00
GNMA	2002 A/B RMRB	4.80	08/28/03	08/20/33	108,047.15	105,281.62			(432.36)		107,614.79	105,298.14	448.88	0.00
GNMA	2002 A/B RMRB	5.49	09/04/03	08/20/33	45,046.76	45,200.46			(173.66)		44,873.10	45,290.62	263.82	0.00
GNMA	2002 A/B RMRB	4.80	09/04/03	09/20/33	93,315.44	90,927.71			(362.65)		92,952.79	90,952.51	387.45	0.00
GNMA	2002 A/B RMRB	5.49	09/18/03	09/20/33	343,798.82	344,976.68			(1,223.94)		342,574.88	345,767.17	2,014.43	0.00

GNMA	2002 A/B RMRB	4.80	09/18/03	09/20/33	386,219.42	376,341.45			(1,510.99)		384,708.43	376,434.29	1,603.83	0.00
GNMA	2002 A/B RMRB	5.49	09/18/03	09/20/33	88,750.66	89,054.71			(366.26)		88,384.40	89,207.99	519.54	0.00
GNMA	2002 A/B RMRB	4.80	09/18/03	09/20/33	140,401.66	136,810.75			(548.58)		139,853.08	136,845.19	583.02	0.00
GNMA	2002 A/B RMRB	5.49	09/29/03	09/20/33	551,033.62	552,926.45			(2,278.31)		548,755.31	553,873.88	3,225.74	0.00
GNMA	2002 A/B RMRB	4.80	09/29/03	09/20/33	384,386.56	374,558.86			(1,516.34)		382,870.22	374,639.02	1,596.50	0.00
GNMA	2002 A/B RMRB	5.49	10/16/03	09/20/33	82,668.48	82,953.62			(285.71)		82,382.77	83,152.38	484.47	0.00
GNMA	2002 A/B RMRB	5.49	10/30/03	10/20/33	280,836.67	281,281.87			(1,211.07)		279,625.60	281,713.86	1,643.06	0.00
GNMA	2002 A/B RMRB	4.80	10/30/03	10/20/33	2,142,360.16	2,082,324.38			(93,701.86)		2,048,658.30	1,999,583.97	10,961.45	0.00
GNMA	2002 A/B RMRB	5.49	11/13/03	10/20/33	171,867.62	172,142.15			(938.61)		170,929.01	172,207.59	1,004.05	0.00
GNMA	2002 A/B RMRB	4.80	11/13/03	10/20/33	1,159,323.92	1,129,727.70			(4,588.01)		1,154,735.91	1,129,955.05	4,815.36	0.00
GNMA	2002 A/B RMRB	5.49	11/20/03	11/20/33	45,117.31	45,274.45			(326.97)		44,790.34	45,210.28	262.80	0.00
GNMA	2002 A/B RMRB	4.80	11/20/03	11/20/33	1,294,371.27	1,258,124.23			(5,246.59)		1,289,124.68	1,258,269.89	5,392.25	0.00
GNMA	2002 A/B RMRB	5.49	11/26/03	10/20/33	54,680.75	54,871.38			(187.67)		54,493.08	55,004.11	320.40	0.00

Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
GNMA	2002 A/B RMRB	4.80	11/26/03	11/20/33	441,682.57	430,412.57			(1,870.80)		439,811.77	430,378.97	1,837.20	0.00
GNMA	2002 A/B RMRB	4.80	12/04/03	12/20/33	630,312.41	612,669.48			(4,009.64)		626,302.77	611,320.48	2,660.64	0.00
GNMA	2002 A/B RMRB	5.49	12/04/03	11/20/33	41,809.68	41,955.76			(145.90)		41,663.78	42,054.88	245.02	0.00
GNMA	2002 A/B RMRB	4.80	12/11/03	12/20/33	371,893.18	361,485.78			(1,609.33)		370,283.85	361,428.17	1,551.72	0.00
GNMA	2002 A/B RMRB	5.49	12/11/03	09/20/33	90,541.13	90,857.76			(311.36)		90,229.77	91,076.93	530.53	0.00
GNMA	2002 A/B RMRB	5.49	12/18/03	12/20/33	46,980.92	47,145.69			(159.68)		46,821.24	47,261.37	275.36	0.00
GNMA	2002 A/B RMRB	4.80	12/18/03	12/20/33	379,192.59	369,524.54			(1,598.21)		377,594.38	369,503.43	1,577.10	0.00
GNMA	2002 A/B RMRB	5.49	12/23/03	12/20/33	97,493.62	97,836.00			(331.03)		97,162.59	98,076.39	571.42	0.00
GNMA	2002 A/B RMRB	4.80	12/23/03	12/20/33	269,006.57	261,481.11			(1,029.55)		267,977.02	261,570.77	1,119.21	0.00
GNMA	2002 A/B RMRB	4.80	01/08/04	12/20/33	83,402.99	81,277.92			(318.27)		83,084.72	81,305.81	346.16	0.00
GNMA	2002 A/B RMRB	5.49	01/15/04	01/20/34	377,673.34	378,702.85			(1,672.47)		376,000.87	379,177.16	2,146.78	0.00
GNMA	2002 A/B RMRB	5.49	01/22/04	01/20/34	335,179.43	335,469.33			(1,168.44)		334,010.99	336,204.29	1,903.40	0.00
GNMA	2002 A/B RMRB	4.80	01/22/04	01/20/34	324,270.21	315,894.56			(1,745.52)		322,524.69	315,565.04	1,416.00	0.00
GNMA	2002 A/B RMRB	5.49	01/29/04	01/20/34	171,255.08	171,723.81			(69,175.63)		102,079.45	102,942.91	394.73	0.00
GNMA	2002 A/B RMRB	4.80	01/29/04	11/20/33	70,242.37	68,453.71			(277.45)		69,964.92	68,468.00	291.74	0.00
GNMA	2002 A/B RMRB	4.80	02/12/04	01/20/34	173,950.80	169,030.59			(765.37)		173,185.43	169,021.31	756.09	0.00
GNMA	2002 A/B RMRB	5.49	02/12/04	02/20/34	362,238.87	363,235.48			(1,312.06)		360,926.81	363,984.95	2,061.53	0.00
GNMA	2002 A/B RMRB	4.80	02/26/04	02/20/34	349,088.27	339,219.05			(1,874.67)		347,213.60	338,869.51	1,525.13	0.00
GNMA	2002 A/B RMRB	5.49	02/26/04	02/20/34	182,145.14	182,308.39			(629.87)		181,515.27	182,712.73	1,034.21	0.00
GNMA	2002 A/B RMRB	4.80	03/11/04	03/20/34	213,384.38	207,354.39			(811.05)		212,573.33	207,467.77	924.43	0.00
GNMA	2002 A/B RMRB	5.49	03/11/04	03/20/34	603,412.85	605,088.24			(2,162.63)		601,250.22	606,359.90	3,434.29	0.00
GNMA	2002 A/B RMRB	5.49	03/25/04	03/20/34	240,003.01	240,223.93			(795.36)		239,207.65	240,791.79	1,363.22	0.00
GNMA	2002 A/B RMRB	4.80	03/30/04	03/20/34	92,524.27	90,139.92			(349.01)		92,175.26	90,191.73	400.82	0.00
GNMA	2002 A/B RMRB	5.49	07/09/04	07/20/34	128,556.65	128,927.51			(471.62)		128,085.03	129,187.51	731.62	0.00
GNMA	2002 A/B RMRB	4.80	07/08/04	06/20/34	81,879.21	79,573.76			(309.14)		81,570.07	79,619.30	354.68	0.00
GNMA	2002 A/B RMRB	4.80	04/22/04	04/20/34	260,888.03	254,170.27			(978.12)		259,909.91	254,321.94	1,129.79	0.00
GNMA	2002 A/B RMRB	5.49	04/22/04	04/20/34	158,631.54	159,077.93			(528.33)		158,103.21	159,452.65	903.05	0.00
GNMA	2002 A/B RMRB	4.80	04/29/04	04/20/34	189,384.58	184,040.64			(907.53)		188,477.05	183,958.06	824.95	0.00
GNMA	2002 A/B RMRB	5.49	04/29/04	04/20/34	89,253.79	89,505.40			(326.24)		88,927.55	89,687.10	507.94	0.00
GNMA	2002 A/B RMRB	4.80	05/06/04	04/20/34	147,083.21	143,297.46			(564.00)		146,519.21	143,370.83	637.37	0.00
GNMA	2002 A/B RMRB	5.49	05/06/04	04/20/34	58,351.88	58,516.76			(192.51)		58,159.37	58,656.50	332.25	0.00
GNMA	2002 A/B RMRB	5.49	05/13/04	04/20/34	90,753.99	91,010.93			(353.62)		90,400.37	91,173.61	516.30	0.00
GNMA	2002 A/B RMRB	4.80	05/13/04	04/20/34	92,146.86	89,775.66			(344.35)		91,802.51	89,830.43	399.12	0.00
GNMA	2002 A/B RMRB	5.49	05/27/04	05/20/34	157,763.28	158,212.03			(523.61)		157,239.67	158,586.71	898.29	0.00
GNMA	2002 A/B RMRB	5.49	06/03/04	05/20/34	145,099.62	145,513.22			(620.79)		144,478.83	145,717.42	824.99	0.00
GNMA	2002 A/B RMRB	5.49	06/24/04	06/20/34	114,617.91	114,946.94			(372.51)		114,245.40	115,227.00	652.57	0.00
GNMA	2002 A/B RMRB	5.49	09/02/04	08/20/34	226,214.79	226,455.94			(737.48)		225,477.31	227,003.30	1,284.84	0.00
GNMA	2002 A/B RMRB	5.49	09/01/04	09/20/34	240,793.21	241,499.55			(773.82)		240,019.39	242,097.05	1,371.32	0.00
GNMA	2002 A/B RMRB	5.49	09/16/04	09/20/34	210,455.47	211,075.62			(677.49)		209,777.98	211,596.66	1,198.53	0.00
GNMA	2002 A/B RMRB	5.49	09/01/04	09/20/34	96,855.86	97,139.98			(311.08)		96,544.78	97,380.49	551.59	0.00
GNMA	2002 A/B RMRB	4.80	09/29/04	09/20/34	116,164.93	113,189.97			(420.79)		115,744.14	113,272.04	502.86	0.00
GNMA	2002 A/B RMRB	5.49	09/29/04	09/20/34	139,302.61	139,714.64			(456.39)		138,846.22	140,051.51	793.26	0.00
GNMA	2002 A/B RMRB	5.49	10/07/04	09/20/34	162,832.45	163,315.24			(535.19)		162,297.26	163,707.12	927.07	0.00
GNMA	2002 A/B RMRB	4.80	10/07/04	09/20/34	114,948.59	112,005.55			(505.18)		114,443.41	111,999.76	499.39	0.00
GNMA	2002 A/B RMRB	5.49	07/15/04	04/20/34	99,031.90	99,317.70			(328.06)		98,703.84	99,553.42	563.78	0.00
GNMA	2002 A/B RMRB	5.49	07/22/04	07/20/34	96,088.73	96,367.01			(311.77)		95,776.96	96,602.33	547.09	0.00

GNMA	2002 A/B RMRB	5.49	07/29/04	07/20/34	54,698.16	54,856.91				(176.67)		54,521.49	54,991.68	311.44	0.00
GNMA	2002 A/B RMRB	5.49	08/05/04	08/20/34	218,755.79	219,392.18				(750.38)		218,005.41	219,887.19	1,245.39	0.00
GNMA	2002 A/B RMRB	5.49	08/19/04	08/20/34	187,920.68	188,469.66				(897.96)		187,022.72	188,639.35	1,067.65	0.00
GNMA	2002 A/B RMRB	5.49	08/26/04	08/20/34	111,961.35	112,289.12				(361.65)		111,599.70	112,564.95	637.48	0.00
GNMA	2002 A/B RMRB	5.49	12/02/04	11/20/34	315,167.51	316,117.89				(1,157.66)		314,009.85	316,753.58	1,793.35	0.00
GNMA	2002 A/B RMRB	4.80	12/02/04	11/20/34	214,975.26	209,481.80				(787.93)		214,187.33	209,624.48	930.61	0.00
GNMA	2002 A/B RMRB	4.80	10/14/04	09/20/34	27,768.59	27,057.82				(289.80)		27,478.79	26,892.24	124.22	0.00
GNMA	2002 A/B RMRB	5.49	10/21/04	06/20/34	86,615.50	86,711.33				(937.51)		85,677.99	86,261.33	487.51	0.00
GNMA	2002 A/B RMRB	4.80	10/28/04	09/20/34	86,880.87	84,443.11				(381.66)		86,499.21	84,438.98	377.53	0.00
GNMA	2002 A/B RMRB	5.49	10/28/04	10/20/34	123,057.10	123,424.33				(404.11)		122,652.99	123,720.84	700.62	0.00
GNMA	2002 A/B RMRB	5.49	11/04/04	10/20/34	59,281.56	59,458.81				(200.59)		59,080.97	59,595.68	337.46	0.00
GNMA	2002 A/B RMRB	5.49	12/29/04	12/20/34	391,724.85	392,915.58				(1,243.02)		390,481.83	393,903.67	2,231.11	0.00
GNMA	2002 A/B RMRB	4.80	12/29/04	12/20/34	124,900.80	121,712.07				(444.70)		124,456.10	121,807.90	540.53	0.00
GNMA	2002 A/B RMRB	5.49	01/06/05	01/20/35	92,693.46	92,967.55				(288.55)		92,404.91	93,220.08	541.08	0.00
Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain	
GNMA	2002 A/B RMRB	5.49	01/13/05	12/20/34	148,733.18	149,187.26					148,259.49	149,560.53	846.96	0.00	
GNMA	2002 A/B RMRB	5.49	01/27/05	01/20/35	482,500.20	483,029.70					480,996.98	484,345.90	2,819.42	0.00	
GNMA	2002 A/B RMRB	5.49	03/10/05	12/20/34	98,401.29	98,706.49					98,092.23	98,957.92	560.49	0.00	
GNMA	2002 A/B RMRB	5.49	04/21/05	04/20/35	59,550.66	59,732.36					59,368.77	59,898.06	347.59	0.00	
GNMA	2002 A/B RMRB	5.49	05/05/05	03/20/35	55,114.14	55,282.92					54,944.70	55,435.23	321.75	0.00	
GNMA	2002 A/B RMRB	5.49	07/07/05	06/20/35	118,225.08	118,593.95					117,865.11	118,924.22	690.24	0.00	
GNMA	2002 A/B RMRB	4.80	07/07/05	06/20/35	72,198.41	68,946.78					71,938.24	69,022.41	335.80	0.00	
GNMA	2002 A/B RMRB	4.80	06/02/05	04/20/35	291,944.54	278,097.05					290,862.87	278,371.54	1,356.16	0.00	
GNMA	2002 A/B RMRB	5.49	09/08/05	08/20/35	117,703.00	117,855.86					117,236.86	118,076.83	687.11	0.00	
GNMA	2002 A/B RMRB	5.49	09/15/05	09/20/35	219,870.08	220,156.93					219,160.48	220,732.06	1,284.73	0.00	
GNMA	2002 A/B RMRB	5.49	08/04/05	08/20/35	291,267.86	292,184.00					290,363.66	292,980.19	1,700.39	0.00	
GNMA	2002 A/B RMRB	4.80	10/13/05	09/20/35	111,166.24	106,141.14					110,756.57	106,235.99	504.52	0.00	
GNMA	2002 A/B RMRB	5.49	10/13/05	10/20/35	228,023.73	228,755.27					227,287.64	229,350.13	1,330.95	0.00	
GNMA	2002 A/B RMRB	5.49	12/19/05	12/20/35			218,943.24				218,943.24	220,943.40	2,000.16	0.00	
GNMA	2002 A/B RMRB	5.49	11/17/05	11/20/35	274,507.84	278,135.62	1,694.66				276,202.50	278,717.58	(1,112.70)	0.00	
GNMA	2002 A/B RMRB	4.80	11/22/05	10/20/35	211,087.96	199,530.88					207,854.61	199,404.28	3,106.75	0.00	
GNMA	2002 A/B RMRB	4.80	12/22/05	12/20/35			186,793.88				186,793.88	179,194.81	(7,599.07)	0.00	
GNMA	2002 A/B RMRB	5.49	12/29/05	11/20/35			161,396.94				161,396.94	162,872.87	1,475.93	0.00	
GNMA	2002 A/B RMRB	5.49	01/12/06	01/20/36			293,858.82				293,858.82	296,519.98	2,661.16	0.00	
GNMA	2002 A/B RMRB	5.49	02/23/06	02/20/36			327,721.85				327,721.85	333,990.82	6,268.97	0.00	
FNMA	2002 A/B RMRB	5.49	05/29/03	04/01/33	239,085.49	236,987.01					(859.39)	238,226.10	237,439.43	1,311.81	0.00
FNMA	2002 A/B RMRB	4.80	09/18/03	07/01/33	110,900.96	106,446.32					(478.60)	110,422.36	106,913.29	945.57	0.00
FNMA	2002 A/B RMRB	5.49	12/04/03	11/01/33	132,857.05	131,701.92					(498.87)	132,358.18	131,932.10	729.05	0.00
FNMA	2002 A/B RMRB	4.80	01/15/04	11/01/33	283,891.26	272,502.24					(1,157.82)	282,733.44	273,762.88	2,418.46	0.00
FNMA	2002 A/B RMRB	4.80	02/26/04	01/01/34	98,500.03	94,467.14					(488.14)	98,011.89	94,762.22	783.22	0.00
FNMA	2002 A/B RMRB	5.49	04/08/04	06/01/33	64,135.68	63,581.14					(233.46)	63,902.22	63,699.54	351.86	0.00
FNMA	2002 A/B RMRB	5.49	09/02/04	08/01/34	228,344.88	227,198.15					(751.65)	227,593.23	227,782.75	1,336.25	0.00
FNMA	2002 A/B RMRB	4.80	09/01/04	08/01/34	57,410.82	55,064.77					(548.29)	56,862.53	54,981.72	465.24	0.00
FNMA	2002 A/B RMRB	4.80	11/10/04	10/01/34	57,204.56	54,868.61					(220.16)	56,984.40	55,101.24	452.79	0.00
FNMA	2002 A/B RMRB	5.49	04/07/05	01/01/35	84,270.09	83,382.48					(265.81)	84,004.28	83,598.10	481.43	0.00
FNMA	2002 A/B RMRB	5.49	07/14/05	05/01/35	36,007.18	35,629.47					(110.83)	35,896.35	35,724.32	205.68	0.00
FNMA	2002 A/B RMRB	4.80	07/14/05	04/01/35	70,986.90	66,660.44					(270.46)	70,716.44	66,967.30	577.32	0.00
FNMA	2002 A/B RMRB	5.49	11/03/05	10/01/35	228,304.99	227,004.56					(25.17)	228,279.82	227,197.04	217.65	0.00
FNMA	2002 A/B RMRB	4.80	12/15/05	06/01/35			106,267.82				106,267.82	102,620.20	(3,647.62)	0.00	
FNMA	2002 A/B RMRB	4.80	12/15/05	10/01/35			66,581.25				66,581.25	63,037.87	(3,543.38)	0.00	
Repo Agmt	2002 A/B RMRB	4.55	02/28/06	03/01/06	4,747,961.13	4,747,961.13				(1,377,175.43)	3,370,785.70	3,370,785.70	-	0.00	
Repo Agmt	2002 A/B RMRB	4.55	02/28/06	03/01/06	79,856.17	79,856.17	40,685.20				120,541.37	120,541.37	-	0.00	
	2002 A/B RMRB Total				38,244,898.26	37,836,971.36	1,403,947.26	(3,187,629.55)	(442,852.04)	0.00	36,018,363.93	35,765,963.97	155,526.94	0.00	
Repo Agmt	1999 B-D RMRB	4.55	02/28/06	03/01/06	21,766.27	21,766.27				(668.01)	21,098.26	21,098.26	-	0.00	
GICs	1999 B-D RMRB	6.40	12/02/99	07/01/32	4,560,638.51	4,560,638.51				(4,074,962.17)	485,676.34	485,676.34	-	0.00	
GICs	1999 B-D RMRB	6.40	12/02/99	07/01/32	787,367.22	787,367.22	1,326,943.59				2,114,310.81	2,114,310.81	-	0.00	
GNMA	1999 B-D RMRB	8.18	04/01/91	01/20/21	30,814.62	33,227.33				(254.56)	30,560.06	32,831.06	(141.71)	0.00	
GNMA	1999 B-D RMRB	8.18	08/01/90	06/20/20	255,784.85	275,462.97				(2,684.53)	253,100.32	271,540.80	(1,237.64)	0.00	
GNMA	1999 B-D RMRB	7.18	08/01/90	06/20/20	76,738.52	80,806.76				(926.26)	75,812.26	78,935.94	(944.56)	0.00	

GNMA	1999 B-D RMRB	8.18	09/04/90	07/20/20	401,905.84	432,831.86					(4,585.29)	397,320.55	426,274.64	(1,971.93)	0.00	
GNMA	1999 B-D RMRB	8.18	07/02/90	05/20/20	94,701.58	101,985.80					(1,683.63)	93,017.95	99,793.72	(508.45)	0.00	
GNMA	1999 B-D RMRB	8.18	11/01/90	09/20/20	235,978.23	254,143.21					(31,703.17)	204,275.06	219,167.36	(3,272.68)	0.00	
GNMA	1999 B-D RMRB	8.18	09/04/90	08/20/20	321,406.54	346,140.74					(30,697.94)	290,708.60	311,896.06	(3,546.74)	0.00	
GNMA	1999 B-D RMRB	8.18	09/04/90	07/20/20	119,809.90	129,029.12					(1,325.20)	118,484.70	127,119.11	(584.81)	0.00	
GNMA	1999 B-D RMRB	8.18	11/01/90	08/20/20	122,782.45	132,233.01					(1,045.50)	121,736.95	130,611.07	(576.44)	0.00	
GNMA	1999 B-D RMRB	8.18	11/01/90	09/20/20	94,714.72	102,005.65					(4,208.73)	90,505.99	97,104.22	(692.70)	0.00	
GNMA	1999 B-D RMRB	7.18	11/01/90	09/20/20	107,742.13	113,458.72					(1,076.84)	106,665.29	111,064.83	(1,317.05)	0.00	
GNMA	1999 B-D RMRB	8.18	12/03/90	10/20/20	103,008.53	110,939.46					(1,117.35)	101,891.18	109,320.96	(501.15)	0.00	
GNMA	1999 B-D RMRB	8.75	12/28/89	09/20/18	1,326,765.40	1,431,812.69					(108,031.03)	1,218,734.37	1,310,908.87	(12,872.79)	0.00	
GNMA	1999 B-D RMRB	8.75	11/30/89	10/20/18	104,530.11	112,806.61					(1,163.88)	103,366.23	111,184.24	(458.49)	0.00	
GNMA	1999 B-D RMRB	8.75	11/30/89	09/20/18	105,750.61	114,122.82					(1,197.39)	104,553.22	112,460.09	(465.34)	0.00	
GNMA	1999 B-D RMRB	8.75	01/01/90	11/20/18	275,811.83	297,654.18					(4,477.09)	271,334.74	291,861.16	(1,315.93)	0.00	
GNMA	1999 B-D RMRB	8.75	01/01/90	12/20/18	121,752.87	131,395.83					(1,678.83)	120,074.04	129,158.59	(558.41)	0.00	
GNMA	1999 B-D RMRB	8.75	02/27/90	01/20/19	121,465.01	131,307.11					(1,679.91)	119,785.10	129,062.90	(564.30)	0.00	
Investment		Current	Current	Current	Beginning	Beginning					Ending	Ending	Change in			
Type	Issue	Interest	Purchase	Maturity	Carrying Value	Market Value	Accretions/	Amortizations/			Carrying Value	Market Value	In Market	Recognized		
		Rate	Date	Date	11/30/05	11/30/05	Purchases	Sales	Maturities	Transfers	02/28/06	02/28/06	Value	Gain		
GNMA	1999 B-D RMRB	8.75	05/29/90	04/20/19	153,517.96	165,964.27			(2,155.48)		151,362.48	163,093.14	(715.65)	0.00		
GNMA	1999 B-D RMRB	8.75	06/28/90	05/20/19	52,044.58	56,264.92			(516.70)		51,527.88	55,522.13	(226.09)	0.00		
GNMA	1999 B-D RMRB	7.18	02/01/91	11/20/20	139,692.05	147,109.09			(4,496.07)		135,195.98	140,777.30	(1,835.72)	0.00		
GNMA	1999 B-D RMRB	8.18	02/25/91	11/20/20	105,533.09	113,661.41			(1,000.41)		104,532.68	112,157.94	(503.06)	0.00		
GNMA	1999 B-D RMRB	7.18	05/02/91	02/20/21	119,989.40	126,420.98			(1,546.50)		118,442.90	123,445.87	(1,428.61)	0.00		
GNMA	1999 B-D RMRB	8.75	09/28/90	08/20/19	98,364.80	106,345.81			(1,039.00)		97,325.80	104,874.69	(432.12)	0.00		
GNMA	1999 B-D RMRB	8.75	10/23/90	09/20/19	67,204.00	72,657.74			(1,710.60)		65,493.40	70,574.19	(372.95)	0.00		
GNMA	1999 B-D RMRB	8.75	11/28/90	09/20/19	141,989.66	153,513.59			(1,301.96)		140,687.70	151,603.00	(608.63)	0.00		
GNMA	1999 B-D RMRB	8.75	12/21/90	09/20/19	54,726.92	59,168.91			(507.64)		54,219.28	58,426.25	(235.02)	0.00		
GNMA	1999 B-D RMRB	8.75	01/25/91	12/20/19	166,994.02	180,553.73			(16,191.14)		150,802.88	162,508.95	(1,853.64)	0.00		
GNMA	1999 B-D RMRB	8.75	03/28/91	02/20/20	53,308.16	57,730.90			(508.95)		52,799.21	56,989.89	(232.06)	0.00		
GNMA	1999 B-D RMRB	8.75	03/28/91	12/20/19	59,341.40	64,160.79			(534.06)		58,807.34	63,373.12	(253.61)	0.00		
GNMA	1999 B-D RMRB	8.18	05/02/91	03/20/21	208,251.19	224,561.54			(2,443.42)		205,807.77	221,106.75	(1,011.37)	0.00		
GNMA	1999 B-D RMRB	6.10	07/28/00	07/20/30	1,806,271.01	1,846,532.80			(34,738.73)		1,771,532.28	1,802,976.98	(8,817.09)	0.00		
FNMA	1999 B-D RMRB	6.10	04/28/00	04/01/30	174,422.38	177,378.84			(832.42)		173,589.96	176,047.99	(498.43)	0.00		
GNMA	1999 B-D RMRB	6.10	04/20/00	04/20/30	1,417,787.43	1,449,389.91			(79,804.46)		1,337,982.97	1,361,732.17	(7,853.28)	0.00		
GNMA	1999 B-D RMRB	6.10	04/27/00	04/20/30	1,363,776.35	1,394,174.88			(95,297.53)		1,268,478.82	1,290,994.27	(7,883.08)	0.00		
GNMA	1999 B-D RMRB	6.10	06/26/00	06/20/30	1,670,420.75	1,707,654.42			(84,834.98)		1,585,585.77	1,613,729.91	(9,089.53)	0.00		
GNMA	1999 B-D RMRB	6.10	05/30/00	03/20/30	2,328,130.89	2,380,024.96			(17,498.71)		2,310,632.18	2,351,645.93	(10,880.32)	0.00		
FNMA	1999 B-D RMRB	6.10	05/30/00	05/01/30	238,050.59	242,085.54			(2,443.02)		235,607.57	238,943.76	(698.76)	0.00		
FNMA	1999 B-D RMRB	6.10	06/26/00	06/01/30	100,901.04	102,611.31			(845.77)		100,055.27	101,472.05	(293.49)	0.00		
GNMA	1999 B-D RMRB	6.10	09/14/00	08/20/30	3,326,253.73	3,400,395.94			(79,592.03)		3,246,661.70	3,304,289.97	(16,513.94)	0.00		
GNMA	1999 B-D RMRB	6.10	10/19/00	09/20/30	1,063,321.81	1,087,023.30			(4,408.22)		1,058,913.59	1,077,709.34	(4,905.74)	0.00		
GNMA	1999 B-D RMRB	6.10	10/23/00	10/20/30	381,196.73	389,693.60			(1,614.45)		379,582.28	386,319.87	(1,759.28)	0.00		
GNMA	1999 B-D RMRB	6.10	10/27/00	10/20/30	269,359.30	275,363.31			(1,247.29)		268,112.01	272,870.99	(1,245.03)	0.00		
GNMA	1999 B-D RMRB	6.10	10/30/00	10/20/30	270,092.98	276,113.33			(1,146.32)		268,946.66	273,720.43	(1,246.58)	0.00		
FNMA	1999 B-D RMRB	6.10	07/24/00	07/01/30	118,854.98	120,869.57			(559.89)		118,295.09	119,970.15	(339.53)	0.00		
GNMA	1999 B-D RMRB	6.10	01/16/01	12/20/30	112,794.75	115,308.95			(845.83)		111,948.92	113,936.01	(527.11)	0.00		
GNMA	1999 B-D RMRB	6.10	01/29/01	12/20/30	135,842.39	138,870.32			(76,765.18)		59,077.21	60,125.83	(1,979.31)	0.00		
GNMA	1999 B-D RMRB	6.10	12/21/00	11/20/30	557,923.85	570,359.95			(3,306.79)		554,617.06	564,461.48	(2,591.68)	0.00		
GNMA	1999 B-D RMRB	6.10	12/27/00	12/20/30	269,291.90	275,294.42			(2,956.72)		266,335.18	271,062.63	(1,275.07)	0.00		
GNMA	1999 B-D RMRB	6.10	02/20/01	01/20/31	115,843.61	118,345.81			(468.56)		115,375.05	117,362.94	(514.31)	0.00		
GNMA	1999 B-D RMRB	6.10	03/15/01	03/20/31	212,836.94	217,434.22			(834.08)		212,002.86	215,655.68	(944.46)	0.00		
GNMA	1999 B-D RMRB	6.10	03/29/01	03/20/31	108,132.41	110,468.07			(423.08)		107,709.33	109,565.16	(479.83)	0.00		
GNMA	1999 B-D RMRB	6.10	05/10/01	04/20/31	805,070.89	822,460.42			(3,675.64)		801,395.25	815,203.28	(3,581.50)	0.00		
FNMA	1999 B-D RMRB	6.10	09/11/00	08/01/30	985,205.36	1,001,904.59			(6,261.06)		978,944.30	992,806.16	(2,837.37)	0.00		
FNMA	1999 B-D RMRB	6.10	10/06/00	10/01/30	117,478.61	119,469.87			(1,257.65)		116,220.96	117,866.65	(345.57)	0.00		
GNMA	1999 B-D RMRB	6.10	05/30/01	05/20/31	413,901.55	422,841.82			(56,183.36)		357,718.19	363,881.68	(2,776.78)	0.00		
GNMA	1999 B-D RMRB	6.10	06/18/01	04/20/31	222,056.99	226,853.42			(1,629.85)		220,427.14	224,225.10	(998.47)	0.00		
GNMA	1999 B-D RMRB	6.10	07/25/01	06/20/31	548,623.48	560,473.75			(2,636.32)		545,987.16	555,394.53	(2,442.90)	0.00		
GNMA	1999 B-D RMRB	6.10	08/31/01	08/20/31	659,452.65	673,696.83			(2,639.04)		656,813.61	668,130.52	(2,927.27)	0.00		
FNMA	1999 B-D RMRB	6.10	12/27/00	11/01/30	156,470.27	159,122.43			(1,146.30)		155,323.97	157,523.35	(452.78)	0.00		
FNMA	1999 B-D RMRB	6.10	01/12/01	12/01/30	114,554.76	116,496.46			(1,032.66)		113,522.10	115,129.57	(334.23)	0.00		
FNMA	1999 B-D RMRB	6.10	02/05/01	01/01/31	267,005.12	271,530.86			(1,689.11)		265,316.01	269,072.89	(768.86)	0.00		

GNMA	2000 A RMRB	6.45	11/29/01	11/20/31	456,487.26	470,944.17					(46,240.78)	410,246.48	422,918.95	(1,784.44)	0.00
GNMA	2000 A RMRB	6.45	12/17/01	11/20/31	225,614.61	232,759.81					(2,024.83)	223,589.78	230,496.46	(238.52)	0.00
GNMA	2000 A RMRB	6.45	12/27/01	12/20/31	606,893.15	626,113.45					(2,362.41)	604,530.74	623,204.69	(546.35)	0.00
GNMA	2000 A RMRB	6.45	09/25/01	09/20/31	338,766.05	349,494.76					(1,277.05)	337,489.00	347,914.02	(303.69)	0.00
GNMA	2000 A RMRB	6.45	09/28/01	09/20/31	661,885.20	682,847.10					(3,282.88)	658,602.32	678,946.54	(617.68)	0.00
GNMA	2000 A RMRB	6.45	10/17/01	10/20/31	307,469.45	317,206.99					(2,879.59)	304,589.86	313,998.62	(328.78)	0.00
GNMA	2000 A RMRB	6.45	10/30/01	10/20/31	363,866.46	375,390.13					(51,986.56)	311,879.90	321,513.89	(1,889.68)	0.00
GNMA	2000 A RMRB	6.45	11/15/01	11/20/31	207,836.09	214,418.27					(1,208.98)	206,627.11	213,009.83	(199.46)	0.00
FNMA	2000 A RMRB	6.45	03/29/01	02/01/31	221,859.20	227,438.96					(3,362.47)	218,496.73	224,011.59	(64.90)	0.00
GNMA	2000 A RMRB	6.45	01/22/02	01/20/32	583,574.98	601,870.02					(2,380.36)	581,194.62	599,362.73	(126.93)	0.00
GNMA	2000 A RMRB	6.45	01/30/02	12/20/31	133,933.61	138,175.29					(501.07)	133,432.54	137,554.27	(119.95)	0.00
GNMA	2000 A RMRB	6.45	02/25/02	02/20/32	1,592,616.38	1,642,544.88					(6,692.59)	1,585,923.79	1,635,499.75	(352.54)	0.00
FNMA	2000 A RMRB	6.45	07/12/01	06/01/31	140,770.92	144,214.18					(513.99)	140,256.93	143,725.48	(25.29)	0.00
GNMA	2000 A RMRB	6.45	05/15/02	04/20/32	90,850.46	93,698.62					(308.83)	90,541.63	93,371.96	(17.83)	0.00
GNMA	2000 A RMRB	6.45	05/24/02	05/20/32	214,956.87	221,695.77					(1,089.86)	213,867.01	220,552.49	(53.42)	0.00
GNMA	2000 A RMRB	6.45	03/21/02	02/20/32	430,783.84	444,288.93					(1,791.63)	428,992.21	442,402.53	(94.77)	0.00
GNMA	2000 A RMRB	6.45	04/17/02	03/20/32	457,055.32	471,384.00					(43,215.04)	413,840.28	426,776.93	(1,392.03)	0.00
Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain	
GNMA	2000 A RMRB	6.45	04/29/02	04/20/32	138,624.08	142,969.94			(487.18)		138,136.90	142,455.06	(27.70)	0.00	
GNMA	2000 A RMRB	6.45	05/15/02	03/20/32	67,648.56	69,769.34			(237.72)		67,410.84	69,518.10	(13.52)	0.00	
GNMA	2000 A RMRB	6.45	08/29/02	08/20/32	65,024.27	67,062.78			(212.08)		64,812.19	66,838.22	(12.48)	0.00	
GNMA	2000 A RMRB	6.45	06/03/02	05/20/32	67,557.15	69,675.07			(620.64)		66,936.51	69,028.94	(25.49)	0.00	
GNMA	2000 A RMRB	6.45	07/05/02	03/20/32	44,007.78	45,387.42			(794.38)		43,213.40	44,564.25	(28.79)	0.00	
GNMA	2000 A RMRB	6.45	08/01/02	05/20/32	62,104.26	64,051.23			(206.07)		61,898.19	63,833.13	(12.03)	0.00	
GNMA	2000 A RMRB	6.45	11/12/02	11/20/32	133,944.41	138,143.57			(431.56)		133,512.85	137,686.46	(25.55)	0.00	
GNMA	2000 A RMRB				59,203.68	61,059.72			(59,203.68)				(1,856.04)	0.00	
GNMA	2000 A RMRB	6.45	10/21/02	10/20/32	74,682.39	77,023.68			(240.59)		74,441.80	76,768.85	(14.24)	0.00	
GNMA	2000 A RMRB	6.45	10/29/02	10/20/32	65,081.96	67,122.28			(218.13)		64,863.83	66,891.47	(12.68)	0.00	
GNMA	2000 A RMRB	6.45	11/26/02	11/20/32	40,871.04	42,152.35			(218.31)		40,652.73	41,923.53	(10.51)	0.00	
GNMA	2000 A RMRB	6.45	12/30/02	12/20/32	67,596.28	69,715.42			(213.49)		67,382.79	69,489.18	(12.75)	0.00	
GNMA	2000 A RMRB	6.45	01/23/03	01/20/33	79,284.52	81,749.48			(269.16)		79,015.36	81,506.71	(26.39)	0.00	
GNMA	2000 A RMRB	6.45	01/23/03	01/20/33	52,966.92	54,613.66			(175.30)		52,791.62	54,456.14	(17.78)	0.00	
FNMA	2000 A RMRB	6.45	09/28/01	09/01/31	163,203.44	167,195.39			(800.88)		162,402.56	166,418.78	24.27	0.00	
FNMA	2000 A RMRB	6.45	10/17/01	09/01/31	163,198.98	167,190.83			(619.42)		162,579.56	166,600.15	28.74	0.00	
GNMA	2000 A RMRB	6.45	02/20/03	02/20/33	71,425.30	73,645.91			(287.81)		71,137.49	73,380.46	22.36	0.00	
FNMA	2000 A RMRB	6.45	12/27/01	11/01/31	87,350.22	89,486.81			(530.66)		86,819.56	88,966.61	10.46	0.00	
FNMA	2000 A RMRB	6.45	04/17/02	03/01/32	122,160.27	125,115.33			(534.94)		121,625.33	124,579.61	(0.78)	0.00	
Repo Agmt	2000 A RMRB	4.55	02/28/06	03/01/06	14,401.93	14,401.93	21,792.41				36,194.34	36,194.34	-	0.00	
	2000 A RMRB Total				22,724,202.81	23,348,719.94	142,586.54	(1,721,767.79)	(619,632.89)	0.00	20,525,388.67	21,115,475.29	(34,430.51)	0.00	
Repo Agmt	2003A RMRB	4.55	02/28/06	03/01/06	105,194.21	105,194.21		(89,034.66)			16,159.55	16,159.55	-	0.00	
Repo Agmt	2003A RMRB	4.55	02/28/06	03/01/06	450.40	450.40	190,382.24				190,832.64	190,832.64	-	0.00	
GICs	2003A RMRB				287,143.58	287,143.58		(287,143.58)					-	0.00	
Repo Agmt	2003A RMRB	4.55	02/28/06	03/01/06	17,537.90	17,537.90		(3,031.90)			14,506.00	14,506.00	-	0.00	
GICs	2003A RMRB	4.13	08/20/03	06/28/34	2,210,107.33	2,210,107.33		(1,286,303.61)			923,803.72	923,803.72	-	0.00	
Repo Agmt	2003A RMRB	4.55	02/28/06	03/01/06	99.73	99.73	1,891.18				1,990.91	1,990.91	-	0.00	
GICs	2003A RMRB				1,874.41	1,874.41		(1,874.41)					-	0.00	
GNMA	2003A RMRB	4.49	03/25/04	03/20/34	12,192,242.88	11,584,376.91			(150,543.37)		12,041,699.51	11,527,549.23	93,715.69	0.00	
GNMA	2003A RMRB	4.49	03/30/04	03/20/34	1,937,610.67	1,841,016.93			(8,013.27)		1,929,597.40	1,847,217.77	14,214.11	0.00	
GNMA	2003A RMRB	4.49	07/08/04	07/20/34	1,443,627.95	1,371,784.84			(6,619.77)		1,437,008.18	1,375,783.45	10,618.38	0.00	
GNMA	2003A RMRB	5.49	07/08/04	06/20/34	170,830.21	171,322.51			(660.67)		170,169.54	171,633.73	971.89	0.00	
GNMA	2003A RMRB	4.49	07/08/04	07/20/34	184,569.21	175,879.57			(1,116.92)		183,452.29	176,108.33	1,345.68	0.00	
GNMA	2003A RMRB	5.49	07/08/04	07/20/34	176,438.44	176,617.79			(640.19)		175,798.25	176,979.43	1,001.83	0.00	
GNMA	2003A RMRB	4.49	04/08/04	04/20/34	1,944,975.64	1,853,253.26			(8,014.49)		1,936,961.15	1,859,268.74	14,029.97	0.00	
GNMA	2003A RMRB	5.49	04/08/04	04/20/34	343,965.69	344,929.43			(1,186.46)		342,779.23	345,701.04	1,958.07	0.00	
GNMA	2003A RMRB	4.49	04/15/04	04/20/34	1,308,401.45	1,246,706.62			(5,484.48)		1,302,916.97	1,250,663.98	9,441.84	0.00	
GNMA	2003A RMRB	5.49	04/15/04	04/20/34	63,901.79	64,081.22			(213.27)		63,688.52	64,231.79	363.84	0.00	
GNMA	2003A RMRB	4.49	04/22/04	04/20/34	1,495,870.14	1,425,344.26			(135,777.93)		1,360,092.21	1,305,552.80	15,986.47	0.00	
GNMA	2003A RMRB	5.49	04/22/04	04/20/34	89,536.33	89,788.29			(303.91)		89,232.42	89,994.03	509.65	0.00	
GNMA	2003A RMRB	4.49	04/29/04	04/20/34	1,088,809.20	1,034,557.04			(5,369.71)		1,083,439.49	1,037,211.80	8,024.47	0.00	

GNMA	2003A RMRB	4.49	02/03/05	02/20/35	780,405.59	743,771.66				(4,449.98)		775,955.61	744,797.44	5,475.76	0.00
GNMA	2003A RMRB	4.49	02/17/05	02/20/35	297,560.37	282,784.86				(1,122.64)		296,437.73	283,763.06	2,100.84	0.00
GNMA	2003A RMRB	5.49	02/17/05	01/20/35	56,216.21	56,384.49				(174.99)		56,041.22	56,537.66	328.16	0.00
GNMA	2003A RMRB	5.49	03/10/05	02/20/35	105,793.97	106,112.70				(327.86)		105,466.11	106,402.42	617.58	0.00
GNMA	2003A RMRB	4.49	03/17/05	01/20/35	28,107.52	26,789.07				(105.31)		28,002.21	26,878.78	195.02	0.00
GNMA	2003A RMRB	5.49	03/17/05	03/20/35	120,653.65	121,017.88				(372.19)		120,281.46	121,350.03	704.34	0.00
GNMA	2003A RMRB	5.49	04/07/05	04/20/35	319,633.13	320,604.17				(1,217.51)		318,415.62	321,250.55	1,863.89	0.00
GNMA	2003A RMRB	5.49	04/21/05	04/20/35	229,020.08	229,718.86				(732.66)		228,287.42	230,322.71	1,336.51	0.00
GNMA	2003A RMRB	4.49	04/28/05	03/20/35	63,115.38	60,157.11				(237.90)		62,877.48	60,357.18	437.97	0.00
GNMA	2003A RMRB	5.49	04/28/05	04/20/35	184,526.05	185,090.20				(581.99)		183,944.06	185,585.32	1,077.11	0.00
GNMA	2003A RMRB	5.49	05/12/05	05/20/35	187,164.01	187,738.49				(871.13)		186,292.88	187,957.37	1,090.01	0.00
GNMA	2003A RMRB	4.49	05/19/05	05/20/35	1,394,082.18	1,324,965.33				(6,320.62)		1,387,761.56	1,328,532.92	9,888.21	0.00
GNMA	2003A RMRB	5.49	07/07/05	07/20/35	682,867.08	684,997.64				(2,116.83)		680,750.25	686,867.29	3,986.48	0.00
GNMA	2003A RMRB	5.49	07/14/05	07/20/35	362,649.29	363,101.89				(1,087.85)		361,561.44	364,133.56	2,119.52	0.00
GNMA	2003A RMRB	4.49	05/26/05	04/20/35	128,855.86	122,819.37				(590.49)		128,265.37	123,127.23	898.35	0.00
GNMA	2003A RMRB	5.49	05/26/05	05/20/35	390,164.30	391,367.01				(1,201.87)		388,962.43	392,442.49	2,277.35	0.00
GNMA	2003A RMRB	5.49	06/09/05	05/20/35	288,168.36	289,060.16				(951.14)		287,217.22	289,790.77	1,681.75	0.00
GNMA	2003A RMRB	5.49	06/15/05	06/20/35	403,087.16	404,337.05				(1,237.41)		401,849.75	405,452.88	2,353.24	0.00
GNMA	2003A RMRB	5.49	06/23/05	06/20/35	303,010.00	303,382.65				(1,073.06)		301,936.94	304,079.07	1,769.48	0.00
Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain	
GNMA	2003A RMRB	5.49	09/08/05	09/20/35	282,310.35	283,207.18				(1,217.21)	281,093.14	283,635.01	1,645.04	0.00	
GNMA	2003A RMRB	5.49	09/15/05	09/20/35	714,142.13	716,415.12				(2,196.75)	711,945.38	718,387.70	4,169.33	0.00	
GNMA	2003A RMRB	5.49	09/22/05	09/20/35	206,300.67	206,958.76				(777.22)	205,523.45	207,384.47	1,202.93	0.00	
GNMA	2003A RMRB	4.49	07/28/05	07/20/35	88,775.14	84,621.18				(338.27)	88,436.87	84,899.10	1,619.00	0.00	
GNMA	2003A RMRB	5.49	07/21/05	07/20/35	593,023.59	594,881.65				(1,859.27)	591,164.32	596,483.60	3,461.22	0.00	
GNMA	2003A RMRB	5.49	07/28/05	07/20/35	231,264.65	231,990.65				(696.91)	230,567.74	232,644.02	1,350.28	0.00	
GNMA	2003A RMRB	5.49	08/04/05	07/20/35	448,198.41	449,608.15				(1,344.43)	446,853.98	450,880.67	2,616.95	0.00	
GNMA	2003A RMRB	5.49	08/11/05	08/20/35	263,075.43	263,904.50				(940.51)	262,134.92	264,498.67	1,534.68	0.00	
GNMA	2003A RMRB	5.49	08/18/05	07/20/35	314,237.99	315,230.20				(990.48)	313,247.51	316,074.07	1,834.35	0.00	
GNMA	2003A RMRB	5.49	08/30/05	08/20/35	949,051.99	952,059.19				(3,289.50)	945,762.49	954,307.11	5,537.42	0.00	
GNMA	2003A RMRB	5.49	08/30/05	08/20/35	416,140.02	417,458.62				(1,440.03)	414,699.99	418,446.65	2,428.06	0.00	
GNMA	2003A RMRB	5.49	10/27/05	10/20/35	414,981.09	416,317.88				(1,191.18)	413,789.91	417,550.28	2,423.58	0.00	
GNMA	2003A RMRB	5.49	09/29/05	09/20/35	242,000.15	242,319.06				(717.03)	241,283.12	243,016.52	1,414.49	0.00	
GNMA	2003A RMRB	5.49	09/29/05	09/20/35	625,172.39	627,170.44				(1,872.80)	623,299.59	628,948.01	3,650.37	0.00	
GNMA	2003A RMRB	5.49	10/06/05	09/20/35	533,427.03	535,135.10				(1,584.50)	531,842.53	536,665.41	3,114.81	0.00	
GNMA	2003A RMRB	5.49	10/13/05	10/20/35	388,576.47	389,823.08				(1,336.16)	387,240.31	390,754.28	2,267.36	0.00	
GNMA	2003A RMRB	5.49	10/20/05	10/20/35	333,708.32	334,781.28				(1,302.82)	332,405.50	335,423.90	1,945.44	0.00	
GNMA	2003A RMRB	5.49	10/20/05	10/20/35	389,028.05	390,278.87				(1,333.50)	387,694.55	391,215.00	2,269.63	0.00	
GNMA	2003A RMRB	5.49	12/15/05	12/20/35			155,530.20				155,530.20	156,950.42	1,420.22	0.00	
GNMA	2003A RMRB	5.49	11/03/05	09/20/35	205,982.60	208,702.22	1,389.05				207,371.65	209,257.22	(834.05)	0.00	
GNMA	2003A RMRB	5.49	11/03/05	10/20/35	274,866.36	278,495.47	1,869.90				276,736.26	279,252.82	(1,112.55)	0.00	
GNMA	2003A RMRB	5.49	11/10/05	11/20/35	161,534.46	163,668.22	1,127.01				162,661.47	164,141.66	(653.57)	0.00	
GNMA	2003A RMRB	5.49	11/17/05	07/20/35	231,172.37	234,227.44	1,592.89				232,765.26	234,884.58	(935.75)	0.00	
GNMA	2003A RMRB	5.49	11/17/05	10/20/35	434,190.31	439,928.39	1,782.00				435,972.31	439,942.26	(1,768.13)	0.00	
GNMA	2003A RMRB	5.49	11/22/05	11/20/35	221,044.51	223,966.88	1,454.06				222,498.57	224,525.77	(895.17)	0.00	
GNMA	2003A RMRB	5.49	12/29/05	12/20/35			614,456.54				614,456.54	618,921.47	4,464.93	0.00	
GNMA	2003A RMRB	5.49	01/12/06	01/20/36			216,095.37				216,095.37	218,052.31	1,956.94	0.00	
GNMA	2003A RMRB	5.49	01/12/06	12/20/35			79,789.35				79,789.35	80,519.97	730.62	0.00	
GNMA	2003A RMRB	5.49	02/09/06	01/20/36			207,733.31				207,733.31	211,704.22	3,970.91	0.00	
GNMA	2003A RMRB	0.99	02/23/06	01/20/36			240,564.69				240,564.69	245,166.44	4,601.75	0.00	
FNMA	2003A RMRB	4.49	03/25/04	02/01/34	305,121.79	286,754.14				(1,429.39)	303,692.40	287,699.67	2,374.92	0.00	
FNMA	2003A RMRB	4.49	07/29/04	07/01/34	316,761.35	297,709.46				(1,254.96)	315,506.39	298,908.03	2,453.53	0.00	
FNMA	2003A RMRB	4.49	08/26/04	08/01/34	276,088.44	259,486.25				(1,092.13)	274,996.31	260,532.53	2,138.41	0.00	
FNMA	2003A RMRB	5.49	09/23/04	08/01/34	205,801.50	203,783.89				(677.67)	205,123.83	204,316.51	1,210.29	0.00	
FNMA	2003A RMRB	4.49	09/29/04	09/01/34	335,992.33	315,792.34				(2,105.65)	333,886.68	316,329.94	2,643.25	0.00	
FNMA	2003A RMRB	4.49	11/10/04	10/01/34	167,765.55	157,682.28				(649.79)	167,115.76	158,331.19	1,298.70	0.00	
FNMA	2003A RMRB	4.49	03/29/05	01/20/35	233,218.18	218,795.01				(878.86)	232,339.32	219,667.99	1,751.84	0.00	
FNMA	2003A RMRB	5.49	06/23/05	06/01/35	358,804.55	355,037.42				(1,128.62)	357,675.93	355,958.63	2,049.83	0.00	
FNMA	2003A RMRB	5.49	08/18/05	06/01/35	325,579.55	322,169.34				(1,153.39)	324,426.16	322,876.29	1,860.34	0.00	
FNMA	2003A RMRB	5.49	09/08/05	08/01/35	257,421.68	254,727.68				(789.69)	256,631.99	255,408.55	1,470.56	0.00	

FNMA	2003A RMRB	5.49	10/06/05	10/01/35	273,822.14	270,959.77			(1,094.26)		272,727.88	271,430.99	1,565.48	0.00
FNMA	2003A RMRB	5.49	10/20/05	10/01/35	255,398.93	252,730.67			(951.39)		254,447.54	253,239.10	1,459.82	0.00
GICs	2003A RMRB				3,735,066.66	3,735,066.66			(3,735,066.66)				-	0.00
FNMA	2003A RMRB	4.49	12/15/05	06/01/35					91,441.77		91,441.77	86,464.62	(4,977.15)	0.00
FNMA	2003A RMRB	5.49	12/29/05	12/01/35					340,332.97		340,332.97	338,726.85	(1,606.12)	0.00
FNMA	2003A RMRB	4.49	01/12/06	12/01/35					75,458.02		75,458.02	71,351.80	(4,106.22)	0.00
FNMA	2003A RMRB	5.49	02/02/06	01/01/36					114,685.32		114,685.32	114,689.84	4.52	0.00
Repo Agmt	2003A RMRB	4.55	02/28/06	03/01/06					1,229,446.21		1,229,446.21	1,229,446.21	-	0.00
Repo Agmt	2003A RMRB	4.55	02/28/06	03/01/06	4.20	4.20			16,587.56		16,591.76	16,591.76	-	0.00
2003A RMRB Total					70,880,323.75	68,740,866.37	3,583,609.64	(5,402,454.82)	(481,546.08)	0.00	68,579,932.49	66,881,824.76	441,349.65	0.00
GNMA	1999 A RMRB	7.50	08/31/89	07/20/18	385,735.67	408,349.55			(4,929.71)		380,805.96	398,709.91	(4,709.93)	0.00
GNMA	1999 A RMRB	7.50	10/31/89	09/20/18	873,178.05	924,395.23			(86,920.20)		786,257.85	823,248.42	(14,226.61)	0.00
GNMA	1999 A RMRB	8.75	10/31/89	09/20/18	163,916.40	176,892.34			(3,036.62)		160,879.78	173,045.33	(810.39)	0.00
GNMA	1999 A RMRB	7.50	11/30/89	10/20/18	798,636.70	847,902.18			(10,547.28)		788,089.42	827,619.53	(9,735.37)	0.00
GNMA	1999 A RMRB	8.75	11/30/89	09/20/18	117,822.93	127,514.26			(1,613.56)		116,209.37	125,369.16	(531.54)	0.00
GNMA	1999 A RMRB	7.50	01/01/90	11/20/18	473,848.24	501,656.86			(6,758.83)		467,089.41	489,078.44	(5,819.59)	0.00
GNMA	1999 A RMRB	8.75	01/01/90	11/20/18	131,450.84	141,860.83			(1,423.17)		130,027.67	139,864.25	(573.41)	0.00
GNMA	1999 A RMRB	7.50	01/01/90	12/20/18	259,447.06	274,675.42			(3,000.54)		256,446.52	268,521.37	(3,153.51)	0.00
GNMA	1999 A RMRB	7.50	02/27/90	12/20/18	100,826.51	106,746.01			(1,211.68)		99,614.83	104,306.54	(1,227.79)	0.00
Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
GNMA	1999 A RMRB	8.75	05/29/90	02/20/19	186,787.91	201,928.58			(3,202.29)		183,585.62	197,810.49	(915.80)	0.00
GNMA	1999 A RMRB	7.50	03/30/90	01/20/19	303,745.73	321,902.53			(4,896.62)		298,849.11	313,335.95	(3,669.96)	0.00
GNMA	1999 A RMRB	8.75	03/30/90	01/20/19	75,583.99	81,708.95			(755.35)		74,828.64	80,624.92	(328.68)	0.00
GNMA	1999 A RMRB	7.50	04/26/90	03/20/19	357,616.23	379,001.31			(45,234.02)		312,382.21	327,532.42	(6,234.87)	0.00
GNMA	1999 A RMRB	8.75	04/26/90	03/20/19	183,021.03	197,856.32			(3,886.07)		179,134.96	193,015.12	(955.13)	0.00
GNMA	1999 A RMRB	7.50	05/29/90	04/20/19	430,618.11	456,375.37			(5,249.07)		425,369.04	446,005.58	(5,120.72)	0.00
GNMA	1999 A RMRB	7.50	06/28/90	04/20/19	10,494.39	11,122.24			(688.85)		9,805.54	10,281.37	(152.02)	0.00
GNMA	1999 A RMRB	8.75	06/28/90	04/20/19	97,641.96	105,558.93			(1,371.55)		96,270.41	103,732.03	(455.35)	0.00
GNMA	1999 A RMRB	7.50	10/31/90	07/20/19	57,870.15	61,335.23			(620.24)		57,249.91	60,030.82	(684.17)	0.00
GNMA	1999 A RMRB	7.50	12/21/90	08/20/19	50,441.80	53,463.08			(631.58)		49,810.22	52,230.71	(600.79)	0.00
GNMA	1999 A RMRB	8.75	12/21/90	08/20/19	30,645.65	33,132.80			(9,815.49)		20,830.16	22,446.24	(871.07)	0.00
GNMA	1999 A RMRB	7.50	03/28/91	11/20/19	42,387.25	44,928.12			(428.61)		41,958.64	43,999.58	(499.93)	0.00
GNMA	1999 A RMRB	8.75	04/26/91	01/20/20	166,893.53	180,739.74			(1,524.16)		165,369.37	178,494.58	(721.00)	0.00
GNMA	1999 A RMRB	8.75	04/29/91	02/20/20	35,484.41	38,428.69			(346.49)		35,137.92	37,927.12	(155.08)	0.00
GNMA	1999 A RMRB	7.50	04/29/91	12/20/19	118,732.76	125,852.06			(1,279.17)		117,453.59	123,168.63	(1,404.26)	0.00
GNMA	1999 A RMRB	5.35	01/31/01	08/20/30	42,988.38	42,527.58			(202.47)		42,785.91	42,504.84	179.73	0.00
GNMA	1999 A RMRB	5.35	01/31/01	01/20/31	399,551.10	395,251.93			(1,896.72)		397,658.38	395,089.51	1,730.30	0.00
GNMA	1999 A RMRB	5.35	05/10/01	04/20/31	64,275.33	63,583.73			(281.08)		63,994.25	63,580.85	278.20	0.00
GNMA	1999 A RMRB	5.35	06/22/01	05/20/31	55,482.77	54,885.78			(243.31)		55,239.46	54,882.61	240.14	0.00
GNMA	1999 A RMRB	5.35	06/29/01	05/20/31	101,453.98	100,362.34			(510.33)		100,943.65	100,291.55	439.54	0.00
FNMA	1999 A RMRB	5.35	03/15/01	10/01/30	252,727.76	248,251.95			(1,366.04)		251,361.72	248,006.04	1,120.13	0.00
FNMA	1999 A RMRB	5.35	06/18/01	03/01/31	69,866.69	68,606.99			(656.84)		69,209.85	68,238.14	287.99	0.00
GNMA	1999 A RMRB	5.35	03/18/02	02/20/32	40,369.00	39,919.69			(200.58)		40,168.42	39,898.89	179.78	0.00
Repo Agmt	1999 A RMRB	4.55	02/28/06	03/01/06	401,199.23	401,199.23	0.00				401,199.23	401,199.23	-	0.00
1999 A RMRB Total					6,880,741.54	7,217,915.85	0.00	0.00	(204,724.52)	0.00	6,676,017.02	6,954,090.17	(59,101.16)	0.00
Total Residential Mortgage Revenue Bonds Investment Summary					403,901,535.52	403,648,735.29	8,329,442.84	(32,309,184.80)	(8,272,370.45)	0.00	371,649,423.11	372,549,038.17	1,152,415.29	0.00

Texas Department of Housing and Community Affairs
Collateralized Home Mortgage Revenue Bonds Investment Summary
For Period Ending February 28, 2006

Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
Repo Agmt	1990 A&B CHMRB	4.55	02/28/06	03/01/06	47,618.90	47,618.90	511.68				48,130.58	48,130.58	-	0.00
Repo Agmt	1990 A&B CHMRB	4.55	02/28/06	03/01/06	76,994.95	76,994.95	827.40				77,822.35	77,822.35	-	0.00
Mutual Fund	1990 A&B CHMRB	4.10	02/01/06	03/01/06	23.15	23.15	0.00				23.15	23.15	-	0.00
Repo Agmt	1990 A&B CHMRB	4.55	02/28/06	03/01/06	212,699.53	212,699.53	2,285.51				214,985.04	214,985.04	-	0.00
	1990 A&B CHMRB Total				337,336.53	337,336.53	3,624.59	0.00	0.00	0.00	340,961.12	340,961.12	0.00	0.00
Repo Agmt	1991 A CHMRB	4.55	02/28/06	03/01/06	100,481.94	100,481.94	1,079.68				101,561.62	101,561.62	-	0.00
Repo Agmt	1991 A CHMRB	4.55	02/28/06	03/01/06	6,698.43	6,698.43	72.05				6,770.48	6,770.48	-	0.00
	1991 A CHMRB Total				107,180.37	107,180.37	1,151.73	0.00	0.00	0.00	108,332.10	108,332.10	0.00	0.00
Repo Agmt	1992 A-C CHMRB	4.55	02/28/06	03/01/06	199,190.40	199,190.40		(98,027.88)			101,162.52	101,162.52	-	0.00
GICs	1992 A-C CHMRB	6.09	06/29/92	07/02/24	1,970,783.94	1,970,783.94		(1,412,053.32)			558,730.62	558,730.62	-	0.00
FNMA	1992 A-C CHMRB	6.91	06/30/95	12/01/23	31,554.69	33,219.36			(232.18)		31,322.51	32,655.22	(331.96)	0.00
FNMA	1992 A-C CHMRB	6.91	06/30/95	05/01/23	159,033.62	167,416.11			(1,770.51)		157,263.11	163,946.94	(1,698.66)	0.00
FNMA	1992 A-C CHMRB	6.91	06/30/95	06/01/23	345,627.79	364,100.74			(5,063.22)		340,564.57	355,256.60	(3,780.92)	0.00
FNMA	1992 A-C CHMRB	6.91	06/30/95	02/01/25	1,376,329.76	1,450,214.97			(152,588.03)		1,223,741.73	1,277,131.51	(20,495.43)	0.00
FNMA	1992 A-C CHMRB	6.91	06/30/95	03/01/25	868,455.49	915,081.17			(11,121.44)		857,334.05	894,742.53	(9,217.20)	0.00
FNMA	1992 A-C CHMRB	6.91	06/30/95	03/01/25	323,364.26	340,725.06			(55,730.51)		267,633.75	279,311.56	(5,682.99)	0.00
FNMA	1992 A-C CHMRB	6.91	06/30/95	05/01/25	880,672.68	927,964.48			(65,118.21)		815,554.47	851,149.34	(11,696.93)	0.00
FNMA	1992 A-C CHMRB	6.91	06/30/95	05/01/25	1,129,678.25	1,190,341.59			(12,626.18)		1,117,052.07	1,166,388.79	(11,326.62)	0.00
GNMA	1992 A-C CHMRB	6.91	06/30/96	12/20/22	333,648.56	350,229.98			(3,456.25)		330,192.31	343,462.55	(3,311.18)	0.00
GNMA	1992 A-C CHMRB	6.91	06/30/95	01/20/23	305,955.34	321,737.33			(2,611.03)		303,344.31	315,648.11	(3,478.19)	0.00
GNMA	1992 A-C CHMRB	6.91	06/30/95	04/20/23	225,583.84	237,227.01			(2,868.50)		222,715.34	231,755.82	(2,602.69)	0.00
GNMA	1992 A-C CHMRB	6.91	06/30/95	07/20/23	401,519.69	422,255.81			(5,835.00)		395,684.69	411,758.73	(4,662.08)	0.00
GNMA	1992 A-C CHMRB	6.91	06/30/95	08/20/23	241,507.53	253,982.55			(40,030.78)		201,476.75	209,663.57	(4,288.20)	0.00
GNMA	1992 A-C CHMRB	6.91	06/30/95	09/20/23	87,395.24	91,910.53			(43,319.47)		44,075.77	45,867.19	(2,723.87)	0.00
GNMA	1992 A-C CHMRB	6.91	06/30/95	12/20/23	382,299.22	402,062.08			(48,110.17)		334,189.05	347,782.03	(6,169.88)	0.00
GNMA	1992 A-C CHMRB	6.91	06/30/95	05/20/23	65,737.78	69,131.43			(1,707.60)		64,030.18	66,629.96	(793.87)	0.00
GNMA	1992 A-C CHMRB	6.91	06/30/95	04/20/25	663,269.60	697,490.71			(6,661.45)		656,608.15	684,208.76	(6,620.50)	0.00
GNMA	1992 A-C CHMRB	6.91	06/30/95	05/20/25	905,807.62	952,550.12			(174,766.83)		731,040.79	761,776.40	(16,006.89)	0.00
GNMA	1992 A-C CHMRB	6.91	06/30/95	06/20/25	473,501.34	497,940.00			(3,455.06)		470,046.28	489,813.16	(4,671.78)	0.00
GICs	1992 A-C CHMRB	6.09	06/29/92	07/02/24	100,000.05	100,000.05	0.00				100,000.05	100,000.05	-	0.00
GICs	1992 A-C CHMRB	6.09	06/29/92	07/02/24	1,412,864.25	1,412,864.25		(804,563.10)			608,301.15	608,301.15	-	0.00
FNMA	1992 A-C CHMRB	6.91	04/28/95	06/01/23	129,792.73	136,631.75			(1,639.05)		128,153.68	133,598.32	(1,394.38)	0.00
GNMA	1992 A-C CHMRB	6.91	04/28/95	03/20/23	1,027,144.96	1,080,111.60			(58,873.03)		968,271.93	1,007,532.39	(13,706.18)	0.00
GNMA	1992 A-C CHMRB	6.91	04/28/95	01/20/25	2,490,745.00	2,619,101.28			(150,172.79)		2,340,572.21	2,438,813.93	(30,114.56)	0.00
GNMA	1992 A-C CHMRB	6.91	04/28/95	02/20/25	2,303,107.83	2,421,816.47			(102,302.05)		2,200,805.78	2,293,201.78	(26,312.64)	0.00
GNMA	1992 A-C CHMRB	6.91	04/28/95	03/20/25	2,748,659.63	2,890,356.52			(166,228.62)		2,582,431.01	2,690,870.37	(33,257.53)	0.00
Repo Agmt	1992 A-C CHMRB	4.55	02/28/06	03/01/06	11,478.19	11,478.19	123.38				11,601.57	11,601.57	-	0.00
	1992 A-C CHMRB Total				21,594,709.28	22,527,915.48	123.38	(2,314,644.30)	(1,116,287.96)	0.00	18,163,900.40	18,872,761.47	(224,345.13)	0.00
	Total CHMRB Investment Summary				22,039,226.18	22,972,432.38	4,899.70	(2,314,644.30)	(1,116,287.96)	0.00	18,613,193.62	19,322,054.69	(224,345.13)	0.00

**Texas Department of Housing and Community Affairs
Multi Family Investment Summary
For Period Ending February 28, 2006**

Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
Mutual Fund	1996 A&B MF (Brighton/LasColi)	4.10	02/01/06	03/01/06	73.76	73.76	0.70				74.46	74.46	-	0.00
Mutual Fund	1996 A&B MF (Brighton/LasColi)	4.10	02/01/06	03/01/06	116.92	116.92	60.46				177.38	177.38	-	0.00
Mutual Fund	1996 A&B MF (Brighton/LasColi)	4.10	02/01/06	03/01/06	21,863.94	21,863.94	6,551.69				28,415.63	28,415.63	-	0.00
Mutual Fund	1996 A&B MF (Brighton/LasColi)	4.10	02/01/06	03/01/06	14,090.13	14,090.13	6,390.88				20,481.01	20,481.01	-	0.00
	1996 A&B MF (Brighton/LasColi) Total				36,144.75	36,144.75	13,003.73	0.00	0.00	0.00	49,148.48	49,148.48	0.00	0.00
Mutual Fund	1998 M/F (Dallas-Oxford Rfdg)	4.10	02/01/06	03/01/06	26.64	26.64	59,214.10				59,240.74	59,240.74	-	0.00
Mutual Fund	1998 M/F (Dallas-Oxford Rfdg)	4.10	02/01/06	03/01/06	29,845.77	29,845.77		(8,951.84)			20,893.93	20,893.93	-	0.00
Mutual Fund	1998 M/F (Dallas-Oxford Rfdg)	3.66	02/01/06	03/01/06	471.45	471.45	3.88				475.33	475.33	-	0.00
	1998 M/F (Dallas-Oxford Rfdg) Total				30,343.86	30,343.86	59,217.98	(8,951.84)	0.00	0.00	80,610.00	80,610.00	0.00	0.00
Mutual Fund	1996 A&B MF (Braxton's)	4.10	02/01/06	03/01/06	86.86	86.86	0.74				87.60	87.60	-	0.00
Mutual Fund	1996 A&B MF (Braxton's)	4.10	02/01/06	03/01/06	26,674.73	26,674.73	10,183.88				36,858.61	36,858.61	-	0.00
	1996 A&B MF (Braxton's) Total				26,761.59	26,761.59	10,184.62	0.00	0.00	0.00	36,946.21	36,946.21	0.00	0.00
T-Note	1993 A&B M/F (Reming. Hill/HP)	5.73	01/27/06	05/25/06	155,136.60	155,136.60	53,943.55				209,080.15	209,080.15	-	0.00
Repo Agmt	1993 A&B M/F (Reming. Hill/HP)	4.55	02/28/06	03/01/06	545.76	545.76	7.03				552.79	552.79	-	0.00
T-Bill	1993 A&B M/F (Reming. Hill/HP)	5.81	02/16/06	03/09/06	78,726.80	78,726.80	4,082.64				82,809.44	82,809.44	-	0.00
Repo Agmt	1993 A&B M/F (Reming. Hill/HP)	4.55	02/28/06	03/01/06	23,555.70	23,555.70	253.13				23,808.83	23,808.83	-	0.00
	1993 A&B M/F (Reming. Hill/HP) Total				257,964.86	257,964.86	58,286.35	0.00	0.00	0.00	316,251.21	316,251.21	0.00	0.00
Repo Agmt	1987 South Tx. Rental Housing	4.55	02/28/06	03/01/06	948,754.07	948,754.07	10,194.34				958,948.41	958,948.41	-	0.00
	1987 South Tx. Rental Housing Total				948,754.07	948,754.07	10,194.34	0.00	0.00	0.00	958,948.41	958,948.41	0.00	0.00
Mutual Fund	1996 A-D M/F (Dallas-Ft Worth)	4.10	02/01/06	03/01/06	4.26	4.26	0.00				4.26	4.26	-	0.00
Mutual Fund	1996 A-D M/F (Dallas-Ft Worth)	3.66	02/01/06	03/01/06	407,478.85	407,478.85	3,131.81				410,610.66	410,610.66	-	0.00
Mutual Fund	1996 A-D M/F (Dallas-Ft Worth)	3.66	02/01/06	03/01/06	8.55	8.55	0.00				8.55	8.55	-	0.00
	1996 A-D M/F (Dallas-Ft Worth) Total				407,491.66	407,491.66	3,131.81	0.00	0.00	0.00	410,623.47	410,623.47	0.00	0.00
Mutual Fund	1996 A-D M/F (Harbors/Plumtree)	3.76	02/01/06	03/01/06	43,148.59	43,148.59		(15,028.65)			28,119.94	28,119.94	-	0.00
Mutual Fund	1996 A-D M/F (Harbors/Plumtree)	4.10	02/01/06	03/01/06	18,293.96	18,293.96		(3,874.98)			14,418.98	14,418.98	-	0.00
Inv Agmt	1996 A-D M/F (Harbors/Plumtree)	6.25	11/12/96	07/01/26	70,032.81	70,032.81		(19,696.40)			50,336.41	50,336.41	-	0.00
Mutual Fund	1996 A-D M/F (Harbors/Plumtree)	4.10	02/01/06	03/01/06	89,609.40	89,609.40	25,180.31				114,789.71	114,789.71	-	0.00
Mutual Fund	1996 A-D M/F (Harbors/Plumtree)	3.66	02/01/06	03/01/06	0.01	0.01	21,203.80				21,203.81	21,203.81	-	0.00
Inv Agmt	1996 A-D M/F (Harbors/Plumtree)	6.75	11/05/96	07/01/26	86,743.95	86,743.95	0.00				86,743.95	86,743.95	-	0.00
Inv Agmt	1996 A-D M/F (Harbors/Plumtree)	6.75	11/05/96	07/01/26	777,671.25	777,671.25	0.00				777,671.25	777,671.25	-	0.00
Inv Agmt	1996 A-D M/F (Harbors/Plumtree)	6.75	11/05/96	07/01/26	177,500.00	177,500.00	0.00				177,500.00	177,500.00	-	0.00
Inv Agmt	1996 A-D M/F (Harbors/Plumtree)	5.90	11/12/96	07/01/26	334,167.09	334,167.09		(205,701.62)			128,465.47	128,465.47	-	0.00
Inv Agmt	1996 A-D M/F (Harbors/Plumtree)	5.90	11/12/96	07/01/26	20,324.68	20,324.68		(6,604.44)			13,720.24	13,720.24	-	0.00
Inv Agmt	1996 A-D M/F (Harbors/Plumtree)	5.90	11/12/96	07/01/26	25,736.02	25,736.02		(9,568.66)			16,167.36	16,167.36	-	0.00
	1996 A-D M/F (Harbors/Plumtree) Total				1,643,227.76	1,643,227.76	46,384.11	(260,474.75)	0.00	0.00	1,429,137.12	1,429,137.12	0.00	0.00
Mutual Fund	1996 A&B M/F (NHP Project)	3.66	02/01/06	03/01/06	0.02	0.02	0.00				0.02	0.02	-	0.00
Inv Agmt	1996 A&B M/F (NHP Project)	6.70	11/21/96	01/01/27	1.00	1.00	0.00				1.00	1.00	-	0.00
	1996 A&B M/F (NHP Project) Total				1.02	1.02	0.00	0.00	0.00	0.00	1.02	1.02	0.00	0.00
Mutual Fund	1997 M/F (Meadow Ridge)	3.66	02/01/06	03/01/06	3.38	3.38	0.00				3.38	3.38	-	0.00
	1997 M/F (Meadow Ridge) Total				3.38	3.38	0.00	0.00	0.00	0.00	3.38	3.38	0.00	0.00
Mutual Fund	1998 M/F (Pebble Brook)	4.10	02/01/06	03/01/06			2.23				2.23	2.23	-	0.00
Mutual Fund	1998 M/F (Pebble Brook)	4.10	02/01/06	03/01/06	62,172.95	62,172.95		(1,030.47)			61,142.48	61,142.48	-	0.00
Inv Agmt	1998 M/F (Pebble Brook)	5.20	04/30/98	12/01/30	312,887.99	312,887.99		(182,362.76)			130,525.23	130,525.23	-	0.00
Mutual Fund	1998 M/F (Pebble Brook)	3.66	02/01/06	03/01/06	35,348.80	35,348.80	288.40				35,637.20	35,637.20	-	0.00
	1998 M/F (Pebble Brook) Total				410,409.74	410,409.74	290.63	(183,393.23)	0.00	0.00	227,307.14	227,307.14	0.00	0.00

Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
Mutual Fund	1998 M/F (Residence Oaks Proj)	4.10	02/01/06	03/01/06			268.89				268.89	268.89	-	0.00
Mutual Fund	1998 M/F (Residence Oaks Proj)	4.10	02/01/06	03/01/06	0.11	0.11	0.00				0.11	0.11	-	0.00
Mutual Fund	1998 M/F (Residence Oaks Proj)	4.10	02/01/06	03/01/06	78,824.75	78,824.75		(31,692.18)			47,132.57	47,132.57	-	0.00
Mutual Fund	1998 M/F (Residence Oaks Proj)	4.10	02/01/06	03/01/06	115,401.17	115,401.17		(68,171.71)			47,229.46	47,229.46	-	0.00
Mutual Fund	1998 M/F (Residence Oaks Proj)	4.10	02/01/06	03/01/06			23,388.85				23,388.85	23,388.85	-	0.00
Mutual Fund	1998 M/F (Residence Oaks Proj)	4.10	02/01/06	03/01/06			77,474.50				77,474.50	77,474.50	-	0.00
Mutual Fund	1998 M/F (Residence Oaks Proj)	4.10	02/01/06	03/01/06	8,919.33	8,919.33	4,507.98				13,427.31	13,427.31	-	0.00
	1998 M/F (Residence Oaks Proj) Total				203,145.36	203,145.36	105,640.22	(99,863.89)	0.00	0.00	208,921.69	208,921.69	0.00	0.00
Mutual Fund	1998 M/F (Volente Project)	3.66	02/01/06	03/01/06	971.21	971.21	0.00				971.21	971.21	-	0.00
Mutual Fund	1998 M/F (Volente Project)	3.66	02/01/06	03/01/06	61,146.71	61,146.71	70,341.23				131,487.94	131,487.94	-	0.00
Inv Agmt	1998 M/F (Volente Project)	5.22	05/14/98	01/01/31	272,794.89	272,794.89		(211,681.34)			61,113.55	61,113.55	-	0.00
Mutual Fund	1998 M/F (Volente Project)	3.66	02/01/06	03/01/06	4,000.83	4,000.83	33.57				4,034.40	4,034.40	-	0.00
Mutual Fund	1998 M/F (Volente Project)	3.66	02/01/06	03/01/06	1.24	1.24	0.00				1.24	1.24	-	0.00
Mutual Fund	1998 M/F (Volente Project)				11.37	11.37		(11.37)					-	0.00
	1998 M/F (Volente Project) Total				338,926.25	338,926.25	70,374.80	(211,692.71)	0.00	0.00	197,608.34	197,608.34	0.00	0.00
Mutual Fund	1998 M/F (Greens-Hickory Trail	4.10	02/01/06	03/01/06	12,365.30	12,365.30		(2,782.04)			9,583.26	9,583.26	-	0.00
Mutual Fund	1998 M/F (Greens-Hickory Trail	4.10	02/01/06	03/01/06	309,054.71	309,054.71		(233,125.81)			75,928.90	75,928.90	-	0.00
Mutual Fund	1998 M/F (Greens-Hickory Trail	4.10	02/01/06	03/01/06	117,653.74	117,653.74		(114,585.42)			3,068.32	3,068.32	-	0.00
Mutual Fund	1998 M/F (Greens-Hickory Trail	3.66	02/01/06	03/01/06	0.45	0.45	1,420.69				1,421.14	1,421.14	-	0.00
Inv Agmt	1998 M/F (Greens-Hickory Trail	4.94	03/22/01	09/01/30	55,001.54	55,001.54		(55,000.01)			1.53	1.53	-	0.00
Inv Agmt	1998 M/F (Greens-Hickory Trail	4.94	09/10/98	09/01/30	169,344.47	169,344.47		(169,338.75)			5.72	5.72	-	0.00
Mutual Fund	1998 M/F (Greens-Hickory Trail	3.66	02/01/06	03/01/06			4,439.63				4,439.63	4,439.63	-	0.00
Inv Agmt	1998 M/F (Greens-Hickory Trail	4.94	03/22/01	09/01/30	22,647.71	22,647.71		(11,224.23)			11,423.48	11,423.48	-	0.00
Mutual Fund	1998 M/F (Greens-Hickory Trail	3.66	02/01/06	03/01/06			530.17				530.17	530.17	-	0.00
	1998 M/F (Greens-Hickory Trail Total				686,067.92	686,067.92	6,390.49	(586,056.26)	0.00	0.00	106,402.15	106,402.15	0.00	0.00
Mutual Fund	1999 M/F (Mayfield Apts)	4.10	02/01/06	03/01/06	183,280.27	183,280.27		(181,806.13)			1,474.14	1,474.14	-	0.00
Mutual Fund	1999 M/F (Mayfield Apts)	4.10	02/01/06	03/01/06	1.78	1.78	0.00				1.78	1.78	-	0.00
Mutual Fund	1999 M/F (Mayfield Apts)	4.10	02/01/06	03/01/06	123,702.79	123,702.79	32,494.76				156,197.55	156,197.55	-	0.00
Mutual Fund	1999 M/F (Mayfield Apts)	4.10	02/01/06	03/01/06	44,898.61	44,898.61	10,384.09				55,282.70	55,282.70	-	0.00
Mutual Fund	1999 M/F (Mayfield Apts)	3.66	02/01/06	03/01/06			48,491.04				48,491.04	48,491.04	-	0.00
Mutual Fund	1999 M/F (Mayfield Apts)	4.10	02/01/06	03/01/06			155,649.42				155,649.42	155,649.42	-	0.00
Mutual Fund	1999 M/F (Mayfield Apts)	4.10	02/01/06	03/01/06	0.16	0.16	0.00				0.16	0.16	-	0.00
	1999 M/F (Mayfield Apts) Total				351,883.61	351,883.61	247,019.31	(181,806.13)	0.00	0.00	417,096.79	417,096.79	0.00	0.00
Mutual Fund	1999 M/F (Woodglen Village)	4.10	02/01/06	03/01/06	2,507.71	2,507.71	0.00				2,507.71	2,507.71	-	0.00
Mutual Fund	1999 M/F (Woodglen Village)	4.10	02/01/06	03/01/06	6,984.51	6,984.51	64.62				7,049.13	7,049.13	-	0.00
Mutual Fund	1999 M/F (Woodglen Village)	3.76	02/01/06	03/01/06	101,513.14	101,513.14		(101,123.03)			390.11	390.11	-	0.00
Mutual Fund	1999 M/F (Woodglen Village)	4.10	02/01/06	03/01/06	0.01	0.01	0.00				0.01	0.01	-	0.00
Mutual Fund	1999 M/F (Woodglen Village)	4.10	02/01/06	03/01/06	92,449.95	92,449.95	11,311.31				103,761.26	103,761.26	-	0.00
Mutual Fund	1999 M/F (Woodglen Village)	4.10	02/01/06	03/01/06	26,551.99	26,551.99	0.00				26,551.99	26,551.99	-	0.00
Mutual Fund	1999 M/F (Woodglen Village)	4.10	02/01/06	03/01/06	16,194.53	16,194.53	0.00				16,194.53	16,194.53	-	0.00
Mutual Fund	1999 M/F (Woodglen Village)	3.76	02/01/06	03/01/06	1,958.89	1,958.89	1,391.73				3,350.62	3,350.62	-	0.00
	1999 M/F (Woodglen Village) Total				248,160.73	248,160.73	12,767.66	(101,123.03)	0.00	0.00	159,805.36	159,805.36	0.00	0.00
Mutual Fund	2000 M/F (Timber Point Apts)	4.10	02/01/06	03/01/06	22,203.52	22,203.52	2,515.16				24,718.68	24,718.68	-	0.00
Mutual Fund	2000 M/F (Timber Point Apts)	3.66	02/01/06	03/01/06	3,568.76	3,568.76	30.41				3,599.17	3,599.17	-	0.00
Mutual Fund	2000 M/F (Timber Point Apts)	3.66	02/01/06	03/01/06	2.33	2.33	0.00				2.33	2.33	-	0.00
Mutual Fund	2000 M/F (Timber Point Apts)	3.66	02/01/06	03/01/06	3.53	3.53	0.00				3.53	3.53	-	0.00
Mutual Fund	2000 M/F (Timber Point Apts)	3.66	02/01/06	03/01/06	77,688.66	77,688.66	26,322.80				104,011.46	104,011.46	-	0.00
	2000 M/F (Timber Point Apts) Total				103,466.80	103,466.80	28,868.37	0.00	0.00	0.00	132,335.17	132,335.17	0.00	0.00
Mutual Fund	2000 A&B M/F (Oaks at Hampton)	3.66	02/01/06	03/01/06	204,484.85	204,484.85		(143,444.33)			61,040.52	61,040.52	-	0.00
Mutual Fund	2000 A&B M/F (Oaks at Hampton)	3.66	02/01/06	03/01/06	140,954.97	140,954.97	9,678.83				150,633.80	150,633.80	-	0.00
Mutual Fund	2000 A&B M/F (Oaks at Hampton)	3.66	02/01/06	03/01/06	0.04	0.04	0.00				0.04	0.04	-	0.00
Mutual Fund	2000 A&B M/F (Oaks at Hampton)	3.66	02/01/06	03/01/06	94,611.56	94,611.56	94.48				94,706.04	94,706.04	-	0.00

Mutual Fund	2000 A&B M/F (Oaks at Hampton)	3.66	02/01/06	03/01/06	20,403.47	20,403.47	7,724.24				28,127.71	28,127.71	-	0.00
	2000 A&B M/F (Oaks at Hampton) Total				460,454.89	460,454.89	17,497.55	(143,444.33)	0.00	0.00	334,508.11	334,508.11	0.00	0.00
Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
Mutual Fund	2000 M/F (Deerwood Apts)	3.66	02/01/06	03/01/06	5,913.81	5,913.81	3,213.34				9,127.15	9,127.15	-	0.00
Mutual Fund	2000 M/F (Deerwood Apts)	3.66	02/01/06	03/01/06	0.02	0.02	0.00				0.02	0.02	-	0.00
Mutual Fund	2000 M/F (Deerwood Apts)	3.66	02/01/06	03/01/06			1,606.67				1,606.67	1,606.67	-	0.00
Inv Agmt	2000 M/F (Deerwood Apts)	6.15	05/23/00	06/01/32	214,335.98	214,335.98		(122,748.77)			91,587.21	91,587.21	-	0.00
	2000 M/F (Deerwood Apts) Total				220,249.81	220,249.81	4,820.01	(122,748.77)	0.00	0.00	102,321.05	102,321.05	0.00	0.00
Mutual Fund	2000 M/F (Creek Point Apts)	4.10	02/01/06	03/01/06	24,875.81	24,875.81		(29.18)			24,846.63	24,846.63	-	0.00
Mutual Fund	2000 M/F (Creek Point Apts)	4.10	02/01/06	03/01/06	9.88	9.88	0.30				10.18	10.18	-	0.00
Mutual Fund	2000 M/F (Creek Point Apts)				0.30	0.30		(0.30)					-	0.00
Mutual Fund	2000 M/F (Creek Point Apts)	4.10	02/01/06	03/01/06	33,776.39	33,776.39	22,420.07				56,196.46	56,196.46	-	0.00
Mutual Fund	2000 M/F (Creek Point Apts)	4.10	02/01/06	03/01/06	230.54	230.54	1.09				231.63	231.63	-	0.00
	2000 M/F (Creek Point Apts) Total				58,892.92	58,892.92	22,421.46	(29.48)	0.00	0.00	81,284.90	81,284.90	0.00	0.00
Mutual Fund	2000 M/F (Parks @ Westmoreld)	3.66	02/01/06	03/01/06	15,360.61	15,360.61	2,409.31				17,769.92	17,769.92	-	0.00
Mutual Fund	2000 M/F (Parks @ Westmoreld)	3.66	02/01/06	03/01/06	127,083.87	127,083.87	2,967.19				130,051.06	130,051.06	-	0.00
Mutual Fund	2000 M/F (Parks @ Westmoreld)	3.66	02/01/06	03/01/06	11.15	11.15	0.09				11.24	11.24	-	0.00
Mutual Fund	2000 M/F (Parks @ Westmoreld)	3.66	02/01/06	03/01/06	266.73	266.73	2.24				268.97	268.97	-	0.00
Mutual Fund	2000 M/F (Parks @ Westmoreld)	3.66	02/01/06	03/01/06	91,345.11	91,345.11	82.19				91,427.30	91,427.30	-	0.00
Mutual Fund	2000 M/F (Parks @ Westmoreld)	3.66	02/01/06	03/01/06	184,707.28	184,707.28		(130,941.26)			53,766.02	53,766.02	-	0.00
	2000 M/F (Parks @ Westmoreld) Total				418,774.75	418,774.75	5,461.02	(130,941.26)	0.00	0.00	293,294.51	293,294.51	0.00	0.00
Mutual Fund	2000 M/F (Honey Creek)	4.10	02/01/06	03/01/06	10,347.33	10,347.33	95.72				10,443.05	10,443.05	-	0.00
Mutual Fund	2000 M/F (Honey Creek)	4.10	02/01/06	03/01/06	0.55	0.55	0.00				0.55	0.55	-	0.00
Mutual Fund	2000 M/F (Honey Creek)	4.10	02/01/06	03/01/06	0.06	0.06	0.00				0.06	0.06	-	0.00
Mutual Fund	2000 M/F (Honey Creek)	4.10	02/01/06	03/01/06	36.12	36.12	112.61				148.73	148.73	-	0.00
	2000 M/F (Honey Creek) Total				10,384.06	10,384.06	208.33	0.00	0.00	0.00	10,592.39	10,592.39	0.00	0.00
Mutual Fund	2000 A-C MF Highland Meadows	4.10	02/01/06	03/01/06	200,685.79	200,685.79		(180,537.58)			20,148.21	20,148.21	-	0.00
Mutual Fund	2000 A-C MF Highland Meadows	4.10	02/01/06	03/01/06	103,464.81	103,464.81	31,482.86				134,947.67	134,947.67	-	0.00
Mutual Fund	2000 A-C MF Highland Meadows	4.10	02/01/06	03/01/06	9,481.42	9,481.42	8,452.40				17,933.82	17,933.82	-	0.00
Mutual Fund	2000 A-C MF Highland Meadows	4.10	02/01/06	03/01/06	391.67	391.67	34,569.31				34,960.98	34,960.98	-	0.00
Mutual Fund	2000 A-C MF Highland Meadows	4.10	02/01/06	03/01/06	767.70	767.70	187,548.31				188,316.01	188,316.01	-	0.00
	2000 A-C MF Highland Meadows Total				314,791.39	314,791.39	262,052.88	(180,537.58)	0.00	0.00	396,306.69	396,306.69	0.00	0.00
Mutual Fund	2000 A/B MF Greenbridge	3.66	02/01/06	03/01/06	31,009.12	31,009.12	0.00				31,009.12	31,009.12	-	0.00
Mutual Fund	2000 A/B MF Greenbridge	3.66	02/01/06	03/01/06	338,414.04	338,414.04	333,836.66				672,250.70	672,250.70	-	0.00
Mutual Fund	2000 A/B MF Greenbridge	3.66	02/01/06	03/01/06	11,770.00	11,770.00	0.00				11,770.00	11,770.00	-	0.00
Inv Agmt	2000 A/B MF Greenbridge	6.15	11/09/00	11/01/40	5.45	5.45	0.00				5.45	5.45	-	0.00
	2000 A/B MF Greenbridge Total				381,198.61	381,198.61	333,836.66	0.00	0.00	0.00	715,035.27	715,035.27	0.00	0.00
Mutual Fund	2000 A-C MF Collingham Park	4.10	02/01/06	03/01/06	192,027.30	192,027.30		(150,768.30)			41,259.00	41,259.00	-	0.00
Mutual Fund	2000 A-C MF Collingham Park	4.10	02/01/06	03/01/06	23,338.95	23,338.95		(1,331.47)			22,007.48	22,007.48	-	0.00
Mutual Fund	2000 A-C MF Collingham Park	3.66	02/01/06	03/01/06	136,308.82	136,308.82		(18,977.37)			117,331.45	117,331.45	-	0.00
Mutual Fund	2000 A-C MF Collingham Park	4.10	02/01/06	03/01/06	1.23	1.23	40,898.88				40,900.11	40,900.11	-	0.00
Mutual Fund	2000 A-C MF Collingham Park	4.10	02/01/06	03/01/06	1.18	1.18	223,286.72				223,287.90	223,287.90	-	0.00
	2000 A-C MF Collingham Park Total				351,677.48	351,677.48	264,185.60	(171,077.14)	0.00	0.00	444,785.94	444,785.94	0.00	0.00
Mutual Fund	2000 A/B MF Williams Run	3.66	02/01/06	03/01/06	2,513.09	2,513.09	11,000.00				13,513.09	13,513.09	-	0.00
Mutual Fund	2000 A/B MF Williams Run	3.66	02/01/06	03/01/06	14.72	14.72	0.00				14.72	14.72	-	0.00
Mutual Fund	2000 A/B MF Williams Run	3.66	02/01/06	03/01/06	160,583.05	160,583.05		(107,304.81)			53,278.24	53,278.24	-	0.00
Mutual Fund	2000 A/B MF Williams Run	3.66	02/01/06	03/01/06	1,438.99	1,438.99	12.08				1,451.07	1,451.07	-	0.00
Mutual Fund	2000 A/B MF Williams Run	3.66	02/01/06	03/01/06	0.66	0.66	0.00				0.66	0.66	-	0.00
	2000 A/B MF Williams Run Total				164,550.51	164,550.51	11,012.08	(107,304.81)	0.00	0.00	68,257.78	68,257.78	0.00	0.00
Mutual Fund	2000 A/B MF Red Hills Villas	3.66	02/01/06	03/01/06	750,407.76	750,407.76	6,294.43				756,702.19	756,702.19	-	0.00
Mutual Fund	2000 A/B MF Red Hills Villas	3.66	02/01/06	03/01/06	24,738.97	24,738.97		(16,668.58)			8,070.39	8,070.39	-	0.00

Mutual Fund	2000 A/B MF Red Hills Villas	3.66	02/01/06	03/01/06	124,435.99	124,435.99	10,482.30				134,918.29	134,918.29	-	0.00
Mutual Fund	2000 A/B MF Red Hills Villas	3.66	02/01/06	03/01/06	89,158.13	89,158.13		(6,035.67)			83,122.46	83,122.46	-	0.00
Mutual Fund	2000 A/B MF Red Hills Villas	3.66	02/01/06	03/01/06	248,659.37	248,659.37		(128,172.65)			120,486.72	120,486.72	-	0.00
Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/ Purchases	Amortizations/ Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
	2000 A/B MF Red Hills Villas Total				1,237,400.22	1,237,400.22	16,776.73	(150,876.90)	0.00	0.00	1,103,300.05	1,103,300.05	0.00	0.00
Mutual Fund	2001A MF Bluffview Sr. Apts.	3.66	02/01/06	03/01/06	22,255.29	22,255.29	8,224.06				30,479.35	30,479.35	-	0.00
Mutual Fund	2001A MF Bluffview Sr. Apts.	3.66	02/01/06	03/01/06	199,553.73	199,553.73		(146,635.87)			52,917.86	52,917.86	-	0.00
Mutual Fund	2001A MF Bluffview Sr. Apts.	3.66	02/01/06	03/01/06	84,392.67	84,392.67	3,809.25				88,201.92	88,201.92	-	0.00
Mutual Fund	2001A MF Bluffview Sr. Apts.	3.66	02/01/06	03/01/06	97,972.16	97,972.16		(1,964.73)			96,007.43	96,007.43	-	0.00
Mutual Fund	2001A MF Bluffview Sr. Apts.	3.66	02/01/06	03/01/06	37,978.24	37,978.24	318.56				38,296.80	38,296.80	-	0.00
	2001A MF Bluffview Sr. Apts. Total				442,152.09	442,152.09	12,351.87	(148,600.60)	0.00	0.00	305,903.36	305,903.36	0.00	0.00
Mutual Fund	2001A MF Knollwood Villas Apts	3.66	02/01/06	03/01/06	12,998.33	12,998.33	9,084.32				22,082.65	22,082.65	-	0.00
Mutual Fund	2001A MF Knollwood Villas Apts	3.66	02/01/06	03/01/06	258,813.26	258,813.26		(206,025.75)			52,787.51	52,787.51	-	0.00
Mutual Fund	2001A MF Knollwood Villas Apts	3.66	02/01/06	03/01/06	41,350.31	41,350.31	5,572.98				46,923.29	46,923.29	-	0.00
Mutual Fund	2001A MF Knollwood Villas Apts	3.66	02/01/06	03/01/06	122,085.18	122,085.18		(2,699.93)			119,385.25	119,385.25	-	0.00
	2001A MF Knollwood Villas Apts Total				435,247.08	435,247.08	14,657.30	(208,725.68)	0.00	0.00	241,178.70	241,178.70	0.00	0.00
Mutual Fund	2001A MF Skyway Villas	3.66	02/01/06	03/01/06	28,495.02	28,495.02		(10,446.95)			18,048.07	18,048.07	-	0.00
Mutual Fund	2001A MF Skyway Villas	3.66	02/01/06	03/01/06	86,999.98	86,999.98	14,499.99				101,499.97	101,499.97	-	0.00
Mutual Fund	2001A MF Skyway Villas	3.66	02/01/06	03/01/06	5,177.77	5,177.77	79,693.54				84,871.31	84,871.31	-	0.00
Mutual Fund	2001A MF Skyway Villas	3.66	02/01/06	03/01/06	227,704.27	227,704.27		(179,778.46)			47,925.81	47,925.81	-	0.00
Mutual Fund	2001A MF Skyway Villas	3.66	02/01/06	03/01/06			13,463.92				13,463.92	13,463.92	-	0.00
Inv Agmt	2001A MF Skyway Villas	5.00	04/17/03	12/01/34	25,584.58	25,584.58	28,271.09				53,855.67	53,855.67	-	0.00
Mutual Fund	2001A MF Skyway Villas	3.66	02/01/06	03/01/06	56,111.12	56,111.12		(45,277.79)			10,833.33	10,833.33	-	0.00
Inv Agmt	2001A MF Skyway Villas	5.00	08/30/04	12/01/34	28,057.55	28,057.55	4,442.44				32,499.99	32,499.99	-	0.00
Mutual Fund	2001A MF Skyway Villas	3.66	02/01/06	03/01/06	169,533.71	169,533.71		(129,471.21)			40,062.50	40,062.50	-	0.00
Inv Agmt	2001A MF Skyway Villas	5.00	04/17/03	12/01/34	102,988.28	102,988.28	17,199.22				120,187.50	120,187.50	-	0.00
	2001A MF Skyway Villas Total				730,652.28	730,652.28	157,570.20	(364,974.41)	0.00	0.00	523,248.07	523,248.07	0.00	0.00
Mutual Fund	2001AB MF Cobb Park	3.66	02/01/06	03/01/06	8,010.24	8,010.24	2,397.82				10,408.06	10,408.06	-	0.00
Mutual Fund	2001AB MF Cobb Park	3.66	02/01/06	03/01/06	195,632.54	195,632.54		(103,836.92)			91,795.62	91,795.62	-	0.00
Mutual Fund	2001AB MF Cobb Park	3.66	02/01/06	03/01/06	77,341.47	77,341.47	9,479.44				86,820.91	86,820.91	-	0.00
Mutual Fund	2001AB MF Cobb Park	3.66	02/01/06	03/01/06	0.03	0.03	64.09				64.12	64.12	-	0.00
Mutual Fund	2001AB MF Cobb Park	3.66	02/01/06	03/01/06	52,679.00	52,679.00	441.87				53,120.87	53,120.87	-	0.00
	2001AB MF Cobb Park Total				333,663.28	333,663.28	12,383.22	(103,836.92)	0.00	0.00	242,209.58	242,209.58	0.00	0.00
Mutual Fund	2001A MF Greens Road Apts	4.10	02/01/06	03/01/06	9.63	9.63	3,472.18				3,481.81	3,481.81	-	0.00
Mutual Fund	2001A MF Greens Road Apts	4.10	02/01/06	03/01/06	46,416.87	46,416.87		(4.31)			46,412.56	46,412.56	-	0.00
Inv Agmt	2001A MF Greens Road Apts	4.01	09/14/01	06/01/34	240,791.76	240,791.76		(138,333.41)			102,458.35	102,458.35	-	0.00
	2001A MF Greens Road Apts Total				287,218.26	287,218.26	3,472.18	(138,337.72)	0.00	0.00	152,352.72	152,352.72	0.00	0.00
Mutual Fund	2001AB MF Meridian Apts	4.10	02/01/06	03/01/06	148.74	148.74	1.11				149.85	149.85	-	0.00
Mutual Fund	2001AB MF Meridian Apts	4.10	02/01/06	03/01/06	2.38	2.38	0.00				2.38	2.38	-	0.00
Mutual Fund	2001AB MF Meridian Apts	4.10	02/01/06	03/01/06	0.01	0.01	0.00				0.01	0.01	-	0.00
Mutual Fund	2001AB MF Meridian Apts	4.10	02/01/06	03/01/06	399,537.71	399,537.71		(399,528.60)			9.11	9.11	-	0.00
	2001AB MF Meridian Apts Total				399,688.84	399,688.84	1.11	(399,528.60)	0.00	0.00	161.35	161.35	0.00	0.00
Mutual Fund	2001AB MF Wildwood Branch	4.10	02/01/06	03/01/06	2.62	2.62	0.00				2.62	2.62	-	0.00
Mutual Fund	2001AB MF Wildwood Branch	4.10	02/01/06	03/01/06	5.05	5.05	0.00				5.05	5.05	-	0.00
Mutual Fund	2001AB MF Wildwood Branch	4.10	02/01/06	03/01/06	0.02	0.02	0.00				0.02	0.02	-	0.00
Mutual Fund	2001AB MF Wildwood Branch	4.10	02/01/06	03/01/06	411,077.09	411,077.09		(410,990.10)			86.99	86.99	-	0.00
Mutual Fund	2001AB MF Wildwood Branch	4.10	02/01/06	03/01/06	14,106.84	14,106.84	0.00				14,106.84	14,106.84	-	0.00
Mutual Fund	2001AB MF Wildwood Branch	4.10	02/01/06	03/01/06	436.99	436.99	443.37				880.36	880.36	-	0.00
	2001AB MF Wildwood Branch Total				425,628.61	425,628.61	443.37	(410,990.10)	0.00	0.00	15,081.88	15,081.88	0.00	0.00
Mutual Fund	2001ABC MF Fallbrook Apts	3.54	02/01/06	03/01/06	241,468.34	241,468.34		(160,834.00)			80,634.34	80,634.34	-	0.00
Mutual Fund	2001ABC MF Fallbrook Apts	4.10	02/01/06	03/01/06	23,084.18	23,084.18		(18,001.21)			5,082.97	5,082.97	-	0.00
Mutual Fund	2001ABC MF Fallbrook Apts	4.10	02/01/06	03/01/06	34,623.02	34,623.02		(33,848.29)			774.73	774.73	-	0.00

Mutual Fund	2001ABC MF Fallbrook Apts	3.66	02/01/06	03/01/06	56,658.06	56,658.06	19,244.73				75,902.79	75,902.79	-	0.00
Mutual Fund	2001ABC MF Fallbrook Apts	4.10	02/01/06	03/01/06	89,700.20	89,700.20		(43,545.62)			46,154.58	46,154.58	-	0.00
Mutual Fund	2001ABC MF Fallbrook Apts	3.66	02/01/06	03/01/06	451,870.91	451,870.91		(222,962.17)			228,908.74	228,908.74	-	0.00
	2001ABC MF Fallbrook Apts Total				897,404.71	897,404.71	19,244.73	(479,191.29)	0.00	0.00	437,458.15	437,458.15	0.00	0.00
Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
Mutual Fund	2001 MF Oak Hollow Apts	3.66	02/01/06	03/01/06	24,076.54	24,076.54		(12,739.08)			11,337.46	11,337.46	-	0.00
Mutual Fund	2001 MF Oak Hollow Apts	3.66	02/01/06	03/01/06	21,415.54	21,415.54	4,905.00				26,320.54	26,320.54	-	0.00
Mutual Fund	2001 MF Oak Hollow Apts	3.66	02/01/06	03/01/06	69,923.81	69,923.81		(12,802.91)			57,120.90	57,120.90	-	0.00
Mutual Fund	2001 MF Oak Hollow Apts	3.66	02/01/06	03/01/06	160,453.04	160,453.04		(129,170.82)			31,282.22	31,282.22	-	0.00
Mutual Fund	2001 MF Oak Hollow Apts	3.66	02/01/06	03/01/06			1,671.82				1,671.82	1,671.82	-	0.00
	2001 MF Oak Hollow Apts Total				275,868.93	275,868.93	6,576.82	(154,712.81)	0.00	0.00	127,732.94	127,732.94	0.00	0.00
Mutual Fund	2001AB MF Hillside Apts	3.66	02/01/06	03/01/06	100,000.00	100,000.00	0.00				100,000.00	100,000.00	-	0.00
Mutual Fund	2001AB MF Hillside Apts	3.66	02/01/06	03/01/06	27,971.66	27,971.66		(5,969.05)			22,002.61	22,002.61	-	0.00
Mutual Fund	2001AB MF Hillside Apts	3.66	02/01/06	03/01/06	89,103.74	89,103.74	1,270.34				90,374.08	90,374.08	-	0.00
Mutual Fund	2001AB MF Hillside Apts	3.66	02/01/06	03/01/06	109,123.41	109,123.41		(956.19)			108,167.22	108,167.22	-	0.00
Mutual Fund	2001AB MF Hillside Apts	3.66	02/01/06	03/01/06	309,919.62	309,919.62		(255,433.07)			54,486.55	54,486.55	-	0.00
Mutual Fund	2001AB MF Hillside Apts	3.66	02/01/06	03/01/06	252.56	252.56	42.99				295.55	295.55	-	0.00
	2001AB MF Hillside Apts Total				636,370.99	636,370.99	1,313.33	(262,358.31)	0.00	0.00	375,326.01	375,326.01	0.00	0.00
Mutual Fund	2002A MF Millstone Apts	3.54	02/01/06	03/01/06	17,056.65	17,056.65	4,190.80				21,247.45	21,247.45	-	0.00
Mutual Fund	2002A MF Millstone Apts	3.54	02/01/06	03/01/06	0.98	0.98	0.00				0.98	0.98	-	0.00
Mutual Fund	2002A MF Millstone Apts	3.54	02/01/06	03/01/06	11,577.22	11,577.22	1,355.56				12,932.78	12,932.78	-	0.00
Mutual Fund	2002A MF Millstone Apts	3.54	02/01/06	03/01/06	12,721.90	12,721.90	37,326.81				50,048.71	50,048.71	-	0.00
Mutual Fund	2002A MF Millstone Apts	4.10	02/01/06	03/01/06	65,040.58	65,040.58		(64,989.10)			51.48	51.48	-	0.00
Mutual Fund	2002A MF Millstone Apts	3.54	02/01/06	03/01/06	274,275.80	274,275.80		(135,539.60)			138,736.20	138,736.20	-	0.00
Mutual Fund	2002A MF Millstone Apts	3.54	02/01/06	03/01/06	159,166.90	159,166.90		(123,107.93)			36,058.97	36,058.97	-	0.00
Mutual Fund	2002A MF Millstone Apts	3.54	02/01/06	03/01/06	2.42	2.42	0.00				2.42	2.42	-	0.00
Mutual Fund	2002A MF Millstone Apts	3.54	02/01/06	03/01/06	13,294.53	13,294.53	73.26				13,367.79	13,367.79	-	0.00
	2002A MF Millstone Apts Total				553,136.98	553,136.98	42,946.43	(323,636.63)	0.00	0.00	272,446.78	272,446.78	0.00	0.00
Mutual Fund	2002 MF SugarCreek Apts	3.66	02/01/06	03/01/06	223.92	223.92	2.44				226.36	226.36	-	0.00
Mutual Fund	2002 MF SugarCreek Apts	3.54	02/01/06	03/01/06	8.67	8.67	0.00				8.67	8.67	-	0.00
Mutual Fund	2002 MF SugarCreek Apts	3.54	02/01/06	03/01/06	332,307.43	332,307.43		(204,000.50)			128,306.93	128,306.93	-	0.00
Mutual Fund	2002 MF SugarCreek Apts	3.54	02/01/06	03/01/06	6.48	6.48	0.00				6.48	6.48	-	0.00
Mutual Fund	2002 MF SugarCreek Apts	3.54	02/01/06	03/01/06	73.48	73.48	1.12				74.60	74.60	-	0.00
Mutual Fund	2002 MF SugarCreek Apts	3.54	02/01/06	03/01/06	26.75	26.75	0.00				26.75	26.75	-	0.00
	2002 MF SugarCreek Apts Total				332,646.73	332,646.73	3.56	(204,000.50)	0.00	0.00	128,649.79	128,649.79	0.00	0.00
Mutual Fund	2002 MF West Oaks Apts	3.66	02/01/06	03/01/06	794.81	794.81	6.66				801.47	801.47	-	0.00
Mutual Fund	2002 MF West Oaks Apts	3.66	02/01/06	03/01/06	78,444.13	78,444.13	9,986.12				88,430.25	88,430.25	-	0.00
Mutual Fund	2002 MF West Oaks Apts	3.66	02/01/06	03/01/06	50.61	50.61	39.16				89.77	89.77	-	0.00
Mutual Fund	2002 MF West Oaks Apts	3.66	02/01/06	03/01/06	16,525.44	16,525.44	5,161.64				21,687.08	21,687.08	-	0.00
Mutual Fund	2002 MF West Oaks Apts	3.66	02/01/06	03/01/06	107,833.59	107,833.59		(84,139.16)			23,694.43	23,694.43	-	0.00
	2002 MF West Oaks Apts Total				203,648.58	203,648.58	15,193.58	(84,139.16)	0.00	0.00	134,703.00	134,703.00	0.00	0.00
Mutual Fund	2002 MF Park Meadows	4.10	02/01/06	03/01/06	265,047.93	265,047.93		(61,447.93)			203,600.00	203,600.00	-	0.00
Mutual Fund	2002 MF Park Meadows	4.10	02/01/06	03/01/06	39,959.89	39,959.89		(24,801.24)			15,158.65	15,158.65	-	0.00
Mutual Fund	2002 MF Park Meadows	4.10	02/01/06	03/01/06	12.78	12.78	0.00				12.78	12.78	-	0.00
	2002 MF Park Meadows Total				305,020.60	305,020.60	0.00	(86,249.17)	0.00	0.00	218,771.43	218,771.43	0.00	0.00
Mutual Fund	2002 MF Clarkridge Villas Apts	3.66	02/01/06	03/01/06	287,017.08	287,017.08		(205,766.53)			81,250.55	81,250.55	-	0.00
Mutual Fund	2002 MF Clarkridge Villas Apts	3.66	02/01/06	03/01/06	74,606.92	74,606.92	7,465.07				82,071.99	82,071.99	-	0.00
Mutual Fund	2002 MF Clarkridge Villas Apts	3.66	02/01/06	03/01/06	129,829.84	129,829.84	0.00				129,829.84	129,829.84	-	0.00
	2002 MF Clarkridge Villas Apts Total				491,453.84	491,453.84	7,465.07	(205,766.53)	0.00	0.00	293,152.38	293,152.38	0.00	0.00
Mutual Fund	2002 MF Hickory Trace Apts	3.66	02/01/06	03/01/06	12,900.33	12,900.33		(5,369.88)			7,530.45	7,530.45	-	0.00
Mutual Fund	2002 MF Hickory Trace Apts	3.66	02/01/06	03/01/06	46,287.56	46,287.56	5,408.96				51,696.52	51,696.52	-	0.00
Money Market	2002 MF Hickory Trace Apts	3.66	02/01/06	03/01/06	102,985.88	102,985.88		(8,220.96)			94,764.92	94,764.92	-	0.00

Mutual Fund	2002 MF Hickory Trace Apts	3.66	02/01/06	03/01/06	50.97	50.97		(12.72)			38.25	38.25	-	0.00
Mutual Fund	2002 MF Hickory Trace Apts	3.66	02/01/06	03/01/06	205,342.94	205,342.94		(157,404.98)			47,937.96	47,937.96	-	0.00
	2002 MF Hickory Trace Apts Total				367,567.68	367,567.68	5,408.96	(171,008.54)	0.00	0.00	201,968.10	201,968.10	0.00	0.00
Mutual Fund	2002 MF Green Crest Apts	3.66	02/01/06	03/01/06	165,032.08	165,032.08		(138,914.94)			26,117.14	26,117.14	-	0.00
Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/ Purchases	Amortizations/ Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
Mutual Fund	2002 MF Green Crest Apts	3.66	02/01/06	03/01/06	55,249.44	55,249.44	6,962.99				62,212.43	62,212.43	-	0.00
Mutual Fund	2002 MF Green Crest Apts				976,245.68	976,245.68		(976,245.68)					-	0.00
Mutual Fund	2002 MF Green Crest Apts	3.66	02/01/06	03/01/06	54.95	54.95	65,221.72				65,276.67	65,276.67	-	0.00
Mutual Fund	2002 MF Green Crest Apts	3.66	02/01/06	03/01/06	22,236.58	22,236.58		(19,259.71)			2,976.87	2,976.87	-	0.00
	2002 MF Green Crest Apts Total				1,218,818.73	1,218,818.73	72,184.71	(1,134,420.33)	0.00	0.00	156,583.11	156,583.11	0.00	0.00
Mutual Fund	2002 MF Ironwood Crossing Apts	3.66	02/01/06	03/01/06			105,131.97				105,131.97	105,131.97	-	0.00
Mutual Fund	2002 MF Ironwood Crossing Apts	3.66	02/01/06	03/01/06	3,614.04	3,614.04	25.78				3,639.82	3,639.82	-	0.00
Mutual Fund	2002 MF Ironwood Crossing Apts	3.66	02/01/06	03/01/06			38,445.17				38,445.17	38,445.17	-	0.00
Mutual Fund	2002 MF Ironwood Crossing Apts	3.66	02/01/06	03/01/06			14,023.41				14,023.41	14,023.41	-	0.00
	2002 MF Ironwood Crossing Apts Total				3,614.04	3,614.04	157,626.33	0.00	0.00	0.00	161,240.37	161,240.37	0.00	0.00
Mutual Fund	2002 MF Woodway Village	3.76	02/01/06	03/01/06	58.28	58.28	0.00				58.28	58.28	-	0.00
Mutual Fund	2002 MF Woodway Village	3.66	02/01/06	03/01/06	8.20	8.20	0.00				8.20	8.20	-	0.00
Mutual Fund	2002 MF Woodway Village	3.66	02/01/06	03/01/06	38,298.18	38,298.18	58,533.45				96,831.63	96,831.63	-	0.00
Mutual Fund	2002 MF Woodway Village	3.66	02/01/06	03/01/06	353,138.55	353,138.55		(353,083.81)			54.74	54.74	-	0.00
Mutual Fund	2002 MF Woodway Village	3.66	02/01/06	03/01/06	40.69	40.69	0.00				40.69	40.69	-	0.00
	2002 MF Woodway Village Total				391,543.90	391,543.90	58,533.45	(353,083.81)	0.00	0.00	96,993.54	96,993.54	0.00	0.00
Mutual Fund	2003 AB MF North Vista Apts	3.66	02/01/06	03/01/06	725,360.95	725,360.95	6,830.38				732,191.33	732,191.33	-	0.00
Mutual Fund	2003 AB MF North Vista Apts	4.10	02/01/06	03/01/06	18,062.88	18,062.88	170.11				18,232.99	18,232.99	-	0.00
Mutual Fund	2003 AB MF North Vista Apts	4.10	02/01/06	03/01/06	275,237.98	275,237.98		(116,991.87)			158,246.11	158,246.11	-	0.00
Mutual Fund	2003 AB MF North Vista Apts	4.10	02/01/06	03/01/06	165.46	165.46	169.22				334.68	334.68	-	0.00
Mutual Fund	2003 AB MF North Vista Apts	4.10	02/01/06	03/01/06	9,065.68	9,065.68	17,537.98				26,603.66	26,603.66	-	0.00
	2003 AB MF North Vista Apts Total				1,027,892.95	1,027,892.95	24,707.69	(116,991.87)	0.00	0.00	935,608.77	935,608.77	0.00	0.00
Mutual Fund	2003 AB MF West Virginia Apts	4.10	02/01/06	03/01/06	54.57	54.57	1.00				55.57	55.57	-	0.00
Mutual Fund	2003 AB MF West Virginia Apts	3.66	02/01/06	03/01/06	1,089.32	1,089.32	11.03				1,100.35	1,100.35	-	0.00
Mutual Fund	2003 AB MF West Virginia Apts	4.10	02/01/06	03/01/06	444,673.43	444,673.43		(226,485.32)			218,188.11	218,188.11	-	0.00
Mutual Fund	2003 AB MF West Virginia Apts	4.10	02/01/06	03/01/06	41.45	41.45	0.00				41.45	41.45	-	0.00
Mutual Fund	2003 AB MF West Virginia Apts	4.10	02/01/06	03/01/06	710.17	710.17	722.17				1,432.34	1,432.34	-	0.00
	2003 AB MF West Virginia Apts Total				446,568.94	446,568.94	734.20	(226,485.32)	0.00	0.00	220,817.82	220,817.82	0.00	0.00
GNMA	2003AB MF Sphinx @ Murdeaux	5.10	12/30/04	12/15/42	14,970,818.54	14,970,818.54		(32,234.79)			14,938,583.75	14,938,583.75	-	0.00
	2003AB MF Sphinx @ Murdeaux Total				14,970,818.54	14,970,818.54	0.00	0.00	(32,234.79)	0.00	14,938,583.75	14,938,583.75	0.00	0.00
Mutual Fund	2003 AB MF West Virginia Apts				41.14	41.14		(41.14)					-	0.00
	2003 AB MF West Virginia Apts Total				41.14	41.14	0.00	(41.14)	0.00	0.00	0.00	0.00	0.00	0.00
Inv Agmt	2003AB MF Sphinx @ Murdeaux	2.51	05/13/03	12/01/42	389,374.55	389,374.55		(209,845.87)			179,528.68	179,528.68	-	0.00
	2003AB MF Sphinx @ Murdeaux Total				389,374.55	389,374.55	0.00	(209,845.87)	0.00	0.00	179,528.68	179,528.68	0.00	0.00
Mutual Fund	2003 AB MF Primrose Houston	3.66	02/01/06	03/01/06			0.12				0.12	0.12	-	0.00
Mutual Fund	2003 AB MF Primrose Houston	3.76	02/01/06	03/01/06	97,041.67	97,041.67	0.00				97,041.67	97,041.67	-	0.00
Mutual Fund	2003 AB MF Primrose Houston	3.66	02/01/06	03/01/06	431.32	431.32		(430.12)			1.20	1.20	-	0.00
Mutual Fund	2003 AB MF Primrose Houston	3.66	02/01/06	03/01/06	339,538.57	339,538.57		(232,645.10)			106,893.47	106,893.47	-	0.00
	2003 AB MF Primrose Houston Total				437,011.56	437,011.56	0.12	(233,075.22)	0.00	0.00	203,936.46	203,936.46	0.00	0.00
Mutual Fund	2003 AB MF Timber Oaks Apts	3.66	02/01/06	03/01/06	8,207.11	8,207.11	14,298.32				22,505.43	22,505.43	-	0.00
Mutual Fund	2003 AB MF Timber Oaks Apts	3.66	02/01/06	03/01/06	50,000.00	50,000.00		(49,999.99)			0.01	0.01	-	0.00
Mutual Fund	2003 AB MF Timber Oaks Apts	3.66	02/01/06	03/01/06	44,430.62	44,430.62	13,608.10				58,038.72	58,038.72	-	0.00
Mutual Fund	2003 AB MF Timber Oaks Apts	3.66	02/01/06	03/01/06	0.02	0.02	0.00				0.02	0.02	-	0.00
Mutual Fund	2003 AB MF Timber Oaks Apts	3.66	02/01/06	03/01/06	43,491.36	43,491.36		(43,473.87)			17.49	17.49	-	0.00
Mutual Fund	2003 AB MF Timber Oaks Apts	3.66	02/01/06	03/01/06	10,470.65	10,470.65	4,522.13				14,992.78	14,992.78	-	0.00

	2004 A&B Timber Ridge Total				112,520.12	112,520.12	847.93	(9,275.48)	0.00	0.00	104,092.57	104,092.57	0.00	0.00
Mutual Fund	2004 A&B Century Park	3.66	02/01/06	03/01/06	12,939.23	12,939.23	2,250.05				15,189.28	15,189.28	-	0.00
Mutual Fund	2004 A&B Century Park	3.66	02/01/06	03/01/06	12,458.46	12,458.46	37,375.02				49,833.48	49,833.48	-	0.00
Mutual Fund	2004 A&B Century Park	3.66	02/01/06	03/01/06	5,375.00	5,375.00	1,656.59				7,031.59	7,031.59	-	0.00
Mutual Fund	2004 A&B Century Park	3.66	02/01/06	03/01/06	321,533.47	321,533.47		(137,799.98)			183,733.49	183,733.49	-	0.00
	2004 A&B Century Park Total				352,306.16	352,306.16	41,281.66	(137,799.98)	0.00	0.00	255,787.84	255,787.84	0.00	0.00
Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/ Purchases	Amortizations/ Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
Mutual Fund	2004 A Addison Park	3.66	02/01/06	03/01/06	529.47	529.47	5.33				534.80	534.80	-	0.00
Mutual Fund	2004 A Addison Park	3.66	02/01/06	03/01/06	1,155.66	1,155.66	9.69				1,165.35	1,165.35	-	0.00
Money Market	2004 A Addison Park	3.66	02/01/06	03/01/06	15.77	15.77	0.16				15.93	15.93	-	0.00
Mutual Fund	2004 A Addison Park	3.66	02/01/06	03/01/06	10.89	10.89	0.11				11.00	11.00	-	0.00
	2004 A Addison Park Total				1,711.79	1,711.79	15.29	0.00	0.00	0.00	1,727.08	1,727.08	0.00	0.00
Mutual Fund	2004 A&B MF Veterans Memorial	3.66	02/01/06	03/01/06	114.58	114.58	0.96				115.54	115.54	-	0.00
Money Market	2004 A&B MF Veterans Memorial	3.66	02/01/06	03/01/06			47,983.32				47,983.32	47,983.32	-	0.00
Money Market	2004 A&B MF Veterans Memorial	3.66	02/01/06	03/01/06			30,311.70				30,311.70	30,311.70	-	0.00
Money Market	2004 A&B MF Veterans Memorial	3.66	02/01/06	03/01/06	3,323.31	3,323.31		(3,315.42)			7.89	7.89	-	0.00
Money Market	2004 A&B MF Veterans Memorial	3.66	02/01/06	03/01/06			2,038.13				2,038.13	2,038.13	-	0.00
	2004 A&B MF Veterans Memorial Total				3,437.89	3,437.89	80,334.11	(3,315.42)	0.00	0.00	80,456.58	80,456.58	0.00	0.00
Money Market	2004 MF Rush Creek Apts	3.66	02/01/06	03/01/06	354,478.05	354,478.05	3,306.70				357,784.75	357,784.75	-	0.00
Mutual Fund	2004 MF Rush Creek Apts	3.66	02/01/06	03/01/06	36.48	36.48	0.35				36.83	36.83	-	0.00
Money Market	2004 MF Rush Creek Apts	3.66	02/01/06	03/01/06	64.28	64.28	0.60				64.88	64.88	-	0.00
Money Market	2004 MF Rush Creek Apts	3.66	02/01/06	03/01/06	73,522.74	73,522.74		(73,476.22)			46.52	46.52	-	0.00
Money Market	2004 MF Rush Creek Apts	3.66	02/01/06	03/01/06	2,020.34	2,020.34	666.70				2,687.04	2,687.04	-	0.00
Money Market	2004 MF Rush Creek Apts	3.66	02/01/06	03/01/06	65.19	65.19	0.61				65.80	65.80	-	0.00
Money Market	2004 MF Rush Creek Apts	3.66	02/01/06	03/01/06	18,050.63	18,050.63	168.38				18,219.01	18,219.01	-	0.00
Money Market	2004 MF Rush Creek Apts	3.66	02/01/06	03/01/06	80.47	80.47	0.75				81.22	81.22	-	0.00
	2004 MF Rush Creek Apts Total				448,318.18	448,318.18	4,144.09	(73,476.22)	0.00	0.00	378,986.05	378,986.05	0.00	0.00
Mutual Fund	2004 MF Humble Parkway	3.66	02/01/06	03/01/06			13,361.71				13,361.71	13,361.71	-	0.00
Inv Agmt	2004 MF Humble Parkway	3.65	11/16/05	02/01/10	53,694.27	53,694.27	81,502.63				135,196.90	135,196.90	-	0.00
Inv Agmt	2004 MF Humble Parkway				337,000.42	337,000.42		(337,000.42)					-	0.00
Mutual Fund	2004 MF Humble Parkway	3.66	02/01/06	03/01/06	13,541.74	13,541.74		(5,424.98)			8,116.76	8,116.76	-	0.00
	2004 MF Humble Parkway Total				404,236.43	404,236.43	94,864.34	(342,425.40)	0.00	0.00	156,675.37	156,675.37	0.00	0.00
Money Market	2004 MF Chisholm Trail Apts				96,454.00	96,454.00		(96,454.00)					-	0.00
Money Market	2004 MF Chisholm Trail Apts	4.10	02/01/06	03/01/06	852,302.90	852,302.90		(50,727.31)			801,575.59	801,575.59	-	0.00
Money Market	2004 MF Chisholm Trail Apts	3.88	02/01/06	03/01/06	735.63	735.63	0.00				735.63	735.63	-	0.00
Money Market	2004 MF Chisholm Trail Apts	4.10	02/01/06	03/01/06	19,184.71	19,184.71		(9,571.66)			9,613.05	9,613.05	-	0.00
	2004 MF Chisholm Trail Apts Total				968,677.24	968,677.24	0.00	(156,752.97)	0.00	0.00	811,924.27	811,924.27	0.00	0.00
Money Market	2004 MF Evergreen at Plano	3.76	02/01/06	03/01/06	20,104.57	20,104.57	178.74				20,283.31	20,283.31	-	0.00
Money Market	2004 MF Evergreen at Plano	4.10	02/01/06	03/01/06	5.13	5.13	0.31				5.44	5.44	-	0.00
Money Market	2004 MF Evergreen at Plano	3.76	02/01/06	03/01/06	858.00	858.00	502,571.73				503,429.73	503,429.73	-	0.00
Money Market	2004 MF Evergreen at Plano	3.76	02/01/06	03/01/06	31,796.89	31,796.89		(29,792.23)			2,004.66	2,004.66	-	0.00
Money Market	2004 MF Evergreen @ Plano				1,427,201.55	1,427,201.55		(1,427,201.55)					-	0.00
Money Market	2004 MF Evergreen at Plano	3.76	02/01/06	03/01/06			78,505.76				78,505.76	78,505.76	-	0.00
Money Market	2004 MF Evergreen @ Plano				12,887.75	12,887.75		(12,887.75)					-	0.00
	2004 MF Evergreen @ Plano Total				1,492,853.89	1,492,853.89	581,256.54	(1,469,881.53)	0.00	0.00	604,228.90	604,228.90	0.00	0.00
Mutual Fund	2004 MF Montgomery Pines Apts	4.10	02/01/06	03/01/06	116.77	116.77	1.04				117.81	117.81	-	0.00
Mutual Fund	2004 MF Montgomery Pines Apts	4.10	02/01/06	03/01/06	188,732.66	188,732.66		(161,954.45)			26,778.21	26,778.21	-	0.00
Mutual Fund	2004 MF Montgomery Pines Apts	4.10	02/01/06	03/01/06	5,034.21	5,034.21		(5,032.67)			1.54	1.54	-	0.00
Inv Agmt	2004 MF Montgomery Pines Apts				8,902.76	8,902.76		(8,902.76)					-	0.00
Mutual Fund	2004 MF Montgomery Pines Apts	4.10	02/01/06	03/01/06	5,868.26	5,868.26	44.70				5,912.96	5,912.96	-	0.00
Inv Agmt	2004 MF Montgomery Pines Apts				233,922.14	233,922.14		(233,922.14)					-	0.00
	2004 MF Montgomery Pines Apts Total				442,576.80	442,576.80	45.74	(409,812.02)	0.00	0.00	32,810.52	32,810.52	0.00	0.00

Mutual Fund	2004 MF Bristol Apts	4.10	02/01/06	03/01/06	1,219.24	1,219.24	95,305.74				96,524.98	96,524.98	-	0.00
Inv Agmt	2004 MF Bristol Apts				14,986.80	14,986.80		(14,986.80)					-	0.00
Mutual Fund	2004 MF Bristol Apts	4.10	02/01/06	03/01/06	1,044,973.01	1,044,973.01		(1,019,377.90)			25,595.11	25,595.11	-	0.00
Inv Agmt	2004 MF Bristol Apts				36,898.39	36,898.39		(36,898.39)					-	0.00
Mutual Fund	2004 MF Bristol Apts	4.10	02/01/06	03/01/06	21,710.57	21,710.57	177.19				21,887.76	21,887.76	-	0.00
Inv Agmt	2004 MF Bristol Apts				3,036.86	3,036.86		(3,036.86)					-	0.00
Mutual Fund	2004 MF Bristol Apts	3.88	02/01/06	03/01/06	94.71	94.71	0.85				95.56	95.56	-	0.00
Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
	2004 MF Bristol Apts Total				1,122,919.58	1,122,919.58	95,483.78	(1,074,299.95)	0.00	0.00	144,103.41	144,103.41	0.00	0.00
Mutual Fund	2004 MF Pinnacle Apts	4.10	02/01/06	03/01/06	200,154.75	200,154.75		(146,092.83)			54,061.92	54,061.92	-	0.00
Mutual Fund	2004 MF Pinnacle Apts	4.10	02/01/06	03/01/06	765,954.11	765,954.11		(764,835.56)			1,118.55	1,118.55	-	0.00
Inv Agmt	2004 MF Pinnacle Apts	1.81	05/28/04	05/15/06	89,947.70	89,947.70	7,311.69				97,259.39	97,259.39	-	0.00
Mutual Fund	2004 MF Pinnacle Apts	3.54	02/01/06	03/01/06	22,767.78	22,767.78		(2,955.41)			19,812.37	19,812.37	-	0.00
	2004 MF Pinnacle Apts Total				1,078,824.34	1,078,824.34	7,311.69	(913,883.80)	0.00	0.00	172,252.23	172,252.23	0.00	0.00
Mutual Fund	2004 MF Tranquility Bay Apts	3.76	02/01/06	03/01/06	156,756.62	156,756.62		(156,754.62)			2.00	2.00	-	0.00
Mutual Fund	2004 MF Tranquility Bay Apts	3.66	02/01/06	03/01/06	0.10	0.10	0.00				0.10	0.10	-	0.00
Mutual Fund	2004 MF Tranquility Bay Apts	3.76	02/01/06	03/01/06	258,073.00	258,073.00		(1,500.00)			256,573.00	256,573.00	-	0.00
Mutual Fund	2004 MF Tranquility Bay Apts	3.76	02/01/06	03/01/06	413,606.35	413,606.35		(50,208.92)			363,397.43	363,397.43	-	0.00
Mutual Fund	2004 MF Tranquility Bay Apts	3.76	02/01/06	03/01/06	4,502.59	4,502.59		(2,635.76)			1,866.83	1,866.83	-	0.00
Mutual Fund	2004 MF Tranquility Bay Apts	3.76	02/01/06	03/01/06	5.25	5.25	0.00				5.25	5.25	-	0.00
	2004 MF Tranquility Bay Apts Total				832,943.91	832,943.91	0.00	(211,099.30)	0.00	0.00	621,844.61	621,844.61	0.00	0.00
GNMA	2004 MF Sphinx @ Delafield				10,611,741.00	10,611,741.00			(10,611,741.00)				-	0.00
Money Market	2004 MF Sphinx @ Delafield				18.46	18.46		(18.46)					-	0.00
Inv Agmt	2004 MF Sphinx @ Delafield				802,025.01	802,025.01		(802,025.01)					-	0.00
Money Market	2004 MF Sphinx @ Delafield				10.93	10.93		(10.93)					-	0.00
Inv Agmt	2004 MF Sphinx @ Delafield	3.00	11/22/04	01/20/44	115,365.32	115,365.32		(61,580.17)			53,785.15	53,785.15	-	0.00
Money Market	2004 MF Sphinx @ Delafield	3.66	02/01/06	03/01/06	233.95	233.95		(233.12)			0.83	0.83	-	0.00
Money Market	2004 MF Sphinx @ Delafield	3.66	02/01/06	03/01/06	1,332.11	1,332.11		(266.87)			1,065.24	1,065.24	-	0.00
	2004 MF Sphinx @ Delafield Total				11,530,726.78	11,530,726.78	0.00	(864,134.56)	(10,611,741.00)	0.00	54,851.22	54,851.22	0.00	0.00
Mutual Fund	2004 MF Churchill @ Pinnacle	3.76	02/01/06	03/01/06	350,000.00	350,000.00	268,000.00				618,000.00	618,000.00	-	0.00
Mutual Fund	2004 MF Churchill @ Pinnacle				1,024,175.00	1,024,175.00		(1,024,175.00)					-	0.00
Mutual Fund	2004 MF Churchill @ Pinnacle	3.76	02/01/06	03/01/06	4,800.00	4,800.00	324,592.90				329,392.90	329,392.90	-	0.00
Mutual Fund	2004 MF Churchill @ Pinnacle				122,879.72	122,879.72		(122,879.72)					-	0.00
Mutual Fund	2004 MF Churchill @ Pinnacle	3.76	02/01/06	03/01/06	12,824.55	12,824.55		(9,749.78)			3,074.77	3,074.77	-	0.00
Money Market	2004 MF Churchill @ Pinnacle	3.66	02/01/06	03/01/06			6,832.72				6,832.72	6,832.72	-	0.00
Mutual Fund	2004 MF Churchill @ Pinnacle	3.76	02/01/06	03/01/06			51,844.36				51,844.36	51,844.36	-	0.00
Mutual Fund	2004 MF Churchill @ Pinnacle	3.66	02/01/06	03/01/06	13.09	13.09	0.28				13.37	13.37	-	0.00
	2004 MF Churchill @ Pinnacle Total				1,514,692.36	1,514,692.36	651,270.26	(1,156,804.50)	0.00	0.00	1,009,158.12	1,009,158.12	0.00	0.00
Mutual Fund	2004 A/B MF Post Oak East Apts	4.10	02/01/06	03/01/06	616.76	616.76	1,348.00				1,964.76	1,964.76	-	0.00
Mutual Fund	2004 A/B MF Post Oak East Apts	4.10	02/01/06	03/01/06	6,058.93	6,058.93	54.16				6,113.09	6,113.09	-	0.00
Inv Agmt	2004 A/B MF Post Oak East Apts				94,574.86	94,574.86		(94,574.86)					-	0.00
Inv Agmt	2004 A/B MF Post Oak East Apts	1.87	08/05/04	07/15/06	379,307.35	379,307.35	0.00				379,307.35	379,307.35	-	0.00
Mutual Fund	2004 A/B MF Post Oak East Apts	4.10	02/01/06	03/01/06			385.18				385.18	385.18	-	0.00
Inv Agmt	2004 A/B MF Post Oak East Apts	1.87	08/05/04	07/15/06	1,985,310.09	1,985,310.09		(1,637,318.00)			347,992.09	347,992.09	-	0.00
Mutual Fund	2004 A/B MF Post Oak East Apts				26,027.23	26,027.23		(26,027.23)					-	0.00
	2004 A/B MF Post Oak East Apts Total				2,491,895.22	2,491,895.22	1,787.34	(1,757,920.09)	0.00	0.00	735,762.47	735,762.47	0.00	0.00
Money Market	2004 MF Village Fair	3.66	02/01/06	03/01/06	2,327,030.51	2,327,030.51		(2,086,277.31)			240,753.20	240,753.20	-	0.00
Inv Agmt	2004 MF Village Fair	2.53	01/04/05	09/01/06	176,519.18	176,519.18		(73,880.61)			102,638.57	102,638.57	-	0.00
Money Market	2004 MF Village Fair	3.66	02/01/06	03/01/06	5.32	5.32	0.05				5.37	5.37	-	0.00
Inv Agmt	2004 MF Village Fair	2.53	01/04/05	09/01/06	15,629.12	15,629.12	99.08				15,728.20	15,728.20	-	0.00
Money Market	2004 MF Village Fair	3.76	02/01/06	03/01/06			3.04				3.04	3.04	-	0.00
Money Market	2004 MF Village Fair	3.66	02/01/06	03/01/06	235,405.39	235,405.39	1,974.58				237,379.97	237,379.97	-	0.00
Money Market	2004 MF Village Fair	3.66	02/01/06	03/01/06	627.06	627.06		(626.94)			0.12	0.12	-	0.00

Inv Agmt	2004 MF Village Fair	2.53	01/04/05	09/01/06	100,346.73	100,346.73					0.18	0.18	-	0.00
Money Market	2004 MF Village Fair	3.66	02/01/06	03/01/06			4,514.63				4,514.63	4,514.63	-	0.00
	2004 MF Village Fair Total				2,855,563.31	2,855,563.31	6,591.38	(2,261,131.41)	0.00	0.00	601,023.28	601,023.28	0.00	0.00
Money Market	2005 MF Pecan Grove	3.66	02/01/06	03/01/06	25,293.94	25,293.94		(7,500.00)			17,793.94	17,793.94	-	0.00
Inv Agmt	2005 MF Pecan Grove	2.84	02/07/05	01/02/07	516,331.62	516,331.62		(26,000.00)			490,331.62	490,331.62	-	0.00
Money Market	2005 MF Pecan Grove	3.66	02/01/06	03/01/06	17,789.26	17,789.26		(227.22)			17,562.04	17,562.04	-	0.00
Inv Agmt	2005 MF Pecan Grove	2.84	02/07/05	01/02/07	8,490,645.18	8,490,645.18		(3,853,574.00)			4,637,071.18	4,637,071.18	-	0.00
Money Market	2005 MF Pecan Grove	3.66	02/01/06	03/01/06	55,213.21	55,213.21	62,514.34				117,727.55	117,727.55	-	0.00
Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
Inv Agmt	2005 MF Pecan Grove	2.84	02/07/05	01/02/07	211,532.00	211,532.00		(175,374.99)			36,157.01	36,157.01	-	0.00
	2005 MF Pecan Grove Total				9,316,805.21	9,316,805.21	62,514.34	(4,062,676.21)	0.00	0.00	5,316,643.34	5,316,643.34	0.00	0.00
Money Market	2005 MF Prairie Oaks	3.66	02/01/06	03/01/06	221.38	221.38	1,628,884.10				1,629,105.48	1,629,105.48	-	0.00
Inv Agmt	2005 MF Prairie Oaks	2.76	02/02/05	01/01/07	448,575.34	448,575.34		(107,582.58)			340,992.76	340,992.76	-	0.00
Money Market	2005 MF Prairie Oaks	3.66	02/01/06	03/01/06	18.85	18.85	1,091.38				1,110.23	1,110.23	-	0.00
Inv Agmt	2005 MF Prairie Oaks	2.76	02/02/05	01/01/07	1,529,263.60	1,529,263.60		(1,506,235.95)			23,027.65	23,027.65	-	0.00
Money Market	2005 MF Prairie Oaks	3.66	02/01/06	03/01/06	102.97	102.97	0.84				103.81	103.81	-	0.00
Inv Agmt	2005 MF Prairie Oaks	2.76	02/02/05	01/01/07	169,634.43	169,634.43		(121,198.00)			48,436.43	48,436.43	-	0.00
	2005 MF Prairie Oaks Total				2,147,816.57	2,147,816.57	1,629,976.32	(1,735,016.53)	0.00	0.00	2,042,776.36	2,042,776.36	0.00	0.00
Money Market	2005 MF Port Royal	3.66	02/01/06	03/01/06	549,244.90	549,244.90		(24,000.00)			525,244.90	525,244.90	-	0.00
Money Market	2005 MF Port Royal	3.66	02/01/06	03/01/06	7,263,356.76	7,263,356.76		(3,848,868.48)			3,414,488.28	3,414,488.28	-	0.00
Money Market	2005 MF Port Royal	3.66	02/01/06	03/01/06	206,534.12	206,534.12		(99,051.68)			107,482.44	107,482.44	-	0.00
Money Market	2005 MF Port Royal	3.66	02/01/06	03/01/06	10,419.48	10,419.48	4,572.72				14,992.20	14,992.20	-	0.00
	2005 MF Port Royal Total				8,029,555.26	8,029,555.26	4,572.72	(3,971,920.16)	0.00	0.00	4,062,207.82	4,062,207.82	0.00	0.00
Money Market	2005 MF Mission Del Rio	3.66	02/01/06	03/01/06	164,358.45	164,358.45		(7,324.28)			157,034.17	157,034.17	-	0.00
Money Market	2005 MF Mission Del Rio	3.66	02/01/06	03/01/06	9,124,088.56	9,124,088.56		(872,802.85)			8,251,285.71	8,251,285.71	-	0.00
Money Market	2005 MF Mission Del Rio	3.66	02/01/06	03/01/06	216,601.37	216,601.37		(65,757.26)			150,844.11	150,844.11	-	0.00
	2005 MF Mission Del Rio Total				9,505,048.38	9,505,048.38	0.00	(945,884.39)	0.00	0.00	8,559,163.99	8,559,163.99	0.00	0.00
Money Market	2005 MF Atascocita Apts	3.66	02/01/06	03/01/06	5,402.65	5,402.65	1,290.77				6,693.42	6,693.42	-	0.00
Money Market	2005 MF Atascocita Apts	3.66	02/01/06	03/01/06	11,244.79	11,244.79	98.86				11,343.65	11,343.65	-	0.00
Money Market	2005 MF Atascocita Apts				324.44	324.44		(324.44)					-	0.00
Inv Agmt	2005 MF Atascocita Apts	3.43	04/14/05	11/15/06	6,990,213.39	6,990,213.39		(1,924,276.73)			5,065,936.66	5,065,936.66	-	0.00
Money Market	2005 MF Atascocita Apts	3.66	02/01/06	03/01/06	0.09	0.09	190,394.78				190,394.87	190,394.87	-	0.00
Money Market	2005 MF Atascocita Apts				65,141.74	65,141.74		(65,141.74)					-	0.00
	2005 MF Atascocita Apts Total				7,072,327.10	7,072,327.10	191,784.41	(1,989,742.91)	0.00	0.00	5,274,368.60	5,274,368.60	0.00	0.00
Money Market	2005 MF Tower Ridge	3.54	02/01/06	03/01/06	7,757.67	7,757.67		(7,536.14)			221.53	221.53	-	0.00
Commercial Paper	2005 MF Tower Ridge	4.41	02/13/06	03/13/06	9,791,388.00	9,791,388.00		(3,819,388.00)			5,972,000.00	5,972,000.00	-	0.00
Money Market	2005 MF Tower Ridge	3.66	02/01/06	03/01/06			346,709.31				346,709.31	346,709.31	-	0.00
Money Market	2005 MF Tower Ridge	3.66	02/01/06	03/01/06	29.19	29.19	0.00				29.19	29.19	-	0.00
	2005 MF Tower Ridge Total				9,799,174.86	9,799,174.86	346,709.31	(3,826,924.14)	0.00	0.00	6,318,960.03	6,318,960.03	0.00	0.00
Money Market	2005 MF Alta Cullen	3.66	02/01/06	03/01/06	4,920,367.83	4,920,367.83		(4,227,425.80)			692,942.03	692,942.03	-	0.00
Inv Agmt	2005 MF Alta Cullen	5.89	04/21/05	05/01/06	3,500,000.00	3,500,000.00	0.00				3,500,000.00	3,500,000.00	-	0.00
Money Market	2005 MF Alta Cullen	3.76	02/01/06	03/01/06	0.01	0.01	68,689.68				68,689.69	68,689.69	-	0.00
Money Market	2005 MF Alta Cullen	3.76	02/01/06	03/01/06	287,889.89	287,889.89		(181,825.20)			106,064.69	106,064.69	-	0.00
Mutual Fund	2005 MF Alta Cullen	3.66	02/01/06	03/01/06	1,530.05	1,530.05		(1,527.08)			2.97	2.97	-	0.00
Money Market	2005 MF Alta Cullen	3.76	02/01/06	03/01/06	0.02	0.02	0.00				0.02	0.02	-	0.00
	2005 MF Alta Cullen Total				8,709,787.80	8,709,787.80	68,689.68	(4,410,778.08)	0.00	0.00	4,367,699.40	4,367,699.40	0.00	0.00
Money Market	2005 MF Lafayette Village	3.88	02/01/06	03/01/06			243.44				243.44	243.44	-	0.00
Inv Agmt	2005 MF Lafayette Village	3.44	06/23/05	07/01/07	10,071,057.77	10,071,057.77		(2,368,212.65)			7,702,845.12	7,702,845.12	-	0.00
Money Market	2005 MF Lafayette Village	3.66	02/01/06	03/01/06	23,533.80	23,533.80	175.01				23,708.81	23,708.81	-	0.00
Money Market	2005 MF Lafayette Village	3.88	02/01/06	03/01/06	239,363.49	239,363.49	4,491.38				243,854.87	243,854.87	-	0.00
Money Market	2005 MF Lafayette Village	3.88	02/01/06	03/01/06	62,044.87	62,044.87		(6,898.20)			55,146.67	55,146.67	-	0.00
Inv Agmt	2005 MF Lafayette Village	3.44	06/23/05	07/01/07	493,484.10	493,484.10		(40,100.87)			453,383.23	453,383.23	-	0.00

					10,889,484.03	10,889,484.03	4,909.83	(2,415,211.72)	0.00	0.00	8,479,182.14	8,479,182.14	0.00	0.00
Money Market	2005 MF Prairie Ranch	3.54	02/01/06	03/01/06			63,314.60				63,314.60	63,314.60	-	0.00
Inv Agmt	2005 MF Prairie Ranch	3.25	12/06/05	01/20/45			198,738.33				198,738.33	198,738.33	-	0.00
GNMA	2005 MF Prairie Ranch	4.99	07/29/05	05/15/07	3,019,544.00	3,019,544.00	2,090,543.00				5,110,087.00	5,110,087.00	-	0.00
Money Market	2005 MF Prairie Ranch				29,427.09	29,427.09		(29,427.09)					-	0.00
Inv Agmt	2005 MF Prairie Ranch	3.72	07/20/05	06/17/07	9,908,520.00	9,908,520.00		(2,818,607.00)			7,089,913.00	7,089,913.00	-	0.00
Money Market	2005 MF Prairie Ranch	3.88	02/01/06	03/01/06			106.43				106.43	106.43	-	0.00
Money Market	2005 MF Prairie Ranch	3.88	02/01/06	03/01/06			40,893.52				40,893.52	40,893.52	-	0.00
Inv Agmt	2005 MF Prairie Ranch				256,183.00	256,183.00		(256,183.00)					-	0.00
Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
Money Market	2005 MF Prairie Ranch	3.66	02/01/06	03/01/06	32,845.03	32,845.03		(32,835.34)			9.69	9.69	-	0.00
	2005 MF Prairie Ranch Total				13,246,519.12	13,246,519.12	2,393,595.88	(3,137,052.43)	0.00	0.00	12,503,062.57	12,503,062.57	0.00	0.00
Money Market	2005 MF St. Augustine	3.88	02/01/06	03/01/06	444,809.57	444,809.57		(55,380.59)			389,428.98	389,428.98	-	0.00
Money Market	2005 MF St. Augustine	3.54	02/01/06	03/01/06	359,844.00	359,844.00		(2,357.88)			357,486.12	357,486.12	-	0.00
Money Market	2005 MF St. Augustine	3.88	02/01/06	03/01/06	5,148,271.75	5,148,271.75		(835,736.59)			4,312,535.16	4,312,535.16	-	0.00
Money Market	2005 MF St. Augustine	3.88	02/01/06	03/01/06	5,359.95	5,359.95	0.00				5,359.95	5,359.95	-	0.00
Money Market	2005 MF St. Augustine	3.66	02/01/06	03/01/06	20,000.00	20,000.00	148.74				20,148.74	20,148.74	-	0.00
Money Market	2005 MF St. Augustine	3.88	02/01/06	03/01/06	6,137.51	6,137.51	0.00				6,137.51	6,137.51	-	0.00
	2005 MF St. Augustine Total				5,984,422.78	5,984,422.78	148.74	(893,475.06)	0.00	0.00	5,091,096.46	5,091,096.46	0.00	0.00
Money Market	2005 MF Park Manor	3.88	02/01/06	03/01/06			43,359.84				43,359.84	43,359.84	-	0.00
Mutual Fund	2005 MF Park Manor	3.76	02/01/06	03/01/06	327,836.99	327,836.99		(317,405.18)			10,431.81	10,431.81	-	0.00
Mutual Fund	2005 MF Park Manor	3.76	02/01/06	03/01/06	3,334,975.13	3,334,975.13		(1,568,628.32)			1,766,346.81	1,766,346.81	-	0.00
Inv Agmt	2005 MF Park Manor	5.00	08/26/05	10/01/06	5,200,000.00	5,200,000.00	0.00				5,200,000.00	5,200,000.00	-	0.00
Mutual Fund	2005 MF Park Manor	3.76	02/01/06	03/01/06	215,038.68	215,038.68		(171,768.15)			43,270.53	43,270.53	-	0.00
Money Market	2005 MF Park Manor	3.76	02/01/06	03/01/06	20.25	20.25	0.00				20.25	20.25	-	0.00
	2005 MF Park Manor Total				9,077,871.05	9,077,871.05	43,359.84	(2,057,801.65)	0.00	0.00	7,063,429.24	7,063,429.24	0.00	0.00
Money Market	2005 MF Pr Mockingbird	3.66	02/01/06	03/01/06	2,282.88	2,282.88	0.00				2,282.88	2,282.88	-	0.00
Inv Agmt	2005 MF Pr Mockingbird	3.66	09/01/05	09/01/07	625,009.00	625,009.00		(150,156.00)			474,853.00	474,853.00	-	0.00
Money Market	2005 MF Pr Mockingbird	3.66	02/01/06	03/01/06	1,889.49	1,889.49	5,635.39				7,524.88	7,524.88	-	0.00
Money Market	2005 MF Pr Mockingbird				0.81	0.81		(0.81)					-	0.00
Mutual Fund	2005 MF Pr Mockingbird	3.66	02/01/06	03/01/06	31,902.87	31,902.87		(7,684.69)			24,218.18	24,218.18	-	0.00
Inv Agmt	2005 MF Pr Mockingbird	3.66	09/01/05	09/01/07	768,754.20	768,754.20		(139,337.67)			629,416.53	629,416.53	-	0.00
Money Market	2005 MF Pr Mockingbird	3.54	02/01/06	03/01/06	30,786.87	30,786.87	15,513.07				46,299.94	46,299.94	-	0.00
Inv Agmt	2005 MF Pr Mockingbird	3.66	09/01/05	09/01/07	8,290,661.04	8,290,661.04		(1,060,546.72)			7,230,114.32	7,230,114.32	-	0.00
Money Market	2005 MF Pr Mockingbird	3.66	02/01/06	03/01/06	187.26	187.26	287.99				475.25	475.25	-	0.00
Inv Agmt	2005 MF Pr Mockingbird	3.66	09/01/05	09/01/07	31,214.00	31,214.00	0.00				31,214.00	31,214.00	-	0.00
	2005 MF Pr Mockingbird Total				9,782,688.42	9,782,688.42	21,436.45	(1,357,725.89)	0.00	0.00	8,446,398.98	8,446,398.98	0.00	0.00
Money Market	2005 MF PI @ Chase Oaks	3.88	02/01/06	03/01/06	85,382.79	85,382.79		(85,115.53)			267.26	267.26	-	0.00
Inv Agmt	2005 MF PI @ Chase Oaks	4.05	08/31/05	03/01/07	12,118,831.28	12,118,831.28		(954,697.14)			11,164,134.14	11,164,134.14	-	0.00
Money Market	2005 MF PI @ Chase Oaks	3.88	02/01/06	03/01/06			4,322.56				4,322.56	4,322.56	-	0.00
Inv Agmt	2005 MF PI @ Chase Oaks	4.05	08/31/05	03/01/07	1,430,286.16	1,430,286.16		(170,874.99)			1,259,411.17	1,259,411.17	-	0.00
	2005 MF PI @ Chase Oaks Total				13,634,500.23	13,634,500.23	4,322.56	(1,210,687.66)	0.00	0.00	12,428,135.13	12,428,135.13	0.00	0.00
Money Market	2005 MF Canal Place	3.66	02/01/06	03/01/06	833.86	833.86	1,258.96				2,092.82	2,092.82	-	0.00
Money Market	2005 MF Canal Place	3.66	02/01/06	03/01/06	91,964.02	91,964.02	7,721.39				99,685.41	99,685.41	-	0.00
Inv Agmt	2005 MF Canal Place	4.13	10/11/05	07/15/07	667,424.83	667,424.83	0.00				667,424.83	667,424.83	-	0.00
Money Market	2005 MF Canal Place	3.66	02/01/06	03/01/06	1,488.59	1,488.59		(542.69)			945.90	945.90	-	0.00
Money Market	2005 MF Canal Place	3.66	02/01/06	03/01/06	55,222.43	55,222.43		(13,573.94)			41,648.49	41,648.49	-	0.00
Inv Agmt	2005 MF Canal Place	4.13	10/11/05	07/15/07	403,880.90	403,880.90		(170,104.69)			233,776.21	233,776.21	-	0.00
Inv Agmt	2005 MF Canal Place	4.13	10/11/05	07/15/07	13,175,332.30	13,175,332.30		(559,526.12)			12,615,806.18	12,615,806.18	-	0.00
Money Market	2005 MF Canal Place				1.65	1.65		(1.65)					-	0.00
Money Market	2005 MF Canal Place	3.66	02/01/06	03/01/06	21,461.73	21,461.73	180.02				21,641.75	21,641.75	-	0.00
	2005 MF Canal Place Total				14,417,610.31	14,417,610.31	9,160.37	(743,749.09)	0.00	0.00	13,683,021.59	13,683,021.59	0.00	0.00
Money Market	2006 MF Coral Hills	4.10	02/01/06	03/01/06			105,841.35				105,841.35	105,841.35	-	0.00

Texas Department of Housing and Community Affairs
Single Family Collateralized Home Mortgage Revenue Bonds Series 1993 Investment Summary
For Period Ending February 28, 2006

Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
Repo Agmt	1993 SF MRB CHMRB	4.55	02/28/06	03/01/06	7,719.51	7,719.51	82.96				7,802.47	7,802.47	-	0.00
Repo Agmt	1993 SF MRB CHMRB				333,285.77	333,285.77		(333,285.77)					-	0.00
Repo Agmt	1993 SF MRB CHMRB				87,467.97	87,467.97		(87,467.97)					-	0.00
Repo Agmt	1993 SF MRB CHMRB				39,624.06	39,624.06		(39,624.06)					-	0.00
Repo Agmt	1993 SF MRB CHMRB				180,896.58	180,896.58		(180,896.58)					-	0.00
Repo Agmt	1993 SF MRB CHMRB				112,784.76	112,784.76		(112,784.76)					-	0.00
Repo Agmt	1993 SF MRB CHMRB				4.82	4.82		(4.82)					-	0.00
Repo Agmt	1993 SF MRB CHMRB				5.78	5.78		(5.78)					-	0.00
Repo Agmt	1993 SF MRB CHMRB				371.46	371.46		(371.46)					-	0.00
Repo Agmt	1993 SF MRB CHMRB				3.29	3.29		(3.29)					-	0.00
Repo Agmt	1993 SF MRB CHMRB				8.97	8.97		(8.97)					-	0.00
	1993 SF MRB CHMRB Total				<u>762,172.97</u>	<u>762,172.97</u>	<u>82.96</u>	<u>(754,453.46)</u>	<u>0.00</u>	<u>0.00</u>	<u>7,802.47</u>	<u>7,802.47</u>	<u>0.00</u>	<u>0.00</u>
	Total 1993 SF MRB CHMRB Investment Summary				762,172.97	762,172.97	82.96	(754,453.46)	0.00	0.00	7,802.47	7,802.47	0.00	0.00

Texas Department of Housing and Community Affairs
Single Family Collateralized Home Mortgage Revenue Bonds Series 1994 and 1995 Investment Summary
For Period Ending February 28, 2006

Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
Repo Agmt	1994 SF MRB CHMRB	4.55	02/28/06	03/01/06	233.98	233.98	2.92				236.90	236.90	-	0.00
Repo Agmt	1994 SF MRB CHMRB	4.55	02/28/06	03/01/06			0.01				0.01	0.01	-	0.00
Repo Agmt	1994 SF MRB CHMRB	4.55	02/28/06	03/01/06	1,349.38	1,349.38	14.57				1,363.95	1,363.95	-	0.00
Repo Agmt	1994 SF MRB CHMRB	4.55	02/28/06	03/01/06	17,542.01	17,542.01		(757.45)			16,784.56	16,784.56	-	0.00
Inv Agmt	1994 SF MRB CHMRB	6.05	12/16/04	11/01/26	3,604,364.48	3,604,364.48		(897.14)			3,603,467.34	3,603,467.34	-	0.00
1994 SF MRB CHMRB Total					3,623,489.85	3,623,489.85	17.50	(1,654.59)	0.00	0.00	3,621,852.76	3,621,852.76	0.00	0.00
Repo Agmt	1995 A/B SF MR Refunding Bonds	4.55	02/28/06	03/01/06	0.01	0.01	0.00				0.01	0.01	-	0.00
1995 A/B SF MR Refunding Bonds Total					0.01	0.01	0.00	0.00	0.00	0.00	0.01	0.01	0.00	0.00
Total 1994/1995 SF MRB CHMRB Investment Summary					3,623,489.86	3,623,489.86	17.50	(1,654.59)	0.00	0.00	3,621,852.77	3,621,852.77	0.00	0.00

**Texas Department of Housing and Community Affairs
Commercial Paper Investment Summary
For Period Ending February 28, 2006**

Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
Repo Agmt	Commercial Paper	4.55	02/28/06	03/01/06	100,342.97	100,342.97	25,635.85				125,978.82	125,978.82	-	0.00
GICs	Commercial Paper	3.40	02/14/06	06/01/06			3,200,000.00				3,200,000.00	3,200,000.00	-	0.00
GICs	Commercial Paper	3.25	12/12/05	06/01/06			57,250,000.00				57,250,000.00	57,250,000.00	-	0.00
GICs	Commercial Paper	3.20	01/18/06	06/02/06	75,000,000.00	75,000,000.00	0.00				75,000,000.00	75,000,000.00	-	0.00
Commercial Paper Total					<u>75,100,342.97</u>	<u>75,100,342.97</u>	<u>60,475,635.85</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>135,575,978.82</u>	<u>135,575,978.82</u>	<u>0.00</u>	<u>0.00</u>
Total Commercial Paper Investment Summary					75,100,342.97	75,100,342.97	60,475,635.85	0.00	0.00	0.00	135,575,978.82	135,575,978.82	0.00	0.00

**Texas Department of Housing and Community Affairs
General Fund Investment Summary
For Period Ending February 28, 2006**

Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/ Purchases	Amortizations/ Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
Repo Agmt	General Fund	4.55	02/28/06	03/01/06	2,626,368.83	2,626,368.83	28,219.97				2,654,588.80	2,654,588.80	-	0.00
Repo Agmt	General Fund	4.55	02/28/06	03/01/06	2,648,215.94	2,648,215.94	28,454.74				2,676,670.68	2,676,670.68	-	0.00
Repo Agmt	General Fund	4.55	02/28/06	03/01/06	904,125.16	904,125.16		(121,125.01)			783,000.15	783,000.15	-	0.00
Repo Agmt	General Fund	4.55	02/28/06	03/01/06	362,278.93	362,278.93	46,949.05				409,227.98	409,227.98	-	0.00
Repo Agmt	General Fund	4.55	02/28/06	03/01/06	573,490.82	573,490.82	131,148.63				704,639.45	704,639.45	-	0.00
Repo Agmt	General Fund	4.55	02/28/06	03/01/06			130,839.84				130,839.84	130,839.84	-	0.00
Repo Agmt	General Fund	4.55	02/28/06	03/01/06	321,348.86	321,348.86	3,452.97				324,801.83	324,801.83	-	0.00
Repo Agmt	General Fund	4.55	02/28/06	03/01/06	366,784.39	366,784.39	3,941.08				370,725.47	370,725.47	-	0.00
Repo Agmt	General Fund	4.55	02/28/06	03/01/06	198,621.71	198,621.71	74,006.61				272,628.32	272,628.32	-	0.00
Repo Agmt	General Fund	4.55	02/28/06	03/01/06	377,199.71	377,199.71	4,053.04				381,252.75	381,252.75	-	0.00
Repo Agmt	General Fund	4.55	02/28/06	03/01/06	136,306.83	136,306.83	10,768.50				147,075.33	147,075.33	-	0.00
Repo Agmt	General Fund	4.55	02/28/06	03/01/06	647,929.59	647,929.59	6,961.95				654,891.54	654,891.54	-	0.00
Repo Agmt	General Fund	4.55	02/28/06	03/01/06	939,192.01	939,192.01	6,880.71				946,072.72	946,072.72	-	0.00
Repo Agmt	General Fund	4.55	02/28/06	03/01/06	943,853.45	943,853.45		(715,761.54)			228,091.91	228,091.91	-	0.00
Repo Agmt	General Fund	4.55	02/28/06	03/01/06	68,242.27	68,242.27		(1,950.41)			66,291.86	66,291.86	-	0.00
Repo Agmt	General Fund	4.55	02/28/06	03/01/06	261,340.50	261,340.50		(37,805.60)			223,534.90	223,534.90	-	0.00
General Fund Total					11,375,299.00	11,375,299.00	475,677.09	(876,642.56)	0.00	0.00	10,974,333.53	10,974,333.53	0.00	0.00
Total General Fund Investment Summary					11,375,299.00	11,375,299.00	475,677.09	(876,642.56)	0.00	0.00	10,974,333.53	10,974,333.53	0.00	0.00

**Texas Department of Housing and Community Affairs
Housing Trust Fund Investment Summary
For Period Ending February 28, 2006**

Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
Repo Agmt	Housing Assistance Fund	4.55	02/28/06	03/01/06	34,224.63	34,224.63	10,412.33				44,636.96	44,636.96	-	0.00
Repo Agmt	Housing Trust Fund	4.55	02/28/06	03/01/06	338,146.34	338,146.34	3,670.53				341,816.87	341,816.87	-	0.00
Repo Agmt	Housing Trust Fund	4.55	02/28/06	03/01/06	19,810.76	19,810.76	10,468.92				30,279.68	30,279.68	-	0.00
Repo Agmt	Housing Trust Fund	4.55	02/28/06	03/01/06	15,868.65	15,868.65	129.28				15,997.93	15,997.93	-	0.00
Repo Agmt	Housing Trust Fund	4.55	02/28/06	03/01/06	118,581.72	118,581.72		(11,139.13)			107,442.59	107,442.59	-	0.00
Repo Agmt	Housing Trust Fund	4.55	02/28/06	03/01/06	166,884.58	166,884.58	46,766.32				213,650.90	213,650.90	-	0.00
Repo Agmt	Housing Trust Fund	4.55	02/28/06	03/01/06	78,213.42	78,213.42	794.92				79,008.34	79,008.34	-	0.00
Repo Agmt	Housing Trust Fund	4.55	02/28/06	03/01/06	5,392,360.33	5,392,360.33		(27,873.13)			5,364,487.20	5,364,487.20	-	0.00
Repo Agmt	General Revenue Appn	4.55	02/28/06	03/01/06	45,425.95	45,425.95	79,234.69				124,660.64	124,660.64	-	0.00
Repo Agmt	General Revenue Appn	4.55	02/28/06	03/01/06	4,648,256.58	4,648,256.58	134,697.97				4,782,954.55	4,782,954.55	-	0.00
Repo Agmt	Capacity Building -GR	4.55	02/28/06	03/01/06	54,602.20	54,602.20		(28,723.92)			25,878.28	25,878.28	-	0.00
Repo Agmt	Pre-Development -GR	4.55	02/28/06	03/01/06	333,546.55	333,546.55	80,483.26				414,029.81	414,029.81	-	0.00
Repo Agmt	Housing Trust Fund-GR	4.55	02/28/06	03/01/06	220,883.26	220,883.26		(80,483.26)			140,400.00	140,400.00	-	0.00
Repo Agmt	Bootstrap -GR	4.55	02/28/06	03/01/06	791,400.00	791,400.00		(30,000.00)			761,400.00	761,400.00	-	0.00
Repo Agmt	Bootstrap -GR	4.55	02/28/06	03/01/06	2,466,871.47	2,466,871.47		(377,456.88)			2,089,414.59	2,089,414.59	-	0.00
Repo Agmt	Bootstrap -GR	4.55	02/28/06	03/01/06	2,218,359.00	2,218,359.00		(266,760.00)			1,951,599.00	1,951,599.00	-	0.00
Housing Trust Fund Total					16,943,435.44	16,943,435.44	366,658.22	(822,436.32)	0.00	0.00	16,487,657.34	16,487,657.34	0.00	0.00
Total Housing Trust Fund Investment Summary					16,943,435.44	16,943,435.44	366,658.22	(822,436.32)	0.00	0.00	16,487,657.34	16,487,657.34	0.00	0.00

**Texas Department of Housing and Community Affairs
Administration Investment Summary
For Period Ending February 28, 2006**

Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	V	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
Repo Agmt	Administration	4.55	02/28/06	03/01/06		140,606.19	140,606.19	1,461.08	0.00	0.00	0.00	142,067.27	142,067.27	-	0.00
	Administration Total					140,606.19	140,606.19	1,461.08	0.00	0.00	0.00	142,067.27	142,067.27	0.00	0.00
	Total Administration Investment Summary					140,606.19	140,606.19	1,461.08	0.00	0.00	0.00	142,067.27	142,067.27	0.00	0.00

**Texas Department of Housing and Community Affairs
Compliance Investment Summary
For Period Ending February 28, 2006**

Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	V	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
Repo Agmt	RTC	4.55	02/28/06	03/01/06		271,680.17	271,680.17		(155,102.86)			116,577.31	116,577.31	-	0.00
Repo Agmt	Multi Family	4.55	02/28/06	03/01/06		561,419.58	561,419.58	51,178.70				612,598.28	612,598.28	-	0.00
Repo Agmt	Multi Family	4.55	02/28/06	03/01/06		59,339.80	59,339.80	126,664.28				186,004.08	186,004.08	-	0.00
Repo Agmt	Low Income Tax Credit Prog.	4.55	02/28/06	03/01/06		629,462.15	629,462.15	301,732.00				931,194.15	931,194.15	-	0.00
Compliance Total						1,521,901.70	1,521,901.70	479,574.98	(155,102.86)	0.00	0.00	1,846,373.82	1,846,373.82	0.00	0.00
Total Compliance Investment Summary						1,521,901.70	1,521,901.70	479,574.98	(155,102.86)	0.00	0.00	1,846,373.82	1,846,373.82	0.00	0.00

**Texas Department of Housing and Community Affairs
Housing Initiatives Investment Summary
For Period Ending February 28, 2006**

Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 11/30/05	Beginning Market Value 11/30/05	Accretions/Purchases	Amortizations/Sales	Maturities	Transfers	Ending Carrying Value 02/28/06	Ending Market Value 02/28/06	Change in In Market Value	Recognized Gain
Repo Agmt	S/F Interim Construction	4.55	02/28/06	03/01/06	453,717.29	453,717.29	4,804.25				458,521.54	458,521.54	-	0.00
Repo Agmt	S/F Interim Construction	4.55	02/28/06	03/01/06	173.05	173.05	2.41				175.46	175.46	-	0.00
Repo Agmt	S/F Interim Construction	4.55	02/28/06	03/01/06	6.38	6.38	0.87				7.25	7.25	-	0.00
Repo Agmt	Mtg. Credit Certificate	4.55	02/28/06	03/01/06	69,132.95	69,132.95	707.95				69,840.90	69,840.90	-	0.00
Repo Agmt	Low Income Tax Credit Prog.	4.55	02/28/06	03/01/06	867,057.94	867,057.94	56,859.71				923,917.65	923,917.65	-	0.00
Repo Agmt	Low Income Tax Credit Prog.	4.55	02/28/06	03/01/06	2,530,505.36	2,530,505.36		(326,907.96)			2,203,597.40	2,203,597.40	-	0.00
Repo Agmt	Low Income Tax Credit Prog.	4.55	02/28/06	03/01/06	357,030.52	357,030.52		(23,169.88)			333,860.64	333,860.64	-	0.00
Housing Initiatives Total					<u>4,277,623.49</u>	<u>4,277,623.49</u>	<u>62,375.19</u>	<u>(350,077.84)</u>	<u>0.00</u>	<u>0.00</u>	<u>3,989,920.84</u>	<u>3,989,920.84</u>	<u>0.00</u>	<u>0.00</u>
Total Housing Initiatives Investment Summary					4,277,623.49	4,277,623.49	62,375.19	(350,077.84)	0.00	0.00	3,989,920.84	3,989,920.84	0.00	0.00
Total Investment Summary					<u>1,373,865,438.60</u>	<u>1,366,761,176.22</u>	<u>201,964,328.67</u>	<u>(171,791,616.10)</u>	<u>(52,202,520.50)</u>	<u>0.00</u>	<u>1,351,835,630.67</u>	<u>1,345,365,148.80</u>	<u>633,780.51</u>	<u>0.00</u>

OFFICE OF COLONIA INITIATIVES

BOARD ACTION REQUEST

MAY 4, 2006

Action Item

Possible approval of Hurricane Rita-Texas Bootstrap Loan Program award.

Required Action

Ratification of the Hurricane Rita Bootstrap Award to Self Help Housing of East Texas in the amount of \$530,400.

Background

On September 16, 2005, the Department's Board of Directors authorized the Executive Director to make awards from previously determined funds to assist victims of Hurricane Katrina with housing assistance during the declaration of disaster by the Governor of the State of Texas. On October 13, 2005, the Department's Board of Directors extended this authorization to include victims of Hurricane Rita.

On December 30, 2005, the Department announced the availability of approximately \$1.8 million of State of Texas Housing Trust Funds to organizations assisting individuals or families that were victims of Hurricane Rita to purchase or refinance real property on which to build new residential or improve existing residential housing through self-help construction for very low and extremely low income individuals and/or families (owner-builders); including persons with special needs. The Department has committed to dispense these funds in an equitable manner that ensures they are deployed quickly and administered efficiently. The Department will ensure these dedicated funds are distributed to all effected areas, but will target a higher proportion to those areas most directly and extensively impacted by Hurricane Rita.

The Texas Bootstrap Loan Program is a self-help construction program, which is designed to provide very low-income families an opportunity to help themselves attain homeownership or repair their existing home through sweat equity. All participants under this program are required to provide at least 60 percent of the labor that is necessary to construct or rehabilitate the home. All applicable building codes and housing standard are adhered to under this program. In addition, nonprofit organizations, who serve as the administrators for these funds, can combine these funds with other sources such as private lending institutions, local governments, or any other sources. However, all combined repayable loans can not exceed \$60,000 per unit.

In an effort to encourage the production of affordable housing for individuals and families of very low income affected by Hurricane Rita, the Department is directing these funds through waivers and authorizations provided by the Governor and the Department Board of Directors. The maximum amount of funding per administering organization is \$750,000. The maximum loan amount using the Department funds may not exceed \$30,000 per owner-builder which will be secured with second lien mortgage loan documents. The total amount of loans made with the Department and any other source combined may not exceed \$60,000 per household. Projects utilizing additional non-Department resources will be required to provide additional documentation identifying the sources of these additional funds and information about their rates and terms.

The Department has received an application from the following organization, requesting funds in the amount \$624,000 in order to implement the Hurricane-Rita-Texas Bootstrap Loan Program to construct 20 single family housing units for very low-income families. However, due to previous awards under this NOFA in the amount of \$1,268,800 only \$531,200 remains from the original \$1.8 million released. The application has been scored and is being recommended for funding based on the following criteria; Operational Capability and Experience, Financial Design, Quality of Program Design, Leveraging of Public/Private Resources, and Underserved Areas or Population. We are recommending 17 single family housing units in the amount of \$530,400 leaving a balance of \$800.

The Acting Executive Director approved the award to Self Help Housing of East Texas on April 24, 2006.

Recommendation

The Board’s action today ratifies that approval.

	Score	Amount Awarded	Admin. Fee	Amount Recommended	Counties	# of Units Committed
Self Help Housing of East Texas	76	\$510,000	\$20,400	\$530,400	Newton, Jasper & Sabine	17
TOTAL		\$510,000	\$20,400	\$530,400		17

MULTIFAMILY FINANCE PRODUCTION DIVISION

BOARD ACTION REQUEST

May 4, 2006

Action Item

Requests for amendments involving material changes to Housing Tax Credit (HTC) applications are summarized below. The first request is for a waiver of the \$2,500 amendment request fee.

Requested Action

Approve or deny the requests for amendments and the waiver request.

Background and Recommendations

§2306.6712, Texas Government Code, classifies some changes as “material alterations” that must be approved by the Board. The requests presented below include material alterations. Pertinent facts about the developments requesting approval are summarized below. The recommendation of staff is included at the end of each write-up.

Limitations on the Approval of Amendment Requests

The approval of a request to amend an application does not exempt a development from the requirements of Section 504 of the Rehabilitation Act of 1973, fair housing laws, local and state building codes or other statutory requirements that are not within the Board’s purview. Notwithstanding information that the Department may provide as assistance, the development owner retains the ultimate responsibility for determining which actions will satisfy applicable regulations.

Development No. 03163, Cedar View Apartments

Request for a Waiver of the \$2,500 Amendment Request Fee

Summary of Request: Section 50.20(1) of the 2006 QAP established a \$2,500 fee for owners requesting amendments with the additional provision that: “The Board may waive related fees for good cause.” The current request relates to a payment of the \$2,500 fee in connection with an amendment that was approved administratively. The letter of approval is included after the last amendment write-up in this section. The letter allowed a reduction in the number of carports from thirty-six to twenty-eight. Thirty-six carports that were originally proposed to be rented to tenants at an additional charge and were not, therefore, included in eligible basis. After completing twenty-eight of the carports, only 54% of those completed could be leased. The weak demand prompted the applicant’s request to amend the application. This was approved administratively because the reduction was not a material change. Because of the relatively small scale and resources of the development and the consequent large impact of the \$2,500 amendment request fee on the development’s operating budget, the applicant has now requested a refund of the \$2,500 amendment request fee.

Governing QAP	2006 QAP, §50.20(1) provides for requesting extensions and amendments and establishes a fee for requests.
Owner:	DF Cedar View Apartments, LP
General Partner:	DF Affordable Housing Partners, Inc.
Developers:	DFAHP Development, L.P.
Principals/Interested Parties:	Leslie Holleman, Beverly Funderburgh
Syndicator:	Lend Lease Real Estate Investments
Construction Lender:	Bank One, NA
Permanent Lender:	Bank One, NA
Other Funding:	NA

City/County: Mineral Wells/Palo Pinto
Set-Aside: General Population
Type of Area: Rural
Type of Development: New Construction
Population Served: General Population
Units: 72 HTC units
2003 Allocation: \$560,000
Allocation per HTC Unit: \$7,778
Prior Board Actions: 7/30/03 – Approved award of tax credits
4/8/04 – Approved amendment to remove a 0.858 acre tract and 0.989 acre tract from the original site of 21.858 acres.
Underwriting Reevaluation: NA – not an amendment
Staff Recommendation: **Staff recommends that the Board approve the applicant’s request. The amendment request fee appears to be an excessive burden in this case, especially in relation to the small savings that could be realized from the amendment’s implementation. The Department’s original underwriting put the cost of the carports at \$25,369. With twenty-eight of thirty-six carports built, 78% of the cost would have been spent and only 22%, or approximately \$5,637, is being saved.**

Wright Senior Apartments, HTC Development No. 03081

Summary of Request: The development owner requests approval to correct two inaccuracies in the original application relating to covered patios or balconies and monitored unit security. The covered patios or balconies were represented in the Selection (scoring) section of the application and received one point. As stated by the owner and confirmed by staff's review of the building plans, the application did not represent that all units would have covered patios or balconies. The point loss was of no material consequence because more scoring features were presented for points than the maximum number of points that could have been scored on the applicable item.

The monitored unit security was neither a Threshold item nor a Selection item. The representation that the feature would be included in the development was made by a checkmark in the specifications and amenities section of the application. At the time of the award of tax credits, the item was included in the list of features that was provided to the Board in the Board Summary, but because it was neither a Selection item nor a Threshold item, it is not apparent to staff that the presence of this item in the application had any effect on the award of tax credits.

Governing Law: §2306.6712, Texas Government Code. The code states that material alterations include any modification considered significant by the Board. The requirements of Section 504 of the Rehabilitation Act of 1973, fair housing laws, local and state building codes, and other applicable statutory requirements remain effective despite the approval of an amendment request.

Owner: Wright Senior Apartments, L.P.

General Partner: Good Landing, Inc. (Managing GP); David Nicklas Organ Donor Awareness Foundation, Inc. (Co-GP)

Developer: Crusader Construction Company

Principals/Interested Parties: Dean Dauley (of GP); Hal Thorne (of GP); Isibelle Debaun (of Co-GP)

Syndicator: Lend Lease Real Estate Investments

Construction Lender: KeyBank Real Estate Capital

Permanent Lender: KeyBank Real Estate Capital

Other Funding: NA

City/County: Grand Prairie/Dallas

Set-Aside: Elderly

Type of Area: Urban

Type of Development: New Construction

Population Served: Elderly Population

Units: 123 HTC units and 31 market rate units

2003 Allocation: \$756,655

Allocation per HTC Unit: \$6,152

Prior Board Actions: 7/03 - Approved award of tax credits.
8/12/04 – Approved extension to close construction loan
9/9/04 – Approved amendment to substitute swimming pool for covered parking, allowing a decrease from 158 covered spaces to 130.

Underwriting Reevaluation: To be determined

Staff Recommendation: Staff recommends approving the request. The requested modifications would not materially alter the development in a negative manner and would not have adversely affected the selection of the application in the application round.

Rosemont at University Park Apartments, HTC Development No. 04466

Summary of Request: The development owner requests a change from gas water heating as reflected in the application to electricity because the gas boiler-loop system originally proposed was found to be less efficient than anticipated. Although the change would result in the responsibility for paying the cost of water heating to be shifted from the owner to tenants, the increase in the cost of utilities, as reflected in the applicable utility cost schedule, would result in a compensating decrease in rent.

The owner also requests approval for a change in the site plan because of a change in the number of buildings. It was necessary to reposition the buildings to accommodate the final drainage plan for the site and the repositioning made it necessary to replace one of the buildings with two buildings. The number of residential buildings was therefore increased from seven to eight.

Governing Law: §2306.6712, Texas Government Code. The code states that material alterations include a significant modification of the site plan. The requirements of Section 504 of the Rehabilitation Act of 1973, fair housing laws, local and state building codes, and other applicable statutory requirements remain effective despite the approval of an amendment request.

Owner: TX Pleasanton Housing, L.P.

General Partner: TX Pleasanton Development, L.L.C.

Developer: Southwest Housing Development Company, Inc.

Principals/Interested Parties: San Antonio Affordable Housing, Inc., owner of the GP; Brian Potashnik, developer

Syndicator: MMA Financial, LLC

Construction Lender: MMA Financial, LLC

Permanent Lender: MMA Financial, LLC

Other Funding: City of San Antonio HOME Funds

City/County: San Antonio/Bexar

Set-Aside: Tax-Exempt Bond Development

Type of Area: Urban

Type of Development: New Construction

Population Served: General Population

Units: 240 HTC units

2004 Allocation: \$840,926

Allocation per HTC Unit: \$3,504

Prior Board Actions: 12/04 - Approved award of tax credits.

Underwriting Reevaluation: To be determined

Staff Recommendation: **Staff recommends approving the request. The requested modifications would not materially alter the development in a negative manner and would not have adversely affected the selection of the application in the application round.**

Summary of the Requests Regarding 00005, 00054 and 00144, Below

The three requests referenced above are from three different ownership entities with the same general partner, Glenn Lynch, all requesting approval for transfers of their ownership interests to the same third-party Community Housing Development Organization (CHDO), Operation Relief Community Development Organization (ORCDC). Although the transfers were found to be acceptable under the Department's review of previous participation and financial position, two issues exist that prevent the Department's approval of the requests and require amendment approval. First, the credit allocations (if all transferred to ORCDC) of the combined developments exceed the \$1.8 million limit per applicant in a single year by the 2000 Qualified Allocation Plan and Rules (QAP). Second, the application of each development scored five points for the participation of a Historically Underutilized Business as a majority general partner and the points would not be replaced under the current proposal.

With respect to the first issue, §2306, Texas Government Code and §50.6(d) of the 2006 QAP, respectively, state the following:

§2306.6711. Allocation of Housing Tax Credits

(b) Not later than the deadline specified in the qualified allocation plan, the board shall issue commitments for available housing tax credits based on the application evaluation process provided by Section 2306.6710. The board may not allocate to an applicant housing tax credits in any unnecessary amount, as determined by the department's underwriting policy and by federal law, and in any event may not allocate to the applicant housing tax credits in an amount greater than \$2 million in a single application round (2306 was amended in 2001 by the Texas Legislature, to add the \$2 million cap. Previously it was only in the QAP with a cap of \$1.8 million and not in statute).

2006 QAP, §50.17(e) Housing Tax Credit and Ownership Transfers.

(2306.6713) A Development Owner may not transfer an allocation of housing tax credits or ownership of a Development supported with an allocation of housing tax credits to any Person other than an Affiliate of the Development Owner unless the Development Owner obtains the Executive Director's prior, written approval of the transfer. The Executive Director may not unreasonably withhold approval of the transfer. ...

(3) As it relates to the Credit Cap further described in §50.6(d) of this section [below], the credit cap will not be applied in the following circumstances:

(A) in cases of transfers in which the syndicator, investor or limited partner is taking over ownership of the Development and not merely replacing the general partner; or

(B) in cases where the general partner is being replaced if the award of credits was made at least five years prior to the transfer request date.

2006 QAP, §50.6(d) Credit Amount.

... The Department will limit the allocation of tax credits to no more than \$1.2 million per Development. The Department shall not allocate more than \$2 million of tax credits in any given Application Round to any Applicant, Developer, Related Party or Guarantor; Housing Tax Credits approved by the Board during the 2006 calendar year, including commitments from the 2006 Credit Ceiling and forward commitments from the 2007 Credit Ceiling, are applied to the credit cap limitation for the 2006 Application Round. ... Tax-Exempt Bond Development Applications are not subject to these Housing Tax Credit limitations, and Tax-Exempt Bond Developments will not count towards the total limit on tax credits per Applicant. The limitation does not apply (2306.6711(b)):

(1) to an entity which raises or provides equity for one or more Developments, solely with respect to its actions in raising or providing equity for such Developments (including syndication related activities as agent on behalf of investors);

(2) to the provision by an entity of "qualified commercial financing" within the meaning of the Code (without regard to the 80% limitation thereof);

(3) to a Qualified Nonprofit Organization or other not-for-profit entity, to the extent that the participation in a Development by such organization consists only of the provision of loan funds, grants or social services; and

(4) to a Development Consultant with respect to the provision of consulting services, provided the Development Consultant fee received for such services does not exceed 10% of the fee to be paid to the Developer (or 20% for Qualified Nonprofit Developments), or \$150,000, whichever is greater.

The statute is clear in placing limits on awards to a single applicant at the time of the application round. By implication, approval should be denied to any transfers that would circumvent the limits. However, the intended duration of the limits is not apparent in the statute. Continuing the duration indefinitely could impede the efficient operation of a development. There is no readily apparent intention in the rule beyond assuring effective competition during the application round.

The Department therefore believed that it was appropriate to consider transfers that involve exceeding the credit limit in some cases and the 2006 QAP reflects that belief. Please note that two of the three transfers below could be accomplished without violating the credit limit; the Board may also have a basis for approving all three requests if desired.

A discussion of the HUB issue is given case by case below.

LBJ Garden Villas, HTC No. 00005, formerly 99054, a forward commitment from 1999

Summary of Request: This development scored 87 points with the five HUB points. Without the five points, the development would have scored at least one point lower than the lowest scoring developments that received awards in the same (general) set-aside but staff cannot confirm a determination that the development would have received a forward commitment with five less points. It should be noted, however, that under the ownership that is currently proposed, the development would have been eligible for an award from the nonprofit set-aside. In that set-aside, the development would have scored higher without the HUB points than both developments that received allocations from the subject region in 1999.

Governing Law: §2306.6712, Texas Government Code. The requirements of Section 504 of the Rehabilitation Act of 1973, fair housing laws, local and state building codes, and other applicable statutory requirements remain effective despite the approval of an amendment request.

Owner: LBJ Garden Villas, Ltd.

General Partner: Diva Enterprises, Inc. (HUB)

Developer: Diva Enterprises, Inc.

Principals/Interested Parties: Patsy Lynch (51% of GP); Glenn Lynch (49% of GP)

Syndicator: Red Capital

Construction Lender: BankOne

Permanent Lender: Federal Mortgage Assistance Corporation

Other Funding: NA

City/County: Mesquite/Dallas

Set-Aside: General Population

Type of Area: Exurban

Type of Development: New Construction

Population Served: General Population

Units: 156 HTC units and 52 market rate units

2000 Allocation: \$804,680

Allocation per HTC Unit: \$5,158

Prior Board Actions: 7/99 - Approved award of tax credits.

Underwriting Reevaluation: To be determined.

Staff Recommendation: Final recommendation on last page.

Hunter's Glen Townhomes, HTC No. 00054

Summary of Request: This development scored 97 points with the HUB points and would have scored 92 points without them. At the lower score, the development would still have exceeded the score of one development that received an allocation in the subject region and would have equaled the score of another.

Governing Law: §2306.6712, Texas Government Code. The requirements of Section 504 of the Rehabilitation Act of 1973, fair housing laws, local and state building codes, and other applicable statutory requirements remain effective despite the approval of an amendment request.

Owner: Hunter's Glen Townhomes, L.P.

General Partner: Cameo Development, Inc. (HUB)

Developer: Cameo Development, Inc.

Principals/Interested Parties: Marylyn G. Leonard (51% of GP); David T. Leonard (49% of GP)

Syndicator: Enterprise Social Investment Corporation

Construction Lender: Chase Bank

Permanent Lender: Federal Mortgage Assistance Corporation

Other Funding: NA

City/County: San Antonio/Bexar

Set-Aside: General

Type of Area: Urban

Type of Development: New Construction

Population Served: General Population

Units: 108 HTC units and 36 market rate units

2000 Allocation: \$929,287

Allocation per HTC Unit: \$8,605

Prior Board Actions: 7/00 - Approved award of tax credits.

Underwriting Reevaluation: To be determined.

Staff Recommendation: Final recommendation on last page.

Sycamore Pointe Townhomes, HTC No. 00144

Summary of Request: It does not appear that this development would have scored high enough without the HUB points to have received an award in the general set-aside. Under the current proposal, the development would have been eligible to apply in the Nonprofit Set-Aside and would have exceeded the score of one development and equaled the score of another that received awards from this set-aside. There were no allocations from the Nonprofit Set-Aside to the subject region.

Governing Law: §2306.6712, Texas Government Code. The requirements of Section 504 of the Rehabilitation Act of 1973, fair housing laws, local and state building codes, and other applicable statutory requirements remain effective despite the approval of an amendment request.

Owner: Sycamore Pointe Townhomes, L.P.

General Partner: Provident Homes, Inc. (HUB)

Developer: Provident Homes, Inc.

Principals/Interested Parties: Leona Cox (51% of GP); Bobby Cox (49% of GP)

Syndicator: Enterprise Social Investment Corporation

Construction Lender: Chase Bank

Permanent Lender: Federal Mortgage Assistance Corporation

Other Funding: NA

City/County: Fort Worth/Tarrant

Set-Aside: General

Type of Area: Urban

Type of Development: New Construction

Population Served: General Population

Units: 126 HTC units and 42 market rate units

2000 Allocation: \$989,925

Allocation per HTC Unit: \$7,857

Prior Board Actions: 7/00 - Approved award of tax credits.

Underwriting Reevaluation: To be determined.

Staff Recommendation: Staff recommends that the Board approve two of the transfers (LBJ Garden Villas and Sycamore Pointe Townhomes) which will not violate the credit limit cap of \$1.8 million.



February 16, 2006

LESLIE HOLLEMAN

4640 FM 3021
Brownwood, TX 76801
325.784.9797 ph
325.784.9777 fax

BEVERLY FUNDERBURGH

20183 FM 914
Stephenville, TX 76401
254.965.6317 ph
254.764.4177 fax

Mr. Ben Sheppard
Multifamily Finance Production Division
Texas Dept. of Housing & Community Affairs
221 East 11th Street
Austin, Texas 78701

Re: Cedar View Apartments-- TDHCA File #03163
Request for Waiver of Amendment Fees Regarding Variance of Number of Carports

Dear Ben:

On February 2, 2006 we wrote in request that the Department reduce the committed number of carports for HTC #03163 – Cedar View Apartments in Mineral Wells. You have informed me that TDHCA has implemented a \$2,500 fee for amendment requests.

It is our understanding through our attorney, Cynthia Bast with Locke Liddell & Sapp, LLP that the Department considers hardship waivers of fees on a case-by-case basis. We respectfully request a waiver of the amendment fee due to:

- Cedar View Apartments is a rural development with a limited budget. Our anticipated net annual cash flow is less than \$20,000 annually. The recent significant increases in utility costs make expense containment a priority, especially for the small rural markets;
- The development recently completed its initial lease-up and is in its stabilization period prior to converting to the permanent loan. Our cash flow is very tight in general and especially during this phase.
- The \$2,500 amendment fee is over 55% of the cost of the eight additional carports (estimated at \$4,500) we sought to be deleted.

We appreciate your consideration of this request. If you have any questions or require any additional information, please contact me at (325) 784-9797 or leslieholleman@aol.com. Thank you for your assistance.

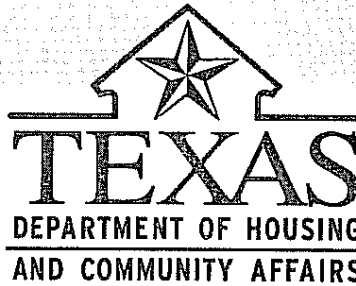
Sincerely,

DF CEDAR VIEW APARTMENTS, L.P.
By: DF Affordable Housing Partners, Inc.
Its General Partner

Leslie Holleman
President

enclosures

cc: Cynthia Bast – Locke Liddell & Sapp, LLP



WWW.TDHC.A.STATE.TX.US

Request to waive the \$2,500 amendment request fee related to an amendment approved on February 15, 2006

February 9, 2006

RICK PERRY
Governor

EDWINA P. CARRINGTON
Executive Director

BOARD MEMBERS
Elizabeth Anderson, Chair
Shadrick Bogany
C. Kent Conine
Vidal Gonzalez
Patrick R. Gordon
Norberto Salinas

Ms. Leslie Holleman
DF Affordable Housing Partners, Inc.
4640 FM 3021
Brownwood, Texas 76801

Re: Cedar View Apartments (the Development),
Housing Tax Credit Development No. 03163

Dear Ms. Holleman:

Your letter of February 2, 2006 requested approval for an amendment to the application of the development named above. The application proposed that 36 carports would be built. The carports were not proposed to have been built for the use of tenants, free of charge, and the cost of the carports was not, therefore, included in eligible basis in the Department's underwriting.

The development was completed and placed in service with only 28 carports, not the 36 that were originally contemplated. Your letter states that only 54% of the carports that were built have been rented and there does not appear to be sufficient demand to justify the construction of the final eight carports. The Department's Real Estate Analysis Division has reviewed the cost certification of the subject development and found that there would be no change in the allocation if the number of carports built remains at 28.

Your request is granted. This letter will be forwarded to the Real Estate Analysis Division and Portfolio Management and Compliance Division.

Sincerely,

Edwina P. Carrington
Executive Director

MFP/BS

Cc: Lucy Treviño, CPA, Acting Manager, Portfolio Management
Raquel Morales, Senior Cost Certification Specialist

Maple
Avenue
Economic
Development
Corporation of Dallas

4739 Maple Avenue
Dallas, Texas 75219
214-219-6222
214-219-1062 Fax

February 9, 2006

Mr. Ben Sheppard
TDHCA
221 East 11th Street
Austin, TX 78701

RE: Revised Application Amendment # 2
Evergreen at Hulen Bend Senior Apartment Community
TDHCA # 02441

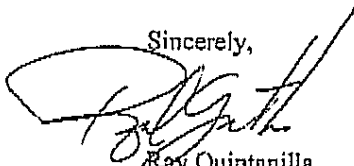
Dear Sir:

We would like to request to change the 6 units 2-bedroom 2-bathroom units in the TDHCA underwriting to 3-bedroom 2-bathroom. The unit size would be 1072 square footage. The development was supposed to revise the rent schedule to include the 3 bedroom/2 bath units in the correspondence to the deficiency notice dated September 4, 2002. Somehow, an incorrect rent schedule was sent via its legal council, the larger units were not shown as 3 bedroom/2 bath in the underwriting. No one was aware of the discrepancy until cost certification being reviewed by Raquel Morales.

It is a complicated process from the application to the underwriting to cost certification. It is also a learning process to us. We hope that you will understand and waive the \$2500 amendment request fee which went into effect recently. We will spend the money on the resident services above and beyond required by the LURA, such as scheduled transportation.

Please do not hesitate to call me at (214) 219-6222 should you have any questions.
Thank you.

Sincerely,



Ray Quintanilla
Managing Member of GP

**DAULEY INVESTMENTS
1901 Wesminister
Grand Prairie, Texas 75050**

RECEIVED
MAR 29 2006
LIHTC

March 27, 2006

Mr. Ben Sheppard
Multifamily Finance and Production
Texas Department of Housing
and Community Affairs
221 East 11th Street
Austin, Texas 78701

Re: Wright Senior Apartments
TDHCA File No. 03081 – CMTS: 3351

Dear Mr. Sheppard:

Please let this letter serve as a formal request to amend the Deficiencies #5 and # 6 outlined in the Final Development Inspection conducted on October 11, 2005.

Deficiency #5 - covered patios

The property was constructed with 102 covered patios and 154 apartments. On the original application the block for covered patios was checked but we made that notation without the knowledge that this meant every apartment should have a covered patio.

With regard to this omission affecting the points awarded to the application. It is our belief that no additional points were awarded for the covered patios and as a result we would still have earned 13 points if we had promised no covered patios.

This has had zero effect on our rents or the annual expenses. We sincerely request that the Board accepts the 102 balconies and patios as meeting our commitment.

Deficiency #6 – Monitored Security

No points were awarded for this amenity, but it was marked in the Specifications and Amenities section of the application. During the planning stages of the property, management recommended that monitored alarms systems in each unit presented more problems than benefits and that they would be underutilized by the residents. As a result, they were omitted from the plan.


Page 2
Letter to Ben Sheppard
March 27, 2006

It might be noted that two additional amenities were included that were not marked on the list of On-site Amenities in that the property has a pool and has public rest rooms on the ground floor of the property. As a result, more of the prescribed amenities were delivered than originally promised despite the omission of the monitored security.

We request your approval of this change and to amend our award to reflect this revision.

If you should have any questions I can be reached at 972/262-6939.

Sincerely,

A handwritten signature in cursive script, appearing to read "Dean Dauley".

Dean Dauley
General Partner
Wright Senior Apartments, LP

Cc: MMA Financial

TX PLEASANTON HOUSING, L.P.

February 24, 2006

Ms. Brooke Boston
Director, Multifamily Production
TDHCA
221 East 11th Street
Austin, TX 78701-2410

RECEIVED
MAR 10 2006
LIHTC

RE: Rosemont at University Park (fka Rosemont at Pleasanton) (TDHCA # 04466) –
Amendment of Application

Dear Ms. Boston:

This is a request to amend the Housing Tax Credit (“HTC”) Application submitted for Rosemont at University Park (the “Project”), a 240-unit development for families in San Antonio, Texas. TX Pleasanton Housing, L.P. (“Project Owner”) received an annual allocation of 2004 Housing Tax Credits in the amount of \$840,926. A copy of the 2004 Housing Tax Credit Determination Notice (“Determination”) dated effective December 13, 2004, is enclosed.

We hereby request that the application be amended in the following respects:

- Change From Gas to Electric Water Heating.** We request that the gas boiler loop hot water heater system specified in the original Application be changed to individual electric water heaters so that the Project is all-electric. Further research into the originally proposed boiler loop system indicated that it was not as efficient as originally anticipated. The utility allowances will increase, thereby reducing the rents to the tenants, but the overall impact on the net operating income is offset by the reduction in the gas utility operating expense. Enclosed please find Exhibit 3, Part F – Annual Operating Expenses; Exhibit 3, Part G – 30 Year Rental Housing Proforma; Exhibit 4, Part B – Summary Sources and Uses; Exhibit 5, Part A – Rent Schedule; and Exhibit 5, Part B – Utility Allowances, which have been revised to reflect the changes that would occur if the requested amendment is granted.
- Increase Number of Buildings from Seven to Eight.** We request that the site plan in the original application be changed to eight (8) buildings. Post application to TDHCA, the site plan needed to be changed because site engineering required a modification of the detention pond area. This caused one of the buildings to be shortened, and the creation of an

eighth smaller building. The unit mix remains the same, with (48) 1BR-1Ba units, (108) 2BR-2Ba units, and (84) 3BR-2Ba units, equaling 240 total units. Enclosed please find the revised site plans (the first is the full Architectural Drawing; the second is a basic drawing, which shows the building/unit breakdown).


Thank you very much for your consideration of this request. If you have any questions concerning the Project or if you need any additional information, please do not hesitate to call.

Sincerely,

TX PLEASANTON HOUSING, L.P.

By: TX Pleasanton Development, L.L.C., its General Partner

By: San Antonio Affordable Housing, Inc., its Sole Member

By: 
Manuel Macias Jr., Executive Director

- Enclosures:
1. Determination Notice
 2. Revised Exhibit 3, Part F – Annual Operating Expenses
 3. Revised Exhibit 3, Part G – 30 Year Rental Housing Proforma
 4. Revised Exhibit 4, Part B – Summary Sources and Uses of Funds
 5. Revised Exhibit 5, Part A – Rent Schedule
 6. Revised Exhibit 5, Part B – Utility Allowances
 7. Revised Site Plan, full Architectural Drawing
 8. Revised Site Plan, basic drawing

HTC No. 00005
HTC No. 00054
HTC No. 00144

GLENN LYNCH COMPANIES, INC.

*115 Sweetwater Drive, Weatherford, Texas 76086
Tel (817) 341-1378 Fax (817) 341-1391*

December 15, 2005

Mr. Ben Sheppard
Texas Department of Housing & Community Affairs ("TDHCA")
507 Sabine Street, Suite 400 LIHTC Program
P. O. Box 13941, Austin, Texas 78711-3941

- Re: Letter of Explanation and Request for Changes to
- (a) Change of Ownership of General Partner, and
 - (b) Admitting a Special Class B Limited Partner for the following:
 - LBJ GARDEN VILLAS, LTD., TDHCA #: 99054 9% Allocation
 - SYCAMORE POITE TOWNHOMES, L.P., TDHCA #: 00144 9% Allocation
 - HUNTER'S GLEN TOWNHOMES, L.P., TDHCA #: 00054 9% Allocation
 - CYPRESS VIEW VILLAS, L.P., TDHCA #: 02483 Bond Allocation
 - ALEMEDA VILLAS, L.P., TDHCA #: 02485 Bond Allocation

Dear Mr. Sheppard:

This letter is to request TDHCA's approval of the transfer of all the shares of stock of the current General Partner, to a Non-Profit entity, Operation Relief Center, Inc., dba Operation Relief Community Development Corporation (herein "ORCDC"), being a 501(c)(3) Non-Profit CHDO.

Due to personal changes and a desire to follow God's will in my life, I have come to the decision to reduce my personal activity in the real estate business. Based on this fact, I have been looking for a non-profit to work with regarding the developments I have constructed, owned and/or managed. In seeking to follow the requirements of the QAP to transfer the interests at current existing debt, it is our desire to insure the properties are transferred to a non-profit organization which has a heart for people and a desire to people's lives improved.

Therefore, the current owners of the referenced developments as described below, and I have decided to work with Mr. Sherman Roberts and the people at Operation Relief Community Development Corporation of Dallas, Texas on the above referenced tax credit developments.

However, due to the lender requirements and personal guarantees which are necessary, the current owners will remain involved by the admission of a Special Class B Limited Partner to the Partnership for the purpose of furnishing guarantees to the lenders and investor limited partners.

Please note that we are asking for a waiver of the credit limit allocation for the year 2000 as regarding ORCDC because transferring these properties will exceed the Tax Credit Limit for that year. However, we will be in compliance with the LURA requirements that developments should preferentially be transferred to a non-profit entity.

The following is a summary of the proposed changes:

<u>Entity</u>	<u>Current Owners - % Int.</u>	<u>Proposed New Owners - % Int.</u>
<u>A. LBJ GARDEN VILLAS, LTD – TDHCA#: 99054:</u>		
1. DIVA ENTERPRISES, INC. General Partner	Patsy R. Lynch 51.00 % Glenn W. Lynch 49.00 %	Operation Relief Center, Inc. – 100% dba Operation Relief Community Development Corporation TIN: 75-2388693
2. CPTH SLP, LLC. To Be Admitted as Special Class B Limited Partner TIN: 20-2871794	N. A.	Glenn W. Lynch 100.00 %
<u>B. SYCAMORE POINTE TOWNHOMES, L.P. – TDHCA#: 00144:</u>		
1. PROVIDENT HOMES, INC. General Partner	Leona Cox 49.00 % Bobby D. Cox 51.00 %	Operation Relief Center, Inc. – 100% dba Operation Relief Community Development Corporation TIN: 75-2388693
2. SPTH SLP, LLC. (To Be Formed) To Be Admitted as Special Class B Limited Partner TIN:	N. A.	Glenn W. Lynch 100.00 %
<u>C. HUNTER’S GLEN TOWNHOMES, L.P. – TDHCA#: 00054:</u>		
1. CAMEO DEVELOPMENT, INC. General Partner	Marylyn Leonard 51.00 % David Leonard 49.00 %	Operation Relief Center, Inc. – 100% dba Operation Relief Community Development Corporation TIN: 75-2388693
2. HGTH SLP, LLC. (To Be Formed) To Be Admitted as Special Class B Limited Partner TIN:	N. A.	Glenn W. Lynch 100.00 %
<u>D. CYPRESS VIEW VILLAS, L.P. – TDHCA#: 02483:</u>		
1. CYPRESS VIEW GENERAL, INC. General Partner	Glenn W, Lynch 100.00%	Operation Relief Center, Inc. – 100% dba Operation Relief Community Development Corporation TIN: 75-2388693
2. CPTH SLP, LLC. To Be Admitted as Special Class B Limited Partner TIN: 20-2871794	N. A.	Glenn W. Lynch 100.00 %

Entity

Current Owners - % Int.

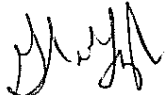
Proposed New Owners - % Int.

E. ALEMEDA VILLAS, L.P. – TDHCA#: 02485:

- | | | |
|--|-------------------------|--|
| 1. ALEMEDA GENERAL, INC.
General Partner | Glenn W. Lynch 100.00 % | Operation Relief Center, Inc. – 100%
dba Operation Relief Community
Development Corporation
TIN: 75-2388693 |
| 2. CPTH SLP, LLC.
To Be Admitted as
Special Class B Limited Partner
TIN: 20-2871794 | N. A. | Glenn W. Lynch 100.00 % |

Please do not hesitate to call me at (817) 341-1378 if you have any questions or need additional information. As we have managed the properties for some of the other owners, Cox & Leonard, they have also agreed to transfer their interests to ORCDC. Please Note that Glenn W. Lynch is assuming all of the guarantees through the to be admitted Special Limited Partner LLC's and assuming and replacing the guarantees of Cox on Sycamore Pointe Townhomes L.P. and of Leonard on Hunter's Glen Townhomes, L.P. Please also note that the Credit Cap as it relates to ORCDC acquiring the General Partner interests in Hunter's Townhomes, L.P. TDHCA# 00054 and Sycamore Pointe Townhomes, L.P. TDHCA# 00144 is not to be applied to these transactions, because the provisions of Section 50.17(e)(3)(B) in the 2006 QAP is applicable to these transfers. Thank you for your assistance.

Sincerely,



Glenn W. Lynch

MULTIFAMILY FINANCE PRODUCTION DIVISION

BOARD ACTION REQUEST

May 4, 2006

Action Items

Requests for approval of extensions of the deadline for commencement of substantial construction are summarized below.

Required Action

Approve or deny these requests for extensions related to 2004 Housing Tax Credit commitments.

Background

The commencement of substantial construction requirement is met by submitting documentation that at least 10% of the construction contract has been completed as evidenced by the contract draw forms. Pertinent facts about the requests for extensions are given below. Each request was accompanied by a mandatory \$2,500 extension request fee.

Penalty for Failure to Perform

Effective in accordance with 50.20(m) of the 2006 Qualified Allocation Plan and Rules (QAP), for non tax-exempt bond funded developments, a penalty fee equal to the one year credit amount of the lost credits (10% of the total unused tax credit amount) will be required to be paid by the Owner prior to the issuance of form 8609's if the tax credits are not returned, and 8609's issued, within 60 days of the end of the first year of the credit period. This penalty fee may be waived without further Board action if the Department recaptures and re-issues the returned tax credits in accordance with Section 42, Internal Revenue Code.

Oak Timbers – White Settlement, HTC No. 04026

Summary of Request: Applicant requests an extension to submit documentation of commencement of substantial construction. The Applicant believed that the Department was in receipt of the documentation but it was not. The Department has since received the correct documentation. The development is 80% occupied.

Owner:	Oak Timbers – White Settlement II, L.P.
General Partner:	Oak Timbers (MGP, nonprofit); RMF Contractors, Inc. (HUB); A.V. Mitchell
Developer:	A.V. Mitchell
Principals/Interested Parties:	Lynda Pittman (Executive Director of MGP); A.V. Mitchell; Rachel Finley (owner of RMF)
Syndicator:	Simpson Housing Solutions, LLC
Construction Lender:	Stearns Bank
Permanent Lender:	NorthMark Capital
Other Funding:	Federal Home Loan Affordable Housing Program Grant (\$350,000)
City/County:	White Settlement/Tarrant
Set-Aside:	General
Type of Area:	Urban/Exurban
Type of Development:	New Construction
Population Served:	Elderly Population
Units:	80 HTC and 20 market rate units
2004 Allocation:	\$408,605

Allocation per HTC Unit: \$5,108
Extension Request Fee Paid: \$2,500
Type of Extension Request: Commencement of Substantial Construction
Note on Time of Request: Request was submitted late in response to contact by staff.
Current Deadline: December 1, 2005
New Deadline Requested: June 1, 2006
New Deadline Recommended: June 1, 2006
Prior Extensions: None
Staff Recommendation: Approve extension as requested. The required documentation has already been received but was late.

Villa Del Sol, HTC No. 04036

Summary of Request: Applicant requests an extension to submit documentation of commencement of substantial construction. Owner received an extension to close the construction loan based on delays with the U.S. Department of Housing and Urban Development (HUD) processing. The owner states that an internal misunderstanding was the reason for the late request for an extension of commencement of substantial construction. The development is under construction and 10% complete.

Owner: VDS Housing, Ltd.
General Partner: Brownsville Housing Authority (BHA)
Developer: Brownsville Housing Authority; Tekoa Partners, Ltd.
Principals/Interested Parties: Remberto Arteaga of BHA, William Skeen of Tekoa
Syndicator: MMA Financial
Construction Lender: PNC Multifamily Capital
Permanent Lender: PNC Multifamily Capital
Other Funding: NA
City/County: Brownsville/Cameron
Set-Aside: General
Type of Area: Urban/Exurban
Type of Development: Acquisition/Rehabilitation
Population Served: Elderly Population
Units: 189 HTC and 10 market rate units
2004 Allocation: \$485,000
Allocation per HTC Unit: \$2,566
Extension Request Fee Paid: \$2,500
Type of Extension Request: Commencement of Substantial Construction
Note on Time of Request: Request was submitted late in response to contact by staff.
Current Deadline: March 1, 2006
New Deadline Requested: May 29, 2006
New Deadline Recommended: May 29, 2006
Prior Extensions: Construction loan closing extended from 6/1/05 to 9/30/05
Construction loan closing extended from 9/30/05 to 11/15/05
Commencement of construction extended 12/1/05 to 3/1/06

Staff Recommendation: **Approve extension as requested.**

Las Canteras, HTC No. 04037

Summary of Request: Applicant requests an extension to submit documentation of commencement of substantial construction. Owner received an extension to close the construction loan based on delays with U.S. Department of Housing and Urban Development (HUD) processing. The owner states that an internal misunderstanding was the reason for the late request for an extension of commencement of substantial construction. The development is under construction and 10% complete.

Owner: Las Canteras Housing Partners, Ltd.
General Partner: Pharr Housing Development Corporation (PHDC)
Developer: PHDC; Tekoa Partners, Ltd.
Principals/Interested Parties: PHDC, William Skeen of Tekoa
Syndicator: MMA Financial
Construction Lender: PNC Multifamily Capital
Permanent Lender: PNC Multifamily Capital
Other Funding: NA
City/County: Pharr/Hidalgo
Set-Aside: Nonprofit
Type of Area: Urban/Exurban
Type of Development: New Construction
Population Served: General Population
Units: 100 HTC units
2004 Allocation: \$567,803
Allocation per HTC Unit: \$5,678
Extension Request Fee Paid: \$2,500
Type of Extension Request: Commencement of Substantial Construction
Note on Time of Request: Request was submitted late in response to contact by staff.
Current Deadline: February 1, 2006
New Deadline Requested: May 29, 2006
New Deadline Recommended: May 29, 2006
Prior Extensions: Construction loan closing extended from 6/1/05 to 9/30/05
Construction loan closing extended from 9/30/05 to 10/30/05
(approved administratively in association with Hurricane delay)
Commencement of construction extended 12/1/05 to 2/1/06

Staff Recommendation: Approve extension as requested.

Spring Oaks, HTC No. 04058

Summary of Request: Applicant requests an extension to submit documentation of commencement of substantial construction. Owner received extension to close the construction loan based on delays with U.S. Department of Housing and Urban Development (HUD) processing. The delay in closing the loan led to a delay in commencing construction. The Department received the documentation required to meet the commencement of substantial construction requirement on April 4, 2006. The development is reported to be approximately 50% complete.

Owner: Shepherd Lane Housing, LP
General Partner: Shepherd Lane Development, LLC (SLD)
Developer: RLP Development LLC (RLP) (co-developer); Integrated Construction and Development (co-developer)
Principals/Interested Parties: Ron Pegram (100% owner of SLD and RLP); Integrated Construction and Development
Syndicator: PNC Multifamily Capital
Construction Lender: Malone Mortgage
Permanent Lender: Malone Mortgage
Other Funding: Comunidad Corporation
City/County: Balch Springs/Dallas
Set-Aside: General
Type of Area: Urban/Exurban
Type of Development: New Construction
Population Served: General Population
Units: 128 HTC units and 32 market rate units
2004 Allocation: \$845,382
Allocation per HTC Unit: \$6,605
Extension Request Fee Paid: \$2,500
Type of Extension Request: Commencement of Substantial Construction
Note on Time of Request: Request was submitted late in response to contact by staff.
Current Deadline: December 1, 2005
New Deadline Requested: April 30, 2006
New Deadline Recommended: April 4, 2006 (documentation already received)
Prior Extensions: Construction loan closing extended from 6/1/05 to 9/30/05
Staff Recommendation: Approve extension as requested.

Pineywoods Community Development Single Family Homes, HTC No. 04066

Summary of Request: Applicant requests an extension to submit documentation of commencement of substantial construction. The development was reported as 16% complete as of March 30, 2006, a sufficient percentage to submit the report as required. According to the applicant, the delay was caused by the impact of Hurricane Rita.

Owner: Pineywoods Orange Home Team
General Partner: Pineywoods Home Team Affordable Housing, Inc. (nonprofit managing GP)
Developers: Pineywoods Home Team Affordable Housing, Inc. (50%); Shannock Development, LLP (50%)
Principals/Interested Parties: Doug Dowler (ED of managing GP); Carol & Jerry Moore (principals of special limited partner)
Syndicator: SunAmerica
Construction Lender: SunAmerica
Permanent Lender: SunAmerica
Other Funding: City of Orange (CDBG)
City/County: Orange/Orange
Set-Aside: Nonprofit
Type of Area: Rural
Type of Development: New Construction
Population Served: General Population
Units: 36 HTC units
2004 Allocation: \$411,155
Allocation per HTC Unit: \$11,421
Extension Request Fee Paid: Not Paid
Type of Extension Request: Commencement of Substantial Construction
Note on Time of Request: Request was submitted late in response to contact by staff.
Current Deadline: December 1, 2005
New Deadline Requested: April 30, 2006
New Deadline Recommended: April 30, 2006
Prior Extensions: None
Staff Recommendation: Approve extension as requested and approve a waiver of the extension request fee because the delay was caused by Hurricane Rita.

O.W. Collins, HTC No. 04100

Summary of Request: Applicant requests an extension to submit documentation of commencement of substantial construction due to damage to the development caused by Hurricane Rita. Owner reported that the development's HUD draw requests indicate completion of almost 10% as of March 30, 2006.

Owner: O.W. Collins Apartments LP
General Partner: O.W. Collins GP, LLC
Developers: Itex Properties, LLC; Gulf Coast JV; Housing Authority of the City of Port Arthur
Principals/Interested Parties: Ike Akbari (owner of Itex Properties LLC and majority owner of Gulf Coast JV); Josh Allen (10% owner of Gulf Coast JV)
Syndicator: Alliance Capital
Construction Lender: GMAC Commercial Mortgage
Permanent Lender: GMAC Commercial Mortgage
Other Funding: NA
City/County: Port Arthur/Jefferson
Set-Aside: At-Risk
Type of Area: Urban/Exurban
Type of Development: Acquisition/Rehabilitation
Population Served: Elderly
Units: 200 HTC units
2004 Allocation: \$406,999
Allocation per HTC Unit: \$2,035
Extension Request Fee Paid: Not Paid
Type of Extension Request: Commencement of Substantial Construction
Note on Time of Request: Request was submitted late in response to contact by staff.
Current Deadline: December 1, 2005
New Deadline Requested: June 30, 2006
New Deadline Recommended: June 30, 2006
Prior Extensions: Construction loan closing extended from 6/1/05 to 8/1/05
Staff Recommendation: Approve extension as requested and approve a waiver of the extension request fee because the delay was caused by Hurricane Rita.

Preston Trace, HTC No. 04105

Summary of Request: Applicant requests an extension to submit documentation of commencement of substantial construction. The development is complete and 75% leased. The owner was unaware the Department had not received the submission of the documentation. The owner requests a waiver of the extension request fee along with the extension because they believe it's documents were indeed submitted timely to the Department.

Owner: Housing Associates of Frisco, L.P.
General Partners: Housing Associates, Inc. (HAI); Frisco Housing Development Corporation (FHDC); Texas Housing Associates, Inc. (THAI)
Developer: Kingsway Development, LLC
Principals/Interested Parties: Frisco Housing Authority (owns FHDC); Laura & Mark Musemeche (own THAI. Mark owns 50% of developer); Dan Allgeier (owns HAI, owns 50% of developer)
Syndicator: Alliant Capital
Construction Lender: Washington Mutual Bank NA
Permanent Lender: Washington Mutual Bank NA
Other Funding: City of Frisco Housing Trust Fund (\$75,000)
City/County: Frisco/Collin
Set-Aside: At-Risk
Type of Area: Urban/Exurban
Type of Development: Acquisition/Rehabilitation
Population Served: General Population
Units: 38 HTC units and 2 market rate units
2004 Allocation: \$134,641
Allocation per HTC Unit: \$3,543
Extension Request Fee Paid: \$2,500
Type of Extension Request: Commencement of Substantial Construction
Note on Time of Request: Request was submitted late in response to contact by staff.
Current Deadline: December 1, 2005
New Deadline Requested: March 28, 2006
New Deadline Recommended: April 19, 2006
Prior Extensions: None
Staff Recommendation: Approve extension as recommended but deny the request to waive the extension request fee. Staff could not verify the documents were received by the deadline.

Oxford Place, HTC No. 04167

Summary of Request: Applicant requests an extension to submit documentation of commencement of substantial construction. The owner received an extension to close the construction loan based on delays with HUD processing. The Houston area and the Housing Authority of the City of Houston were both impacted by Hurricanes Rita and Katrina. The impact of the Hurricanes caused major delays in construction of the development.

Owner: Oxford Community, LP
General Partner: Oxford Community, LLC
Developer: APV Redevelopment Corporation
Principals/Interested Parties: Housing Authority of the City of Houston
Syndicator: JER Hudson Housing Capital
Construction Lender: Victory Street Public Facility Corporation; Housing Authority of the City of Houston
Permanent Lender: Victory Street Public Facility Corporation; Housing Authority of the City of Houston
Other Funding: NA
City/County: Houston/Harris
Set-Aside: At-Risk, Nonprofit
Type of Area: Urban/Exurban
Type of Development: New Construction
Population Served: General Population
Units: 200 HTC units and 50 market rate units
2004 Allocation: \$1,187,924
Allocation per HTC Unit: \$5,940
Extension Request Fee Paid: Not Paid
Type of Extension Request: Commencement of Substantial Construction
Note on Time of Request: Request was submitted late in response to contact by staff.
Current Deadline: December 1, 2005
New Deadline Requested: May 31, 2006
New Deadline Recommended: May 31, 2006
Prior Extensions: Construction loan closing extended from 6/1/05 to 9/1/05
Staff Recommendation: Approve extension as requested and approve a waiver of the extension request fee because the delay was caused by Hurricane Rita and Katrina.

Providence at Boca Chica, HTC No. 04191

Summary of Request: Applicant requests an extension to submit documentation of commencement of substantial construction. The owner received an extension to close the construction loan based on delays with HUD processing. Owner believed that the construction loan extension would automatically extend the commencement of construction deadline. Development is now reported as 50% complete.

Owner: Longbranch, L.P.
General Partner: Longbranch X, Inc.
Developer: ORH Development, L.P. (developer); Brownsville Housing Finance Corporation (BHFC, co-developer & owner of GP)
Principals/Interested Parties: Housing Authority of the City of Brownsville (owner of BHFC); Saleem Jafar (ORH)
Syndicator: SunAmerica
Construction Lender: IBC Bank in Brownsville
Permanent Lender: SunAmerica
Other Funding: Brownsville Housing Authority
City/County: Brownsville/Cameron
Set-Aside: At-Risk, Nonprofit
Type of Area: Urban/Exurban
Type of Development: New Construction
Population Served: General Population
Units: 150 HTC and 8 market rate units
2004 Allocation: \$1,010,465
Allocation per HTC Unit: \$6,736
Extension Request Fee Paid: \$2,500
Type of Extension Request: Commencement of Substantial Construction
Note on Time of Request: Request was submitted late in response to contact by staff.
Current Deadline: December 1, 2005 (construction loan closing extended to 12/15/05 but no extension requested for commencement of construction)
New Deadline Requested: May 30, 2006
New Deadline Recommended: May 30, 2006
Prior Extensions: Construction loan closing extended from 6/1/05 to 9/1/05
Construction loan closing extended from 9/1/05 to 12/15/05
Staff Recommendation: Approve extension as requested.

Providence at Edinburg, HTC No. 04193

Summary of Request: Applicant requests an extension to submit documentation of commencement of substantial construction. Owner received extension to close the construction loan based on delays with HUD processing. Owner believed that the construction loan extension would automatically extend the commencement of construction deadline. Owner reported all tenants have been relocated and demolition has begun. Development is expected to reach 10% completion in May.

Owner: Chicory Court XXX, L.P.
General Partner: Chicory GP-XXX, LLC
Developer: ORH Financial, LP (developer); Edinburg Housing Opportunity Corporation (EHOC, co-developer & managing member of GP)
Principals/Interested Parties: Housing Authority of the City of Edinburg (owner of EHOC); Saleem Jafar (ORH)
Syndicator: SunAmerica
Construction Lender: IBC Bank in Brownsville
Permanent Lender: SunAmerica
Other Funding: Edinburg Housing Authority
City/County: Edinburg/Hidalgo
Set-Aside: At-Risk, Nonprofit
Type of Area: Urban/Exurban
Type of Development: Rehabilitation/New Construction
Population Served: Elderly Population
Units: 100 HTC units
2004 Allocation: \$357,369
Allocation per HTC Unit: \$3,574
Extension Request Fee Paid: \$2,500
Type of Extension Request: Commencement of Substantial Construction
Note on Time of Request: Request was submitted late in response to contact by staff.
Current Deadline: December 1, 2005 (construction loan closing extended to 12/15/05 but no extension requested for commencement of construction)
New Deadline Requested: May 30, 2006
New Deadline Recommended: May 30, 2006
Prior Extensions: Construction loan closing extended from 6/1/05 to 9/1/05
Construction loan closing extended from 9/1/05 to 12/15/05
Staff Recommendation: Approve extension as requested.

Saltgrass Landing, HTC No. 04291

Summary of Request: Applicant requests an extension to submit documentation of commencement of substantial construction. The delay in submission results from the time that has been necessary to comply with U.S. Department of Agriculture - Rural Development processes. The Owner is requesting the \$2500 fee because of extenuating circumstances with the USDA transactions and his misunderstanding that the documentation of substantial construction applied to USDA transactions. Owner expects to complete construction by November 1, 2006. Development is approximately 10% complete.

Owner:	Saltgrass Landing Apartments, LP
General Partner:	DoubleKaye Corporation; Gary Kersch
Developer:	Gary Kersch
Principals/Interested Parties:	Gary Kersch (owns GP and developer)
Syndicator:	WNC & Associates, Inc.
Construction Lender:	Charter Bank
Permanent Lender:	USDA-RD
Other Funding:	NA
City/County:	Rockport/Aransas
Set-Aside:	At-Risk, Rural, USDA-RD
Type of Area:	Rural
Type of Development:	Acquisition/Rehabilitation
Population Served:	General Population
Units:	55 HTC units
2004 Allocation:	\$94,064
Allocation per HTC Unit:	\$1,710
Extension Request Fee Paid:	Not Paid
Type of Extension Request:	Commencement of Substantial Construction
Note on Time of Request:	Request was submitted late in response to contact by staff.
Current Deadline:	December 1, 2005
New Deadline Requested:	June 30, 2006
New Deadline Recommended:	June 30, 2006
Prior Extensions:	None
Staff Recommendation:	Approve extension conditioned on the payment of the fee and deny the waiver of the fee because the owner certifies that they have read and understand the rules of the program.

Lantana Ridge South, HTC No. 04293

Summary of Request: Applicant requests an extension to submit documentation of commencement of substantial construction. The delay in submission results from the time that has been necessary to comply with U.S. Department of Agriculture - Rural Development processes. The Owner is requesting the \$2500 fee because of extenuating circumstances with the USDA transactions and his misunderstanding that the documentation of substantial construction applied to USDA transactions. Owner expects to complete construction by November 1, 2006. Development is approximately 10% complete.

Owner:	Lantana Southridge Apartments, Ltd.
General Partner:	DoubleKaye Corporation; Gary Kersch
Developer:	Gary Kersch
Principals/Interested Parties:	Gary Kersch (owns GP and developer)
Syndicator:	WNC & Associates, Inc.
Construction Lender:	Charter Bank
Permanent Lender:	USDA-RD
Other Funding:	NA
City/County:	Beeville/Bee
Set-Aside:	At-Risk, Rural, USDA-RD
Type of Area:	Rural
Type of Development:	Acquisition/Rehabilitation
Population Served:	General Population
Units:	35 HTC units
2004 Allocation:	\$51,980
Allocation per HTC Unit:	\$1,485
Extension Request Fee Paid:	Not Paid
Type of Extension Request:	Commencement of Substantial Construction
Note on Time of Request:	Request was submitted late in response to contact by staff.
Current Deadline:	December 1, 2005
New Deadline Requested:	June 30, 2006
New Deadline Recommended:	June 30, 2006
Prior Extensions:	None
Staff Recommendation:	Approve extension conditioned on the payment of the fee and deny the waiver of the fee because the owner certifies that they have read and understand the rules of the program.

Lantana Ridge, HTC No. 04294

Summary of Request: Applicant requests an extension to submit documentation of commencement of substantial construction. The delay in submission results from the time that has been necessary to comply with U.S. Department of Agriculture - Rural Development processes. The Owner is requesting the \$2500 fee because of extenuating circumstances with the USDA transactions and his misunderstanding that the documentation of substantial construction applied to USDA transactions. Owner expects to complete construction by November 1, 2006. Development is approximately 10% complete.

Owner:	Lantana Northridge Apartments, Ltd.
General Partner:	DoubleKaye Corporation; Gary Kersch
Developer:	Gary Kersch
Principals/Interested Parties:	Gary Kersch (owns GP and developer)
Syndicator:	WNC & Associates, Inc.
Construction Lender:	Charter Bank
Permanent Lender:	USDA-RD
Other Funding:	NA
City/County:	Beeville/Bee
Set-Aside:	At-Risk, Rural, USDA-RD
Type of Area:	Rural
Type of Development:	Acquisition/Rehabilitation
Population Served:	General Population
Units:	55 HTC units
2004 Allocation:	\$66,535
Allocation per HTC Unit:	\$1,210
Extension Request Fee Paid:	Not Paid
Type of Extension Request:	Commencement of Substantial Construction
Note on Time of Request:	Request was submitted late in response to contact by staff.
Current Deadline:	December 1, 2005
New Deadline Requested:	June 30, 2006
New Deadline Recommended:	June 30, 2006
Prior Extensions:	None
Staff Recommendation:	Approve extension conditioned on the payment of the fee and deny the waiver of the fee because the owner certifies that they have read and understand the rules of the program.

OAK TIMBERS

April 19, 2006

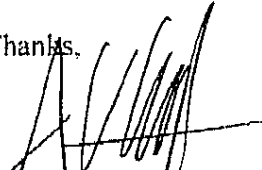
Ben Sheppard
Texas Department of Housing and Community Affairs
221 East 11th St.
Austin, Texas 78701

RE: OAK TIMBERS-WHITE SETTLEMENT II (TDHCA #04026)

Dear Mr. Sheppard:

Please extend the Substantial Construction Commencement to June 1, 2006. But the work on the development is 100% complete and we are now 80% occupied.

Thanks,



Vaughan Mitchell

04036



Tekoa
Partners, Ltd.

RECEIVED

APR 19 2006

April 19, 2006

Mr. Ben Sheppard
Texas Dept. of Housing and Community Affairs
PO Box 13941
Austin, TX 78711-3941

RE: Extension Request for Villa Del Sol (#04036)

Dear Mr. Shepard:

I respectfully request the Board's approval for an extension of the Commencement of Substantial Construction Progress Report and all associated documents until May 29, 2006 for Villa Del Sol in Brownsville which received an allocation of 2004 housing tax credits. Due to an internal misunderstanding on my part these reports, which were due in the fourth quarter of 2005, were inadvertently overlooked. Enclosed is a check for \$2,500 for the extension fee.

We appreciate your consideration and apologize for the delay.

Sincerely

A large, stylized handwritten signature in black ink, appearing to read "W. J. Lee". The signature is written over the word "Sincerely" and extends to the right.

William J. Lee
Manager, Tekoa Partners Ltd. /Project Developer



04037
Tekoa
Partners, Ltd.

RECEIVED
APR 19 2006

April 19, 2006

Mr. Ben Sheppard
Texas Dept. of Housing and Community Affairs
PO Box 13941
Austin, TX 78711-3941

RE: Extension Request for Las Canteras Apartments (#04037)

Dear Mr. Shepard:

I respectfully request the Board's approval for an extension of the Commencement of Substantial Construction Progress Report and all associated documents until May 29, 2006 for Las Canteras Apartments in Pharr which received an allocation of 2004 housing tax credits. Due to an internal misunderstanding on my part these reports, which were due in the fourth quarter of 2005, were inadvertently overlooked. Enclosed is a check for \$2,500 for the extension fee.

We appreciate your consideration and apologize for the delay.

Sincerely

William J. Lee
Manager, Tekoa Partners Ltd. /Project Developer

04058

Shepherd Lane Housing, LP

1901 Central Drive, Suite 708
Bedford, Texas 76021

Telephone: (817) 267-2492
Fax: (817) 267-2681
(972) 563-2286

March 30, 2006

RECEIVED
APR 03 2006
LIHTC

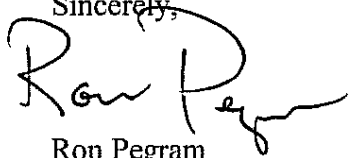
Mr. Ben Sheppard
Multifamily Finance Production
Texas Department of Housing and Community Affairs
2211 East 11th Street
Austin, Texas 78701-2410

Subject: Spring Oaks Apartments, Balch Springs (TDHCA #04058)
Request for Extension of Deadline for Construction Progress Report –
Commencement of Substantial Construction

Dear Mr. Sheppard:

We respectfully request an extension to file the enclosed Commencement of Substantial Construction Report for the Spring Oaks Apartments. We are requesting to extend the filing until April 30, 2006 and have enclosed the required \$2,500.00 filing fee in support of this request.

Thank you for your consideration and approval of this extension. Please call me if you have any questions about this request.

Sincerely,

Ron Pegram
General Partner

Enclosures

cc: Jo En Taylor – TDHCA, Portfolio Management and Compliance



Pineywoods HOME Team

April 19, 2006

Ben Sheppard
Multifamily Finance Production
TDHCA
Austin, Texas

Ben,

Pineywoods Orange Home Team Ltd., respectfully request an extension for the Commencement of Substantial Construction report. Due to Hurricane related time losses we were unable to complete the report on or before 12/1/2005. Construction has now been resumed and progressing accordingly. We anticipate submitting the report to Portfolio Management and Compliance on or before 4/30/06. I have attached a copy of the most recent construction draw draft. The completed documentation will be forwarded upon receipt. Please consider wavier of any fee for this extension due to hurricane Rita losses.

Thanks

Doug Dowler, Executive Director
Pineywoods HOME Team

COATS | ROSE

ANTOINETTE M. JACKSON
OF COUNSEL

tjackson@coatsrose.com
Direct Dial
(713) 653-7392
Direct Fax
(713) 890-3928

April 17, 2006

**VIA FEDERAL EXPRESS
AND ELECTRONIC TRANSMISSION**

Ms. Robbye Meyer
Interim Director, Multifamily Finance Production
Texas Department of Housing and
Community Affairs
507 Sabine Street, Suite 400
Austin, Texas 78701

RE: O.W. Collins (TDHCA #04100) – Request for Extension

Dear Ms. Meyer:

This letter is written on behalf of O.W. Collins Apartments, LP (“Project Owner”). The Project Owner received a commitment for an annual allocation of 2004 Housing Tax Credits in the amount of \$406,999 (the “Commitment”) from the TDHCA for O.W. Collins Apartments (the “Project”). The Project is a 200-unit development in Port Arthur, Texas. We are requesting an extension of the commencement of substantial construction deadline until June 30, 2006.

This extension is being requested because of the delays that were met as a result of damage created by Hurricane Rita. As a result of the storm, construction was significantly impacted until we were able to finish working with the insurance companies to finalize all claims. We have now resolved all insurance issues and are currently under construction.

Please note that our request for an extension will not affect the Project’s ability to be placed in service by December 31, 2006.

Enclosed please find a 2006 Document and Payment Receipt for your use in acknowledging receipt of this request. However, since this request is due to the hurricane, we are also requesting a waiver of the extension fee.

COATS | ROSE | YALE | RYMAN | LEE
A Professional Corporation

3 East Greenway Plaza, Suite 2000 Houston, Texas 77046-0307

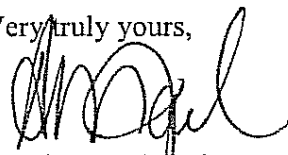
Phone: 713-651-0111 Fax: 713-651-0220

Web: www.coatsrose.com

Ms. Robbye Meyer
Texas Department of Housing
and Community Affairs
April 17, 2006
Page 2

Thank you very much for your consideration of this request. If you have any questions, please do not hesitate to contact me.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Antoinette M. Jackson', written in a cursive style.

Antoinette M. Jackson

Enclosures

cc: Seledonio Quesada
K.T. Akbari



HOUSING ASSOCIATES, INC

April 18, 2006

Mr. Ben Sheppard
TDHCA
221 East 11th Street
Austin, TX 78701

Re: Preston Trace Apartments
TDHCA # 04105
Frisco, Texas

Dear Mr. Sheppard:

We request an extension of the deadline to submit the Construction Progress Report Commencement of Substantial Construction ("Report") for this project. Enclosed is our check for \$2,500 for the required extension fee.

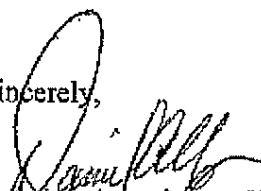
We respectfully request that this fee be waived. We submitted this Report sometime in September of 2005. This Report was sent by regular mail to:

Jo En Taylor
P.O. Box 13941
Austin, TX 78711

We have no verification of delivery and we neither requested nor received any receipt. I do know that the electronic version of this document was saved on our server on September 21, 2005. We resubmitted the report on March 28, 2006. The Report was complete and indicated all required milestones had been met.

At this time, this project is completed and 75% leased.

Sincerely,



Housing Associates of Frisco, Ltd.
Housing Associates, Inc, General Partner
Daniel Allgeier, President

580 Decker Drive
Suite 208
Irving, Texas 75062

214-277-4839
facsimile 678-218-1496
E-Mail - dallgeier@nurock.com

ANTOINETTE M. JACKSON
OF COUNSEL

tjackson@coatsrose.com
Direct Dial
(713) 653-7392
Direct Fax
(713) 890-3928

April 19, 2006

VIA FEDERAL EXPRESS
AND ELECTRONIC TRANSMISSION

Ms. Robbye Meyer
Interim Director, Multifamily Finance Production
Texas Department of Housing and
Community Affairs
507 Sabine Street, Suite 400
Austin, Texas 78701

RE: Oxford Place (TDHCA #04167) – Request for Extension

Dear Ms. Meyer:

This letter is written on behalf of Oxford Community, LP (“Project Owner”). The Project Owner received a commitment for an annual allocation of 2004 Housing Tax Credits in the amount of \$1,187,924 (the “Commitment”) from the TDHCA for Oxford Place Apartments (the “Project”). The Project is a 250-unit development in Houston, Texas. We are requesting an extension of the commencement of substantial construction deadline until May 31, 2006.

This extension is being requested because of the delays that were met as a result of damage created by Hurricane Rita. As a result of the storm, the relocation of tenants, demolition and subsequent construction was delayed.

Please note that our request for an extension will not affect the Project’s ability to be placed in service by December 31, 2006.

Enclosed please find a 2006 Document and Payment Receipt for your use in acknowledging receipt of this request. However, since this request is due to the hurricane, we are also requesting a waiver of the extension fee.

COATS | ROSE | YALE | RYMAN | LEE
A Professional Corporation

3 East Greenway Plaza, Suite 2000 Houston, Texas 77046-0307

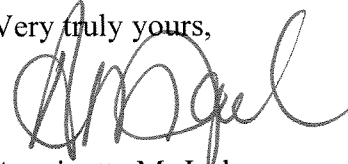
Phone: 713-651-0111 Fax: 713-651-0220

Web: www.coatsrose.com

Ms. Robbye Meyer
Texas Department of Housing
and Community Affairs
April 19, 2006
Page 2

Thank you very much for your consideration of this request. If you have any questions, please do not hesitate to contact me.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Antoinette M. Jackson', written in a cursive style.

Antoinette M. Jackson

Enclosures

cc: Horace Allison

**LONBRANCH, L.P.
5420 LBJ FREEWAY SUITE 1235
TWO LINCOLN CENTRE
DALLAS, TX 75240
972-701-5550 or 5551
972-701-5562 FAX**

Ms. Brooke Boston
Director Multifamily Production
507 Sabine, 4th Floor
Austin, TX 78711

April 18, 2006

RE: Request for an extension of the deadline for commencement of substantial construction as required by the Texas Department of Housing and Community Affairs 2004 QAP for TDHCA #04191

Dear Ms. Boston,

Longbranch, L.P. a development partnership sponsored by the Housing Authority of the City of Brownsville (BHA), met carryover on its 2004 9% HTC funding from the Texas Department of Housing and Community Affairs (TDHCA) in December 2004. ORH is the fee developer for the project. The basic development timeline calls for a construction loan closing by June 2005 and commencement of substantial construction by December 1, 2005.

The partnership was granted an extension on the construction loan closing to December 15, 2005. We assumed and your letter to us implies that all the dates have been moved forward according. We assume the substantial construction deadline to be June 2006, as a result. Please note we received a full compliance estoppel letter from you in January 2006. Also, the development construction is approximately 50% construction complete and will file the required documentation with compliance shortly.

Staff has raised the issue of needing an extension of the substantial construction deadline at this time. Although our position is this is not required and the deadline for commencement has been extended per the extension of the construction loan closing, we hereby request an extension of filing for the commencement of substantial construction to June 2006, if applicable. Our fee for this request is being sent overnight to your attention along with the original of this letter.

If you need additional information please contact me at the letterhead address or phone number. Your consideration of the request for an extension is appreciated.

Sincerely,

Saleem Jafar, Vice President of the General Partner

**CHICORY COURT XXX, L.P.
5420 LBJ FREEWAY SUITE 1235
TWO LINCOLN CENTRE
DALLAS, TX 75240
972-701-5551
972-701-5562 FAX**

Ms. Brooke Boston
Director Multifamily Production
507 Sabine, 4th Floor
Austin, TX 78711

April 18, 2006

RE: Request for an extension of the deadline for commencement of substantial construction as required by the Texas Department of Housing and Community Affairs 2004 QAP for TDHCA #04-193

Dear Ms. Boston,

Chicory Court XXX, L.P. a development partnership sponsored by the Housing Authority of the City of Edinburg (EHA), met carryover on its 2004 9% HTC funding from the Texas Department of Housing and Community Affairs (TDHCA) in December 2004. ORH is the fee developer for the project. The basic development timeline calls for a construction loan closing by June 2005 and commencement of substantial construction by December 1, 2005.

The partnership was granted an extension on the construction loan closing to December 15, 2005. We assumed and your letter to us implies that all the dates have been moved forward according. We assume the substantial construction deadline to be June 2006, as a result. Please note we received a full compliance estoppel letter from you in January 2006.

Staff has raised the issue of needing an extension of the substantial construction deadline at this time. Although our position is this is not required and the deadline for commencement has been extended per the extension of the construction loan closing, we hereby request an extension of filing for the commencement of substantial construction to June 2006, if applicable. Our fee for this request is being sent overnight to your attention along with the original of this letter.

If you need additional information please contact me at the letterhead address or phone number. Your consideration of the request for an extension is appreciated.

Sincerely,


Saleem Jafar, Vice President of the General Partner

DOUBLEKAYE CORP.

Austin, Texas 78729-7610
7217 McNeil Drive
(512) 331-5173
Fax (512) 331-4774

April 19, 2006

Ben Sheppard
TDHCA Tax Credits
Austin, TX

Re: Request for Extensions: Saltgrass Landing Apartments, Ltd.; Lantana Northridge Apartments, Ltd.; Lantana Southridge Apartments, Ltd.

Dear Ben:

I would respectfully ask for an extension until June 30th for meeting the reporting requirements of December 1st for documentation of the start of substantial construction on the referenced tax credit projects.

The need for an extension is multifaceted but has its root in the extremely complicated structure of USDA rehab projects in the state of Texas. In addition, I have misunderstood and did not believe that the requirement applied to USDA rehab projects in particular. Third, the agency (TDHCA) has been sending notifications to an email address of a former employee. It was only by chance that I even learned that these properties were out of compliance with this reporting requirement. The projects have each started their rehab as of last November and we anticipate they will complete well before year end. Because of the extenuating circumstances in this particular case I am also requesting that you waive the \$2500 free normally associated with this extension request. Attached is a detailed explanation of how these factors have led to the current non-compliance.

I trust this clarifies the need for extension and I assure you, that I had no intention to disregard your requirements for extending the reporting deadlines on these construction rehab projects.

Thank you!

Sincerely,

Gary L. Kersch, President

- **Complicated Nature of USDA Rehab Projects-** All three projects are USDA rehabs of distressed properties. In order to actually start the rehab process I must coordinate 7 parties to the job site for several days to go through the formalities of the USDA regulations. The parties required include the Owner, Engineer, Project Architect, Rehab Contractor, USDA State Architect, and two USDA district office staff. This is complicated by the fact that the USDA has done very few rehab projects with the new USDA state architect MariNed Johnson. So while other tax developments are well within the control of the developer to facilitate the scheduling and start of construction, these properties rehab commencement is controlled to a large extent by others who I as developer have little control over.
- **Misunderstanding the requirement applied-** The TDHCA rules have multiple exceptions as it relates to USDA/Tax Credit development that both relies upon and accommodates the fact that USDA has such strong oversight and regulation of the USDA developments. Underwriting staffs have commented to me personally that they rely almost totally upon the USDA oversight of the construction process and that is evidenced by the fact that TDHCA forms and inspections are substituted with USDA forms and action. Therefore, since USDA has been delegated to do most inspections and reports, I did not believe that the documentation for substantial construction status applied to these three properties. Certainly the burden is upon me to get positive confirmation of the waiver for this requirement. I would contend however, that my conclusions were logical given the other postures taken by the agency. I might suggest that TDHCA consider waiving this requirement for USDA rehab projects as the agency seems adequately protected through the USDA oversight.
- **The agency has been sending notifications to a wrong email address-** Just last week I happened to learn that these properties were in non-compliance with the reporting requirement. A fired employee forwarded me an email he received in his personal email account from the agency notifying me of the violation. From the tone of the communication, it appeared that several other emails had been sent but I, nor any current staff have ever received these communication directly. I know that during application, the Agency would send fax notifications as well and even phone calls. Since the communications only came via an email this time, I was completely in the dark on this void. Since that time, I have confirmed with TDHCA staff the email address they were using is not proper and given them more reliable addresses. I might request that future communications regarding reporting and compliance requirements be given the same multi level approach until the responsible party responds.

MULTIFAMILY FINANCE PRODUCTION DIVISION

BOARD ACTION REQUEST

May 4, 2006

Action Item

Presentation, Discussion and Possible Approval of a policy for handling the Reissuance of Determination Notices for previously approved 4% Housing Tax Credit allocations associated with bond applications when another reservation docket number is obtained in the same program year.

Required Action

Approve, Amend or Deny the Certification.

Background

There have been several instances in which applications for 4% Housing Tax Credits (HTC) have been processed through the Department's review and evaluation process and received an affirmative Board determination however subsequently have not closed for a variety of reasons, before the bond reservation expired. Due to the amount of bond allocation available, the application may have the opportunity to receive another reservation with limited elapsed time.

Summary

Currently when this situation occurs, an application is being resubmitted for a second determination, resulting in a full review of the entire application again. To eliminate redundancy in the review process and ensure greater efficiency, staff has created the following process and certification to allow an applicant that has already been through the evaluation and approval process to certify that the application has not changed. This means that at a minimum, the following can not have changed: site control, total number of units, unit mix (bedroom sizes and income restrictions), design/site plan documents, financial structure including bond and housing tax credit amounts, development costs, rent schedule, operating expenses, sources and uses, ad valorem tax exemption status, target population, scoring criteria (TDHCA issues) or BRB priority status including the effect on the inclusive capture rate. Note that the entities involved in the applicant entity and developer can not change; however, the certification can be submitted even if the lender, syndicator or issuer changes, as long as the financing structure and terms remain unchanged. The new docket number (reservation) must be issued not more than six months from the date the original bond application was withdrawn from the Bond Review Board and must be issued in the same program year. If there are changes to the application or if the application will be applied under a different program year, then the application must be re-evaluated and approved by the Board. If there was public opposition for the application on the original Board decision or if subsequently there is opposition, the applicant's approval will have to come back to the Board for approval.

Recommendation

Staff recommends the Board approve the certification form for use in the 2006 program year.



PROCESS RELATING TO 4% HOUSING TAX CREDIT APPLICATIONS OBTAINING NEW BOND RESERVATION DOCKET NUMBERS

This document is provided to give direction to Tax-Exempt Bond Development applicants as defined in §50.3(82) (and further described in §50.12) of the 2006 Qualified Allocation Plan and Rules (the “QAP”). These are applications for which a 4% housing tax credit application associated with tax-exempt bonds has been submitted to the Texas Department of Housing and Community Affairs (the “Department”). In particular, this document describes the process the Tax-Exempt Bond Development applicants must follow if they have submitted an Application for tax credits associated with a given Bond Review Board (BRB) reservation docket number (“docket number”) and subsequently withdraw that docket number and are reissued a new docket number.

Upon withdrawal of a reservation from the BRB, the applicant must notify the Department. To the extent that a Determination Notice has been issued, the Department will rescind that Determination Notice such that no Determination Notice remains outstanding without a docket number. During this period for which there is no assigned Determination Notice, the Department will proceed with processing of all other applications. As it relates to §50.9(j)(2) of the QAP, relating to capture rate, it should be noted that the newly assigned docket number (not the original docket number) will be the docket number utilized in determining a conflict. It is possible that due to another application and/or allocation activity in a given geographical area, the capture rate or market demand may change.

If the development had public opposition when it was originally approved by the Board or subsequently after the Board approval, the applicant’s approval would be required to be ratified by the Board. The certification could possibly be denied by the Board.

One of the following two scenarios will apply to an application requesting a Determination Notice for a development which has previously submitted a complete application:

Option 1: If the new docket number is issued not more than six months from the date the original bond application is withdrawn from the BRB, the docket number is from the same program year as the original docket number and the application remains unchanged, then the Applicant need only submit the attached certification. This means that at a minimum, the following can not have changed: site control, total number of units, unit mix (bedroom sizes and income restrictions), design/site plan documents, financial structure including bond and housing tax credit amounts, development costs, rent schedule, operating expenses, sources and uses, ad valorem tax exemption status, target population, scoring criteria (TDHCA issues) or BRB priority status including the effect on the inclusive capture rate. Note that the entities involved in the applicant entity and developer can not change; however, the certification can be submitted even if the lender, syndicator or issuer changes, as long as the financing structure and terms remain unchanged. Notifications under §50.9(h)(8) are not required to be reissued. In the event that the Department’s Board has already approved the application for tax credits, the application is not required to be presented to the Board again and a revised Determination Notice will be issued once notice of the assignment of a new docket number has been provided to the Department and the Department has confirmed that the capture rate and market demand remain acceptable. In the event that the Department’s Board has not yet approved the application, the application will continue to be processed and ultimately provided to the Board for consideration. This certification must be submitted no later than thirty days after the date the Bond Review Board issues the new docket number and no later than thirty days before the anticipated closing.

Option 2: If the new docket number is issued more than six months after the date the original bond application is withdrawn from the BRB, or if the new docket number is issued in a different program year than the program year under which the original docket number was issued, or if the application does include changes, a new tax credit application, in its entirety, must be submitted to the Department and undergo the formal review process including Board approval, regardless of any prior Board approval. Third party reports (market study, environmental studies,

property condition assessment, appraisals, etc.) must meet the requirements of the current QAP; if the QAP permits it, an update in lieu of an entirely new report is acceptable. For all applications submitting a new application, a new application number will be assigned and an application fee must be submitted again; do not use the previously assigned application number on submission documents. Further, for all applications submitting a new application, the timeframe for submission is that in §50.12(a)(2) of the 2006 QAP.



CERTIFICATION FOR 4% HOUSING TAX CREDIT APPLICANTS OBTAINING A NEW BOND RESERVATION DOCKET NUMBER

Development Name: _____ Application #: _____
Site Address: _____ Site City: _____
Applicant Legal Name: _____ Applicant Contact: _____

On behalf of the Applicant and all affiliates of the Applicant (hereinafter "Applicant") as defined in the Qualified Application Plan Section 50.3(2) as published in 10 Texas Administrative Code §50.3(2), I hereby certify that the information contained in our original application to the Texas Department of Housing and Community Affairs for Housing Tax Credits has not changed. I certify that, as it regards the Application named above, the following, at a minimum, have not changed: site control, total number of units, unit mix (bedroom sizes and income restrictions), design/site plan documents, financial structure including bond and housing tax credit amounts, development costs, rent schedule, operating expenses, sources and uses, ad valorem tax exemption status, target population, scoring criteria (TDHCA issues) or BRB priority status including the effect on the inclusive capture rate. I certify that the entities involved in the applicant entity and developer have not changed and further certify that if the lender, syndicator or issuer have changed, the financing structure and terms remains unchanged.

Applicant acknowledges that all representations, undertakings, and commitments made by Applicant in the original application process for a Development, whether with respect to Threshold Criteria, or otherwise, shall still be deemed to be a condition to any Commitment Notice, Determination Notice, or Carryover Allocation for such Development, the violation of which shall be cause for cancellation of such Commitment Notice, Determination Notice, or Carryover Allocation by the Department and if concerning the ongoing features or operation of the Development, shall be enforceable even if not reflected in the LURA. All such representations in the original application are enforceable by the Texas Department of Housing and Community Affairs and the tenants of the Development, including enforcement by administrative penalties for failure to perform, in accordance with the LURA. The Applicant hereby asserts that the information contained in the original application as required or deemed necessary by the materials governing the Housing Tax Credit Program are true and correct.

By: _____ Its: _____
Signature of Applicant/Owner *Date*

Printed Name

STATE OF: _____
COUNTY OF: _____

I, the undersigned, a notary public in and for said County, in said State, do hereby certify that _____, whose name is signed to the foregoing statement, and who is known to be one in the same, has acknowledged before me on this date, that being informed of the contents of this statement, executed the same voluntarily on the date same foregoing statement bears.

Given under my hand and official seal this ___ day of _____, _____. (seal)

Notary Public Signature *Commission Expires*

BOND FINANCE DIVISION

BOARD ACTION REQUEST

May 4, 2006

Action Items

Approval of Single Family Mortgage Revenue Bonds, 2006 Series A, and 2006 Series B, 2006 Series C, 2006 Series D, and 2006 Series E for Program 66

Required Action

Approval of Resolution 06 - 014 authorizing Single Family Mortgage Revenue Bonds, 2006 Series A, and 2006 Series B, 2006 Series C, 2006 Series D, and 2006 Series E for Program 66

Background

TDHCA's annual volume cap allocation in 2005 for single family bonds equaled \$167,925,498. In December 2005, TDHCA issued commercial paper that deferred approximately \$44 million of its 2005 volume cap to 2006 for the origination of additional mortgages. TDHCA has depleted its current balance of mortgage funds available for very low, low and moderate income Texans seeking to purchase their first home. At the March 20, 2006 Board meeting, Bond Finance recommended and the Board approved issuing TDHCA's next single family bond issue to refund various commercial paper series and outstanding bonds and provide funds for additional assisted and unassisted mortgages. The table below reflects several structuring options presented at TDHCA's March Board meeting:

Scenario *	1	2	3
Bond Structure	100% Fixed Rate Bonds (Benchmark)	100% Fixed Rate Bonds and Refunding Bonds	60% Fixed Rate Bonds, 40% Variable Bonds and Refunding Bonds
Unassisted Mortgage Rate	5.84%	5.60%	5.52%
Assisted Mortgage Rate	6.34%	6.10%	6.02%

* Approximate rates as of April 18, 2006. Preliminary, subject to market conditions. All scenarios include \$4.5 million in zero percent buydown funds. Total issue amount: \$177,580,000.

The Bond Finance Division no longer recommends scenario three, issuing variable rate bonds hedged with an interest rate swap, after considering more recent, unexpected, and highly favorable developments within the tax-exempt bond markets. Freddie Mac, one of the nation's largest mortgage investors, recently announced it will buy up to \$1 billion in tax-exempt mortgage revenue bonds (MRBs) at favorable, below market interest rates such that state and local housing finance agencies located on the Gulf Coast can provide below-market rate mortgages to families located in the Gulf Opportunity Zone.

Accordingly, Freddie Mac has offered to purchase, at highly competitive interest rates, MRBs issued by TDHCA to benefit Texans affected by Hurricane Rita. Qualified borrowers must use the loans to buy homes in the federally designated Rita disaster areas (the “Rita Zone”). Mortgages originated in the Rita Zone under this program will be treated as targeted area loans under the United States Internal Revenue Code and accordingly, are subject to increased purchase price limits, and increased borrower income limits. Also, borrowers qualifying for mortgages originated in the Rita Zone under this program do not have to be first time home buyers.

Freddie Mac will buy all of TDHCA’s mortgage revenue bonds for its retained portfolio. The bond proceeds will then be made available to qualified borrowers as below-market loans through participating lenders in each state. After one year, funds reserved for the Rita Zone will become available statewide for first time home buyers.

Bond Finance recommends using the balance of TDHCA’s 2006 volume cap to issue bonds for the Rita Zone. Current tax-exempt single family bond market conditions have improved with little to no negative arbitrage. Also, recent improvements in the spreads between applicable taxable and tax-exempt bond rates permits single family bond issuers to generate a greater spread between mortgaged funded with tax-exempt bonds and market rate bonds.

In addition to purchasing MRBs reserved for the Rita Zone, Freddie Mac has offered to purchase TDHCA’s non-Rita Zone bonds at very competitive rates. The Bond Finance Division, Citigroup Global Markets, and TDHCA’s legal and financial consultants have been discussing terms with Freddie Mac since mid-March regarding their offer. As illustrated in the accompanying table, Freddie Mac’s offer appears highly competitive when compared with scenarios two and three from table one.

Scenario *	1	2	3
Bond Structure	100% Fixed Rate Bonds (Benchmark)	100% Fixed Rate Bonds and Refunding Bonds (Freddie Mac – Statewide Bond Only)	100% Fixed Rate Bonds (Freddie Mac – Rita GO Zone Bonds Only)
Unassisted Mortgage Rate	5.84%	5.50%	Not Applicable
Assisted Mortgage Rate	6.34%	6.00%	6.07%

* Approximate rates as of April 18 2006. Preliminary, subject to market conditions. All scenarios include \$4.5 million in zero percent buydown funds. Total issue amount: \$282,990,000.

Current market mortgage rates for an FHA mortgage loan with two points in Texas range from approximately 6.375% to 6.625%.

The following table illustrates the various components of this recommended transaction.

Program	Series	Amount *	Purpose	Bond Description
66	2006 A	\$ 59,535,000	Refund Commercial Paper, Series B (2005 Volume Cap and Recycled Prepayments, Statewide Availability)	Fixed Rate Bonds
66	2006 B	70,485,000	Refund Commercial Paper, Series A (Recycled Prepayments, Statewide Availability)	Fixed Rate Bonds
66	2006 C	105,410,000	Tax-Exempt New Money (2006 Volume Cap for Rita Zone Bonds)	Fixed Rate Bonds
66	2006 D	29,685,000	SFMRB1996 Series A Refunding, AMT	Fixed Rate Bonds
66	2006 E	17,855,000	SFMRB1996 Series A Refunding, Non-AMT	Fixed Rate Bonds
Total		<u>\$282,990,000</u>		

* Preliminary, subject to change

Program 66's mortgages will be securitized and will be marketed to very low and moderate income residents of Texas. If authorized, the bonds are expected to be sold in May and the bond closing will occur approximately three to four weeks subsequent to the bond pricing.

Continuing with the senior manager rotation plan and past procedures, Bond Finance recommends Citigroup Global Markets Inc. as senior manager for this issuance of TDHCA's remaining 2005 state volume cap balance. In keeping with TDHCA's policy of rotating firms in the co-senior and co-manager pool, Bond Finance recommends the following firms and roles for this transaction:

Firm	Role
Goldman, Sachs & Co.	Co-Senior
A.G. Edwards & Sons, Inc.	Co-Manager
First Southwest Company	Co-Manager
Samuel A. Ramirez & Co.	Co-Manager
Siebert Brandford Shank	Co-Manager

Recommendation

Approve Resolution 06 - 014 authorizing Single Family Mortgage Revenue Bonds, 2006 Series A, and 2006 Series B, 2006 Series C, 2006 Series D, and 2006 Series E for Program 66

Transaction Overview

Program Designation	Program 66
Bond Indenture	Single Family Mortgage Revenue Bond Indenture
2005 Volume Cap	\$165,151,534
2006 Volume Cap	\$170,687,761
2006 Volume Cap Balance (\$60 million used for 2006 MCC Program)	\$110,687,761 (Propose issuing \$105,410,000 for Rita Zone Bonds)
Commercial Paper Series A Refunding (Refunded by SFMRB 2006 Series B)	\$ 70,485,000 (Prepayment Recycling – Propose using for statewide originations)
Commercial Paper Series C Refunding (Refunded by SFMRB 2006 Series A)	\$ 59,555,000 (Remainder of 2005 Volume Cap plus recycled mortgage prepayments – Propose using for statewide originations)
Possible Refunding Candidate (SFMRB 1996 Series A, D and E)	\$ 47,540,000
Total Tax-exempt Issuance Amount	\$282,990,000
Total Approximate Lendable Mortgage Proceeds	\$242,255,480
Very Low Income Reservation (One year - 30% of Lendable Proceeds)	\$ 72,676,644
Assisted Funds (Very Low Income Reservation)	\$ 39,529,362
Assisted Funds (Rita Zone Reservation)	\$110,490,939
Total Assisted Funds	\$150,020,301
Down Payment Assistance (%)	5% of the mortgage amount (For Very Low Income Reservation and Rita Zone Only)
Unassisted Funds	\$ 92,235,179
Zero Participation Funds Available	\$ 5,000,000

Transaction Timetable *

Activity	Key Dates
TDHCA Preliminary Approval	March 20, 2006
TDHCA Approval Date	May 4, 2006
Bond Review Board Planning Session	May 9, 2006
Bond Review Board Approval Date	May 18, 2006
Pricing Window	May 22, 2006 – June 2, 2006
Pre-Closing/Closing Dates	June 28/29, 2006

* Timetable subject to change

Mortgage Pipeline Information

Current lendable proceeds in existing programs as of April 19, 2006

Program Number	Current Allocation	Rate	Committed/ In Pipeline	Loans Purchased	Uncommitted Allocation	Targeted Area Balances
61	\$175,865,983	4.99%-5.50%	\$24,428,680	\$151,420,622	\$64,347	\$0
62	\$71,600,000	4.99%	\$13,053,316	\$58,546,684	\$0	\$0
62A	\$101,764,092	4.99%	\$37,979,644	\$63,745,437	\$39,011	\$16,104
TOTAL:	\$349,230,075		\$75,461,640	\$273,712,743	\$103,358	\$16,104

Program 66 Investment Banking Underwriting Team Recommendations

Estimated Transaction Size: \$ 282,990,000

Firm	Underwriting Role	Liability%
Salomon Smith Barney, Inc.	Senior Manager	50.0%
Goldman, Sachs & Co.	Co-Senior	20.0%
A.G. Edwards & Sons, Inc.	Co-Manager	7.5%
First Southwest Company	Co-Manager	7.5%
Samuel A. Ramirez & Co.	Co-Manager	7.5%
Siebert Brandford Shank & Co., LLC	Co-Manager	7.5%
		100.0%

	Per Bond	Dollars
Management Fee	\$ 0.50	\$ 141,495.00
Take-Down	5.06	1,431,422.85
Expenses	0.27	75,543.16
Structuring Fee	0.27	75,000.00
Underwriters' Counsel	0.11	30,000.00
Underwriters' Risk	0.00	0.00
	\$ 6.20	\$ 1,753,461.01

The proposed designation policy follows:

- Three (3) or more firms must be designated.
- No more than 45% allocated to any one firm.
- Minority designations must be at least 10%.

Resolution No. 06-014

RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS SINGLE FAMILY MORTGAGE REVENUE REFUNDING BONDS, 2006 SERIES A, SINGLE FAMILY MORTGAGE REVENUE REFUNDING BONDS, 2006 SERIES B, SINGLE FAMILY MORTGAGE REVENUE BONDS, 2006 SERIES C, SINGLE FAMILY MORTGAGE REVENUE REFUNDING BONDS, 2006 SERIES D AND SINGLE FAMILY MORTGAGE REVENUE REFUNDING BONDS, 2006 SERIES E; AUTHORIZING THE APPROVAL OF THE FORM AND SUBSTANCE OF THE SUPPLEMENTAL INDENTURES, THE MASTER MORTGAGE ORIGATION AGREEMENT, THE PROGRAM GUIDELINES, THE SERVICING AGREEMENT, THE FUNDING AGREEMENT, THE COMPLIANCE AGREEMENT, THE BOND PURCHASE AGREEMENTS, THE DEPOSITORY AGREEMENT, THE OFFICIAL STATEMENT, THE CONTINUING DISCLOSURE AGREEMENT AND THE SELF INSURANCE FUND AGREEMENT; AUTHORIZING THE PURCHASE OF BOND INSURANCE; AUTHORIZING THE EXECUTION OF DOCUMENTS AND INSTRUMENTS NECESSARY OR CONVENIENT TO CARRY OUT THE SINGLE FAMILY MORTGAGE REVENUE BOND PROGRAM; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT

WHEREAS, the Texas Department of Housing and Community Affairs (the "Department") has been duly created and organized pursuant to and in accordance with the provisions of Chapter 2306, Texas Government Code (the "Act"), as amended from time to time, for the purpose of providing a means of financing the costs of residential ownership, development and rehabilitation that will provide decent, safe and sanitary housing for individuals and families of low and very low income and families of moderate income (as described in the Act as determined by the Governing Board of the Department (the "Governing Board") from time to time) at prices they can afford; and

WHEREAS, the Act authorizes the Department: (a) to acquire, and to enter into advance commitments to acquire, mortgage loans (including participations therein) secured by mortgages on residential housing in the State of Texas (the "State"); (b) to issue its bonds, for the purpose of obtaining funds to make and acquire such mortgage loans or participations therein, to establish necessary reserve funds and to pay administrative and other costs incurred in connection with the issuance of such bonds and to enter into interest rate swap agreements related to such bonds; and (c) to pledge all or any part of the revenues, receipts or resources of the Department, including the revenues and receipts to be received by the Department from such mortgage loans or participations therein, and to mortgage, pledge or grant security interests in such mortgages, mortgage loans or other property of the Department, to secure the payment of the principal or redemption price of and interest on such bonds; and

WHEREAS, the Act further authorizes the Department to issue its revenue bonds for the purpose of refunding any bonds theretofore issued by the Department or the Texas Housing Agency, its predecessor (the "Agency"), under such terms, conditions and details as shall be determined by the Governing Board; and

WHEREAS, the Department has, pursuant to and in accordance with the provisions of the Act, issued, sold and delivered its Single Family Mortgage Revenue Bonds, 1996 Series A (the "1996 A Refunded Bonds"), its Single Family Mortgage Revenue Bonds, 1996 Series D (the "1996 D Refunded Bonds"), and its Single Family Mortgage Revenue Refunding Bonds, 1996 Series E (the "1996 E Refunded Bonds") pursuant to the Single Family Mortgage Revenue Bond Trust Indenture dated as of October 1, 1980 (as amended by supplemental indentures numbered First through Forty-Fifth and any amendments thereto, collectively, the "Single Family Indenture") between the Department, as successor to the Agency, and J.P. Morgan Trust Company, National Association, as successor trustee (the "Trustee"), to implement the various phases of the Agency's (now the Department's) Single Family Mortgage Revenue Bond Program; and

WHEREAS, the Department has issued its Single-Family Mortgage Revenue Tax-Exempt Commercial Paper Notes, Series C (the "Series C Refunded Notes") and its Single-Family Mortgage Revenue

Refunding Tax-Exempt Commercial Paper Notes, Series A (the "Series A Refunded Notes") identified in Schedule I to this Resolution (collectively, the "Refunded Notes") in order to manage new volume cap and to refund certain single family mortgage revenue bonds of the Department subject to redemption as a result of the receipt by the Department of prepayments on the mortgage loans securing such bonds, respectively; and

WHEREAS, Section 302 of the Single Family Indenture authorizes the issuance of additional Bonds for the purposes of acquiring Mortgage Loans or participations therein, payment of costs of issuance, funding of reserves, payments of certain Department expenses and refunding Bonds; and

WHEREAS, the Governing Board has determined to authorize the issuance of the Department's Single Family Mortgage Revenue Bonds, to be known as (i) its Single Family Mortgage Revenue Refunding Bonds, 2006 Series A (the "2006 Series A Bonds"), (ii) its Single Family Mortgage Revenue Refunding Bonds, 2006 Series B (the "2006 Series B Bonds"), (iii) its Single Family Mortgage Revenue Bonds, 2006 Series C (the "2006 Series C Bonds"), (iv) its Single Family Mortgage Revenue Refunding Bonds, 2006 Series D (the "2006 Series D Bonds"), and (v) its Single Family Mortgage Revenue Refunding Bonds, 2006 Series E (the "2006 Series E Bonds") (collectively, the "Series 2006 Bonds") pursuant to the Single Family Indenture (1) with respect to the 2006 Series A Bonds, for the purpose of refunding the Series C Refunded Notes, thereby providing funds to make and acquire qualifying mortgage loans (including participations therein through the purchase of mortgage-backed securities ("Mortgage Certificates") issued and guaranteed by Federal National Mortgage Association ("Fannie Mae"), Federal Home Loan Mortgage Corporation ("Freddie Mac") or Government National Mortgage Association ("Ginnie Mae")) (referred to herein as "Mortgage Loans"), to fund capitalized interest and to pay a portion of the costs of issuance; (2) with respect to the 2006 Series B Bonds, for the purpose of refunding the Series A Refunded Notes, thereby providing funds to acquire Mortgage Certificates, to fund capitalized interest and to pay a portion of the costs of issuance; (3) with respect to the 2006 Series C Bonds, for the purpose providing funds to acquire Mortgage Certificates, to fund capitalized interest and to pay a portion of the costs of issuance; (4) with respect to the 2006 Series D Bonds, for the purpose of providing funds to refund the Department's outstanding 1996 A Refunded Bonds and the Department's outstanding 1996 D Refunded Bonds within 90 days after the date of delivery of the 2006 Series D Bonds; and (5) with respect to the 2006 Series E Bonds, for the purpose of providing funds to refund the Department's outstanding 1996 E Refunded Bonds within 90 days after the date of delivery of the 2006 Series E Bonds; and

WHEREAS, the Governing Board desires to authorize the execution and delivery of the Forty-Sixth Supplemental Single Family Mortgage Revenue Bond Trust Indenture (the "Forty-Sixth Series Supplement") in substantially the form attached hereto relating to the 2006 Series A Bonds, the Forty-Seventh Supplemental Single Family Mortgage Revenue Bond Trust Indenture (the "Forty-Seventh Series Supplement") in substantially the form attached hereto relating to the 2006 Series B Bonds, the Forty-Eighth Supplemental Single Family Mortgage Revenue Bond Trust Indenture (the "Forty-Eighth Series Supplement") in substantially the form attached hereto relating to the 2006 Series C Bonds, the Forty-Ninth Supplemental Single Family Mortgage Revenue Bond Trust Indenture (the "Forty-Ninth Series Supplement") in substantially the form attached hereto relating to the 2006 Series D Bonds, and the Fiftieth Supplemental Single Family Mortgage Revenue Bond Trust Indenture (the "Fiftieth Series Supplement") in substantially the form attached hereto relating to the 2006 Series E Bonds; and

WHEREAS, the Forty-Sixth Series Supplement, the Forty-Seventh Series Supplement, the Forty-Eighth Series Supplement, the Forty-Ninth Series Supplement and the Fiftieth Series Supplement are hereinafter collectively referred to as the "Supplemental Indentures"; and

WHEREAS, the Governing Board desires to authorize the execution and delivery by the Department of the Master Mortgage Origination Agreement (the "Master Mortgage Origination Agreement") in substantially the form attached hereto with mortgage lenders (the "Mortgage Lenders") that desire to participate in the Department's single family mortgage purchase programs, setting forth the terms and conditions relating to the origination and sale of mortgage loans by the Mortgage Lenders and the financing of such mortgage loans by the Department; and

WHEREAS, in connection with the Master Mortgage Origination Agreement, the Governing Board desires to authorize the execution and delivery of the Program Guidelines (the "Program Guidelines") in substantially the form attached hereto, setting forth the terms and conditions upon which Mortgage Loans will be purchased by the Department and the terms of such Mortgage Loans; and

WHEREAS, under the Program Guidelines, 100% of the funds available under the Department's single family mortgage purchase program designated as Bond Program No. 66 (the "Program") will be available to Mortgage Lenders participating in a controlled, first-come, first-served reservation system with (a) approximately 30% of such funds reserved in the first year of the Program to finance Mortgage Loans to eligible borrowers having a family income not exceeding 60% of applicable median family income, (b) approximately 20% of the lendable proceeds of 2006 Series A Bonds (which are attributable to 2005 private activity bond volume cap) reserved in the first year of the Program to finance Mortgage Loans to eligible borrowers in certain targeted areas and (c) all of the lendable proceeds of the 2006 Series C Bonds reserved in the first year of the Program to finance Mortgage Loans to eligible borrowers in the Hurricane Rita Gulf Opportunity Zone; and

WHEREAS, the Governing Board has further determined that the Department should enter into one or more Bond Purchase Agreements relating to the sale of the Series 2006 Bonds (collectively, the "Bond Purchase Agreements") with Citigroup Global Markets Inc., as representative of the group of underwriters listed on Exhibit A to this Resolution (the "Underwriters"), and/or any other parties to the Bond Purchase Agreements as authorized by the execution thereof by an authorized representative of the Department named in this Resolution, in substantially the forms attached hereto setting forth certain terms and conditions upon which the Underwriters and/or any other parties will purchase the Series 2006 Bonds from the Department and the Department will sell the Series 2006 Bonds to the Underwriters and/or any other parties to the Bond Purchase Agreements; and

WHEREAS, the Governing Board desires to authorize the execution and delivery of a Program Administration and Servicing Agreement (the "Servicing Agreement") in substantially the form attached hereto setting forth the terms under which Countrywide Home Loans, Inc., as master servicer (the "Servicer"), will review, acquire, package and service the Mortgage Loans and sell the Mortgage Certificates to the Trustee on behalf of the Department; and

WHEREAS, the Governing Board desires to authorize the execution and delivery of a Funding Agreement (the "Funding Agreement") in substantially the form attached hereto setting forth the terms under which the Servicer will advance funds to the Department to be used to pay a portion of the costs of issuance of the Series 2005 Bonds; and

WHEREAS, the Governing Board desires to authorize the execution and delivery of a Compliance Agreement (the "Compliance Agreement") in substantially the form attached hereto setting forth the terms under which Countrywide Home Loans, Inc., as compliance agent (the "Compliance Agent"), will review and examine certain documents submitted by the Mortgage Lenders in connection with the Mortgage Loans to ensure compliance with the requirements of the Department set forth therein; and

WHEREAS, the Governing Board has determined to authorize the execution and delivery of a 2006 A/B/C/D/E Supplement to Depository Agreement relating to the Series 2006 Bonds (the "Depository Agreement"), by and among the Department, the Trustee and the Texas Treasury Safekeeping Trust Company, in substantially the form attached hereto to provide for the holding, administering and investing of certain moneys and securities relating to the Series 2006 Bonds; and

WHEREAS, the Governing Board has been presented with a draft of a preliminary official statement to be used in the public offering of the Series 2006 Bonds (the "Official Statement") and the Governing Board desires to approve such Official Statement in substantially the form attached hereto; and

WHEREAS, the Governing Board desires to authorize the execution and delivery of a Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") in substantially the form attached hereto between the Department and the Trustee; and

WHEREAS, the Governing Board desires to authorize the execution and delivery of an Amendment to Mortgage Pool Self Insurance Fund Agreements (the "Self Insurance Fund Agreement") in substantially the form attached hereto between the Department and the Trustee; and

WHEREAS, the Governing Board desires to authorize the purchase of a bond insurance policy for all or a portion of the Series 2006 Bonds; and

WHEREAS, the Governing Board has determined to authorize the investment of the proceeds of the Series 2006 Bonds and any other amounts held under the Single Family Indenture with respect to the Series 2006 Bonds in one or more guaranteed investment contracts (the "GICs") on or after the closing date or such other investments as the authorized representatives named herein may approve; and

WHEREAS, the Governing Board desires to approve the use of an amount not to exceed \$250,000 of Department funds to pay a portion of the costs of issuance of the Series 2006 Bonds or to fund capitalized interest; and

WHEREAS, the Governing Board desires to authorize the use of up to \$5,000,000 of 0% loan funds in connection with the Program made available from various prior Single Family Mortgage Revenue Bond refundings of the Department; and

WHEREAS, in accordance with Section 2306.142(m) of the Act, the Governing Board has determined that the issuance of bonds to finance Mortgage Loans to meet the credit needs of borrowers in underserved economic and geographic submarkets in the State is unfeasible or would damage the financial condition of the Department and desires to authorize the authorized representatives of the Department named in this Resolution to seek from the Texas Bond Review Board a waiver of the requirements of Section 2306.142(l) of the Act; and

WHEREAS, the Governing Board hereby determines that the purpose for which the Department may issue the Series 2006 Bonds constitutes "public works" as contemplated by Chapter 1371, Texas Government Code, as amended; and

WHEREAS, the Governing Board desires to approve the forms of the Supplemental Indentures, the Bond Purchase Agreements, the Depository Agreement, the Master Mortgage Origination Agreement, the Program Guidelines, the Servicing Agreement, the Compliance Agreement, the Funding Agreement, the Official Statement, the Continuing Disclosure Agreement and the Self Insurance Fund Agreement, in order to find the form and substance of such documents to be satisfactory and proper and the recitals contained therein to be true, correct and complete; and has determined to implement the Program in accordance with such documents by authorizing the issuance of the Series 2006 Bonds, the execution and delivery of such documents and the taking of such other actions as may be necessary or convenient to carry out the Program; NOW, THEREFORE,

BE IT RESOLVED BY THE GOVERNING BOARD OF THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS:

ARTICLE I
ISSUANCE OF BONDS; APPROVAL OF DOCUMENTS

Section 1.1--Issuance, Execution and Delivery of the Series 2006 Bonds. That the issuance of the Series 2006 Bonds is hereby authorized, all under and in accordance with the Single Family Indenture, and that, upon execution and delivery of the Supplemental Indentures, the authorized representatives named herein are each hereby authorized to execute, attest and affix the Department's seal to the Series 2006 Bonds and to deliver the Series 2006 Bonds to the Attorney General of Texas (the "Attorney General") for approval, the Comptroller of Public Accounts of the State of Texas (the "Comptroller") for registration and the Trustee for authentication, and thereafter to deliver the Series 2006 Bonds to or upon the order of the Underwriters and/or any other parties pursuant to the Bond Purchase Agreements.

Section 1.2--Authority to Approve Form of Documents, Determine Interest Rates, Principal Amounts, Maturities and Prices. That the Chair of the Governing Board or the Executive Director or Acting Executive Director of the Department (i) are hereby authorized and empowered to determine which series of the Series 2006 Bonds shall be issued on a taxable or a tax-exempt basis and to determine which series of the Series 2006 Bonds will be issued as new money bonds, refunding bonds, or governmental purpose bonds (or any combination thereof) and (ii) are hereby authorized and empowered, in accordance with Chapter 1371, Texas Government Code, as amended, to fix and determine the interest rates, principal amounts and maturities of, and the prices at which the Department will sell to the Underwriters and/or any other parties to the Bond Purchase Agreements, the Series 2006 Bonds, all of which determinations shall be conclusively evidenced by the execution and delivery by the Chair of the Governing Board or the Executive Director or Acting Executive Director of the Department of the Supplemental Indentures, the Bond Purchase Agreements, the Depository Agreement and the Official Statement; provided, however, that: (a) the net effective interest rate on the 2006 Series A Bonds shall not exceed 7.50% per annum, the net effective interest rate on the 2006 Series B Bonds shall not exceed 7.50% per annum, the net effective interest rate on the 2006 Series C Bonds shall not exceed 7.50% per annum, the net effective interest rate on the 2006 Series D Bonds shall not exceed 6.50% per annum and the net effective interest rate on the 2006 Series E Bonds shall not exceed 5.50% per annum; (b) the aggregate principal amount of the Series 2006 Bonds shall not exceed \$60,450,000 for the 2006 Series A Bonds, \$75,000,000 for the 2006 Series B Bonds, \$110,685,000 for the 2006 Series C Bonds, \$29,685,000 for the 2006 Series D Bonds and \$17,855,000 for the 2006 Series E Bonds; (c) the final maturity of the Series 2006 Bonds shall occur not later than September 1, 2038 for the 2006 Series A Bonds, September 1, 2038 for the 2006 Series B Bonds, September 1, 2038 for the 2006 Series C Bonds, September 1, 2030 for the 2006 Series D Bonds and September 1, 2020 for the 2006 Series E Bonds; (d) the price at which the Series 2006 Bonds are sold to the Underwriters and/or any other parties to the Bond Purchase Agreements shall not exceed 108% of the principal amount therefor for the 2006 Series A Bonds, 108% of the principal amount thereof for the 2006 Series B Bonds, 108% of the principal amount thereof for the 2006 Series C Bonds, 105% of the principal amount thereof for the 2006 Series D Bonds and 105% of the principal amount thereof for the 2006 Series E Bonds; (e) the aggregate net present value savings in debt service resulting from the issuance of the 2006 Series D Bonds and the 2006 Series E Bonds shall be at least 3% of the principal amount of the 1996 A Refunded Bonds, the 1996 D Refunded Bonds and the 1996 E Refunded Bonds; (f) bond insurance may be purchased for all or any portion of the 2006 Series D Bonds and the 2006 Series E Bonds if: (1) the current rating of Standard & Poor's for the Single Family Indenture is not upgraded and (2) such bond insurance will produce a net debt service cost savings after accounting for the cost of such policy or policies and shall be based on bids to be solicited from at least three municipal bond insurance companies and awarded based on the bid that provides the lowest overall cost to the Department; and (g) the Underwriters' fee shall not exceed the amount approved by the Texas Bond Review Board. In no event shall the interest rate on the Series 2006 Bonds (including any default interest rate) exceed the maximum interest rate permitted by applicable law.

Section 1.3--Approval, Execution and Delivery of the Supplemental Indentures. That the form and substance of the Supplemental Indentures are hereby approved, and that the authorized representatives of the Department named in this Resolution each are hereby authorized to execute, attest and affix the Department's seal to the Supplemental Indentures, and to deliver the Supplemental Indentures to the Trustee.

Section 1.4--Approval, Execution and Delivery of the Bond Purchase Agreements. That the sale of the Series 2006 Bonds to the Underwriters and/or any other parties pursuant to the Bond Purchase Agreements is hereby approved and that the authorized representatives of the Department named in this Resolution are each hereby authorized to execute, attest and affix the Department's seal to the Bond Purchase Agreements and to deliver the Bond Purchase Agreements to the Underwriters and/or any other parties to the Bond Purchase Agreements.

Section 1.5--Official Statement. That the Official Statement relating to the Series 2006 Bonds, in substantially the form presented to the Governing Board, is hereby approved; that prior to the execution of the Bond Purchase Agreements, the authorized representatives of the Department named in this Resolution, acting for and on behalf of the Governing Board, are hereby authorized and directed to finalize the Official Statement for distribution by the Underwriters to prospective purchasers of the Series 2006 Bonds, with such changes therein as the authorized representatives of the Department named in this Resolution may approve in order to permit such an authorized representative, for and on behalf of the Governing Board, to deem the Official

Statement relating to the Series 2006 Bonds final as of its date, except for such omissions as are permitted by Rule 15c2-12 of the Securities and Exchange Commission (“Rule 15c2-12”), such approval to be conclusively evidenced by the distribution of such Official Statement; and that within seven business days after the execution of the Bond Purchase Agreements, the authorized representatives of the Department named in this Resolution, acting for and on behalf of the Governing Board, shall cause the final Official Statement, in substantially the form of the Official Statement attached hereto, with such changes as such an authorized representative may approve, such approval to be conclusively evidenced by such authorized representative’s execution thereof, to be provided to the Underwriters in compliance with Rule 15c2-12.

Section 1.6--Approval of Servicing Agreement. That the form and substance of the Servicing Agreement are hereby authorized and approved and that the authorized representatives of the Department named in this Resolution are hereby authorized to execute, attest and affix the Department’s seal to the Servicing Agreement and to deliver the Servicing Agreement to the Trustee and the Servicer.

Section 1.7--Approval of Funding Agreement. That the form and substance of the Funding Agreement are hereby authorized and approved and that the authorized representatives of the Department named in this Resolution are hereby authorized to execute, attest and affix the Department’s seal to the Funding Agreement and to deliver the Funding Agreement to the Servicer and the Trustee.

Section 1.8--Approval of Master Mortgage Origination Agreement. That the form and substance of the Master Mortgage Origination Agreement are hereby authorized and approved and that the authorized representatives of the Department named in this Resolution are hereby authorized to execute, attest and affix the Department’s seal to the Master Mortgage Origination Agreement and to deliver the Master Mortgage Origination Agreement to the Mortgage Lenders.

Section 1.9--Approval of Program Guidelines. That the form and substance of the Program Guidelines are hereby authorized and approved.

Section 1.10--Approval of Compliance Agreement. That the form and substance of the Compliance Agreement are hereby authorized and approved and that the authorized representatives of the Department named in this Resolution are hereby authorized to execute, attest and affix the Department’s seal to the Compliance Agreement and to deliver the Compliance Agreement to the Compliance Agent.

Section 1.11--Approval of Depository Agreement. That the form and substance of the Depository Agreement are hereby authorized and approved and that the authorized representatives of the Department named in this Resolution are hereby authorized to execute, attest and affix the Department’s seal to the Depository Agreement and to deliver the Depository Agreement to the Trustee and to the Texas Treasury Safekeeping Trust Company.

Section 1.12--Approval of Continuing Disclosure Agreement. That the form and substance of the Continuing Disclosure Agreement are hereby authorized and approved and that the authorized representatives of the Department named in this Resolution are hereby authorized to execute, attest and affix the Department’s seal to the Continuing Disclosure Agreement and to deliver the Continuing Disclosure Agreement to the Trustee.

Section 1.13--Approval of Self Insurance Fund Agreement. That the form and substance of the Self Insurance Fund Agreement are hereby authorized and approved and that the authorized representatives of the Department named in this Resolution are hereby authorized to execute, attest and affix the Department’s seal to the Self Insurance Fund Agreement and to deliver the Self Insurance Fund Agreement to the Trustee.

Section 1.14--Approval of Bond Insurance. That the purchase of and payment of the premium for bond insurance by the Department, in accordance with the provisions of Section 1.2 and the terms of a commitment for such insurance presented to and approved by the authorized representatives of the Department named in this Resolution is hereby authorized and approved. The authorized representatives of the Department named in this Resolution are hereby authorized and directed to execute such documents and to do any and all

things necessary or desirable to obtain such bond insurance on behalf of the Department and to complete arrangements for the purchase of bond insurance and to deliver the bond insurance policy to the Trustee.

Section 1.15--Approval of GIC Broker; Approval of Investment in GICs. That the Executive Director, Acting Executive Director or the Director of Bond Finance and the Chair of the Governing Board are hereby authorized to select a GIC Broker, if any, and that the investment of funds held under the Single Family Indenture in connection with the Series 2006 Bonds in GICs is hereby approved and that the Executive Director, Acting Executive Director or the Director of Bond Finance of the Department is hereby authorized to complete arrangements for the investment in GICs or such other investments as the authorized representatives named herein may approve.

Section 1.16--Approval of Verification Agent. That the Executive Director, Acting Executive Director or the Director of Bond Finance and the Chair of the Governing Board are hereby authorized to select a verification agent, if any.

Section 1.17--Execution and Delivery of Other Documents. That the authorized representatives of the Department named in this Resolution are each hereby authorized to execute, attest, affix the Department's seal to and deliver such other agreements, advance commitment agreements, assignments, bonds, certificates, contracts, documents, instruments, releases, financing statements, letters of instruction, notices of acceptance, written requests and other papers, whether or not mentioned herein, as may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution, the Single Family Indenture, the Supplemental Indentures, the Bond Purchase Agreements, the Depository Agreement, and the Continuing Disclosure Agreements.

Section 1.18--Power to Revise Form of Documents. That, notwithstanding any other provision of this Resolution, the authorized representatives of the Department named in this Resolution are each hereby authorized to make or approve such revisions in the form of the documents attached hereto as exhibits as, in the judgment of such authorized representative, and in the opinion of Vinson & Elkins L.L.P., Bond Counsel to the Department, may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution, such approval to be evidenced by the execution of such documents by the authorized representatives of the Department named in this Resolution.

Section 1.19--Exhibits Incorporated Herein. That all of the terms and provisions of each of the documents listed below as an exhibit shall be and are hereby incorporated into and made a part of this Resolution for all purposes:

- Exhibit B - Supplemental Indentures
- Exhibit C - Bond Purchase Agreements
- Exhibit D - Official Statement
- Exhibit E - Servicing Agreement
- Exhibit F - Funding Agreement
- Exhibit G - Master Mortgage Origination Agreement
- Exhibit H - Program Guidelines
- Exhibit I - Compliance Agreement
- Exhibit J - Depository Agreement
- Exhibit K - Continuing Disclosure Agreement
- Exhibit L - Self Insurance Fund Agreement

Section 1.20--Authorized Representatives. That the following persons are each hereby named as authorized representatives of the Department for purposes of executing, attesting, affixing the Department's seal to, and delivering the documents and instruments and taking the other actions referred to in this Article I: Chair and Vice Chairman of the Governing Board, Executive Director or Acting Executive Director of the Department, Director of Financial Administration of the Department, Director of Bond Finance of the Department and the Secretary to the Governing Board.

Section 1.21--Department Contribution. That the contribution of Department funds in an amount not to exceed \$250,000 to pay a portion of the costs of issuance of the Series 2006 Bonds or to fund capitalized interest is hereby authorized.

Section 1.22—Use of 0% Loan Funds. That the use of up to \$5,000,000 of 0% loan funds in connection with the Program made available from various Single Family Mortgage Revenue Bond refundings of the Department is hereby authorized.

ARTICLE II

APPROVAL AND RATIFICATION OF CERTAIN ACTIONS

Section 2.1--Submission to the Attorney General of Texas. That the Governing Board of the Department hereby approves the submission by the Department's Bond Counsel to the Attorney General of Texas, for his approval, of a transcript of the legal proceedings relating to the issuance, sale and delivery of the Series 2006 Bonds.

Section 2.2--Engagement of Other Professionals. That the Executive Director, Acting Executive Director or the Director of Bond Finance is authorized to engage an accounting firm to perform such functions, audits, yield calculations and subsequent investigations as necessary or appropriate to comply with the Bond Purchase Agreements and the requirements of the purchasers of the Series 2006 Bonds and Bond Counsel to the Department, provided such engagement is done in accordance with applicable State law.

Section 2.3--Certification of the Minutes and Records. That the Secretary and any Assistant Secretary to the Governing Board of the Department are hereby authorized to certify and authenticate minutes and other records on behalf of the Department for the Program, the issuance of the Series 2006 Bonds and all other Department activities.

Section 2.4--Approval of Requests for Rating from Rating Agencies. That the Executive Director, Acting Executive Director, the Director of Bond Finance and the Department's consultants are authorized to seek ratings from Moody's Investors Service, Inc. and Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc.

Section 2.5--Ratifying Other Actions. That all other actions taken or to be taken by the Executive Director or Acting Executive Director and the Department's staff in connection with the Program and the issuance of the Series 2006 Bonds are hereby ratified and confirmed.

Section 2.6--Authority to Invest Funds. That the Executive Director, Acting Executive Director or the Director of Bond Finance is hereby authorized to undertake all appropriate actions required under the Single Family Indenture and the Depository Agreement and to provide for investment and reinvestment of all funds held under the Single Family Indenture.

Section 2.7--Redemption of Refunded Bonds and Refunded Notes. That the Executive Director, Acting Executive Director or the Director of Bond Finance is hereby authorized and directed: (i) to instruct the trustee for the 1996 A Refunded Bonds and the 1996 D Refunded Bonds to redeem the outstanding 1996 A Refunded Bonds and the outstanding 1996 D Refunded Bonds with the proceeds of the 2006 Series D Bonds not later than 90 days after the date of issuance of the 2006 Series D Bonds, (ii) to instruct the trustee for the 1996 E Refunded Bonds to redeem the outstanding 1996 E Refunded Bonds with the proceeds of the 2006 Series E Bonds not later than 90 days after the date of issuance of the 2006 Series E Bonds; (iii) to instruct the Department staff and the issuing and paying agent for the Refunded Notes to redeem the outstanding Refunded Notes, and (iv) to take all other actions necessary to cause such redemption to occur. The Governing Board has determined that the proposed refundings are in the best interest of the Department and will provide a potential savings in debt payable by the Department.

Section 2.8--Eligibility for Refunding Under Commercial Paper Program. That Series 2006 Bonds qualify as “Refunding Bonds” for purposes of the Department’s Amended and Restated Commercial Paper Resolution adopted on June 10, 1996, as amended from time to time.

Section 2.9--Waiver from Texas Bond Review Board. That the Governing Board of the Department ratifies actions taken by the authorized representatives of the Department named in this Resolution seeking from the Texas Bond Review Board a waiver of the requirements of Section 2306.142(l) of the Act in accordance with Section 2306.142(m) of the Act.

ARTICLE III

CERTAIN FINDINGS AND DETERMINATIONS

Section 3.1--Determination of Interest Rate. That the Governing Board of the Department hereby declares that the Department shall fix and determine the interest rates on the Mortgage Loans for the Program at the time and in accordance with the procedures set forth in the Single Family Indenture and that such rates shall be established at levels such that the Mortgage Loans for the Program will produce, together with other available funds, the amounts required to pay for the Department’s costs of operation with respect to the Program and debt service on the Series 2006 Bonds, and enable the Department to meet its covenants with and responsibilities to the holders of the bonds issued under the Single Family Indenture without adversely affecting the exclusion from gross income for federal income tax purposes of interest on any of such tax-exempt bonds.

Section 3.2--Bonds to Finance Mortgage Loans in Underserved Economic and Geographic Markets. That, in accordance with Section 2306.142(m) of the Act, the Governing Board hereby finds that the issuance of bonds to finance Mortgage Loans to meet the credit needs of borrowers in underserved economic and geographic submarkets in the State is unfeasible or would damage the financial condition of the Department.

Section 3.3--Purpose of Series 2006 Bonds. The Governing Board hereby determines that the purpose for which the Department may issue the Series 2006 Bonds constitutes “public works” as contemplated by Chapter 1371, Texas Government Code, as amended.

ARTICLE IV

GENERAL PROVISIONS

Section 4.1--Limited Obligations. That the Series 2006 Bonds and the interest thereon shall be limited obligations of the Department payable solely from the trust estate pledged under the Single Family Indenture to secure payment of the bonds issued under the Single Family Indenture and payment of the Department’s costs and expenses for the Program thereunder and under the Single Family Indenture, and under no circumstances shall the Series 2006 Bonds be payable from any other revenues, funds, assets or income of the Department.

Section 4.2--Non-Governmental Obligations. That the Series 2006 Bonds shall not be and do not create or constitute in any way an obligation, a debt or a liability of the State or create or constitute a pledge, giving or lending of the faith or credit or taxing power of the State.

Section 4.3--Purposes of Resolution. That the Governing Board of the Department has expressly determined and hereby confirms that the issuance of the Series 2006 Bonds and the furtherance of the Program contemplated by this Resolution accomplish a valid public purpose of the Department by providing for the housing needs of persons and families of low, very low and extremely low income and families of moderate income in the State.

Section 4.4--Notice of Meeting. That written notice of the date, hour and place of the meeting of the Governing Board at which this Resolution was considered and of the subject of this Resolution was furnished to the Secretary of State and posted on the Internet for at least seven (7) days preceding the convening of such

meeting; that during regular office hours a computer terminal located in a place convenient to the public in the office of the Secretary of State was provided such that the general public could view such posting; that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter hereof was discussed, considered and formally acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended; and that written notice of the date, hour and place of the meeting of the Board and of the subject of this Resolution was published in the Texas Register at least seven (7) days preceding the convening of such meeting, as required by the Administrative Procedure and Texas Register Act, Chapters 2001 and 2002, Texas Government Code, as amended. Additionally, all of the materials in the possession of the Department relevant to the subject of this Resolution were sent to interested persons and organizations, posted on the Department's website, made available in hard-copy at the Department, and filed with the Secretary of State for publication by reference in the Texas Register not later than seven (7) days before the meeting of the Governing Board as required by Section 2306.032, Texas Government Code, as amended.

Section 4.5--Effective Date. That this Resolution shall be in full force and effect from and upon its adoption.

[Signature page follows.]

PASSED AND APPROVED this 4th day of May, 2006.

Chair, Governing Board

ATTEST:

Secretary to the Governing Board

(SEAL)

SCHEDULE I

SERIES "C" CP NOTES TO BE REFUNDED WITH 2006 SERIES A BONDS

New CP Issue Date:		12/12/05						42 Month Rule	10 Year Rule	32 Year Rule
<u>Bond Series</u>	<u>Refunded Bond Series</u>	<u>Tax Status</u>	<u>Amount</u>	<u>Original Bond Issue Date</u>	<u>Original Refunded Bond Issue Date (Earliest)</u>	<u>CP Cusip #</u>				
RMRB 1998A		AMT	\$ 2,840,000.00	12/3/98	N/A	88276NAD3	6/3/02	12/3/08	12/3/30	
RMRB 1999B-1		AMT	\$ 1,390,000.00	12/2/99	N/A	88276NAD3	6/2/03	12/2/09	12/2/31	
RMRB 2000A *		AMT	\$ 1,750,000.00	5/1/00	12/2/99	88276NAD3	6/2/03	12/2/09	12/2/31	
RMRB 2000B		AMT	\$ 3,750,000.00	10/26/00	N/A	88276NAD3	4/26/04	10/26/10	10/26/32	
RMRB 2001A		AMT	\$ 1,055,000.00	10/30/01	N/A	88276NAD3	4/30/05	10/30/11	10/30/33	
RMRB 2002A		AMT	\$ 1,745,000.00	12/18/02	N/A	88276NAD3	6/1/06	12/18/12	12/18/34	
RMRB 2003A **		AMT	\$ 720,000.00	8/20/03	12/18/02	88276NAD3	6/1/06	12/18/12	12/18/34	
Volume Cap			\$ 44,000,000.00							
Total			\$ 57,250,000.00							

Current Status: Still Outstanding.

New CP Issue Date:		2/14/06						42 Month Rule	10 Year Rule	32 Year Rule
<u>Bond Series</u>	<u>Refunded Bond Series</u>	<u>Tax Status</u>	<u>Amount</u>	<u>Original Bond Issue Date</u>	<u>Original Refunded Bond Issue Date (Earliest)</u>	<u>CP Cusip #</u>				
SF 1996A		AMT	\$ 115,000.00	10/1/96	N/A	88276NAE1	8/26/01	10/1/06	10/1/28	
SF 1996D		AMT	\$ 2,210,000.00	11/14/96	N/A	88276NAE1	5/14/00	11/14/06	11/14/28	
SF 2002B***		AMT	\$ 575,000.00	6/26/02	10/30/01	88276NAE1	4/30/04	10/30/11	12/30/33	
SF 2004A		AMT	\$ 250,000.00	4/28/04	N/A	88276NAE1	10/28/07	4/28/14	4/28/36	
SF 2004C		AMT	\$ 20,000.00	10/28/04	N/A	88276NAE1	4/30/08	10/28/14	10/28/36	
SF 2005A****		AMT	\$ 30,000.00	4/20/05	10/28/04	88276NAE1	4/30/08	10/28/14	10/28/36	
Total			\$ 3,200,000.00							

Current Status: Still Outstanding.

- * Original Issuance Date is 12/2/1999
- ** Original Issuance Date is 12/18/2002
- *** Original Issuance Date is 10/30/2001
- **** Original Issuance Date is 10/28/2004

Total Series C \$ 60,450,000.00

SERIES "A" CP NOTES TO BE REFUNDED WITH 2006 SERIES B BONDS

New CP Issue Date:		12/10/03					42 Month Rule	10 Year Rule	32 Year Rule
<u>Bond Series</u>	<u>Refunded Bond Series</u>	<u>Tax Status</u>	<u>Amount</u>	<u>Original Bond Issue Date</u>	<u>Original Refunded Bond Issue Date (Earliest)</u>	<u>CP Cusip #</u>			
RMRB 1999B-1		AMT	\$ 1,562,000.00	12/2/99	N/A	88274WY64	6/2/03	12/2/09	12/2/31
RMRB 2000A *		AMT	\$ 4,750,000.00	5/1/00	12/2/99	88274WY64	6/2/03	12/2/09	12/2/31
Total			\$ 6,312,000.00						

Current Status: Still Outstanding.

New CP Issue Date:		6/17/04					42 Month Rule	10 Year Rule	32 Year Rule
<u>Bond Series</u>	<u>Refunded Bond Series</u>	<u>Tax Status</u>	<u>Amount</u>	<u>Original Bond Issue Date</u>	<u>Original Refunded Bond Issue Date (Earliest)</u>	<u>CP Cusip #</u>			
RMRB 1998A		AMT	\$ 4,170,000.00	12/3/98	N/A	88274WZ22	6/3/02	12/3/08	12/3/30
RMRB 1999B-1		AMT	\$ 3,260,000.00	12/2/99	N/A	88274WZ22	6/2/03	12/2/09	12/2/31
RMRB 2000A *		AMT	\$ 5,040,000.00	5/1/00	12/2/99	88274WZ22	6/2/03	12/2/09	12/2/31
RMRB 2000B		AMT	\$ 4,110,000.00	10/26/00	N/A	88274WZ22	4/26/04	10/26/10	10/26/32
RMRB 2001A		AMT	\$ 1,525,000.00	10/30/01	N/A	88274WZ22	4/30/05	10/30/11	10/30/33
RMRB 2002A		AMT	\$ 110,000.00	12/18/02	N/A	88274WZ22	6/1/06	12/18/12	12/18/34
RMRB 2003A **		AMT	\$ 25,000.00	8/20/03	12/18/02	88274WZ22	6/1/06	12/18/12	12/18/34
Total			\$ 18,240,000.00						

Current Status: Still Outstanding.

New CP Issue Date:		8/11/04					42 Month Rule	10 Year Rule	32 Year Rule
<u>Bond Series</u>	<u>Refunded Bond Series</u>	<u>Tax Status</u>	<u>Amount</u>	<u>Original Bond Issue Date</u>	<u>Original Refunded Bond Issue Date (Earliest)</u>	<u>CP Cusip #</u>			
SF 1995A-1		AMT	\$ 4,570,000.00	11/16/95	N/A	88276WZ48	5/16/99	11/16/05	11/16/27
SF 1996D		AMT	\$ 3,540,000.00	11/14/96	N/A	88276WZ48	5/14/00	11/14/06	11/14/28
SF 1997A		AMT	\$ 2,670,000.00	9/17/97	N/A	88276WZ48	3/17/01	9/17/07	9/17/29
SF 1997D		AMT	\$ 1,915,000.00	12/4/97	N/A	88276WZ48	6/4/01	12/4/07	12/4/29
SF 2002 A		AMT	\$ 525,000.00	6/26/02	N/A	88276WZ48	12/26/05	6/26/12	6/26/34
SF 2002B***		AMT	\$ 1,005,000.00	6/26/02	10/30/01	88276WZ48	4/30/04	10/30/11	12/30/33
Total			\$ 14,225,000.00						

Current Status: Still Outstanding.

New CP Issue Date:		12/15/04					42 Month Rule	10 Year Rule	32 Year Rule
<u>Bond Series</u>	<u>Refunded Bond Series</u>	<u>Tax Status</u>	<u>Amount</u>	<u>Original Bond Issue Date</u>	<u>Original Refunded Bond Issue Date (Earliest)</u>	<u>CP Cusip #</u>			
RMRB 1998A		AMT	\$ 8,645,000.00	12/3/98	N/A	88274WZ97	6/3/02	12/3/08 12/3/30	
RMRB 1999B-1		AMT	\$ 1,825,000.00	12/2/99	N/A	88274WZ97	6/2/03	12/2/09 12/2/31	
RMRB 2000A *		AMT	\$ 2,775,000.00	5/1/00	12/2/99	88274WZ97	6/2/03	12/2/09 12/2/31	
RMRB 2000B		AMT	\$ 3,805,000.00	10/26/00	N/A	88274WZ97	4/26/04	10/26/10 10/26/32	
RMRB 2001A		AMT	\$ 1,805,000.00	10/30/01	N/A	88274WZ97	4/30/05	10/30/11 10/30/33	
RMRB 2002A		AMT	\$ 750,000.00	12/18/02	N/A	88274WZ97	6/1/06	12/18/12 12/18/34	
RMRB 2003A **		AMT	\$ 170,000.00	8/20/03	12/18/02	88274WZ97	6/1/06	12/18/12 12/18/34	
Total			\$ 19,775,000.00						
Current Status: Still Outstanding.									

New CP Issue Date:		2/17/05					42 Month Rule	10 Year Rule	32 Year Rule
<u>Bond Series</u>	<u>Refunded Bond Series</u>	<u>Tax Status</u>	<u>Amount</u>	<u>Original Bond Issue Date</u>	<u>Original Refunded Bond Issue Date (Earliest)</u>	<u>CP Cusip #</u>			
SF 1997A		AMT	\$ 4,448,000.00	9/17/97	N/A	88274W2H5	3/17/01	9/17/07 9/17/29	
Total			\$ 4,448,000.00						
Current Status: Still Outstanding.									

New CP Issue Date:		6/16/05					42 Month Rule	10 Year Rule	32 Year Rule
<u>Bond Series</u>	<u>Refunded Bond Series</u>	<u>Tax Status</u>	<u>Amount</u>	<u>Original Bond Issue Date</u>	<u>Original Refunded Bond Issue Date (Earliest)</u>	<u>CP Cusip #</u>			
RMRB 1998A		AMT	\$ 7,020,000.00	12/3/98	N/A	88274W2Q5	6/3/02	12/3/08 12/3/30	
RMRB 1999B-1		AMT	\$ 1,645,000.00	12/2/99	N/A	88274W2Q5	6/2/03	12/2/09 12/2/31	
RMRB 2000A *		AMT	\$ 2,925,000.00	5/1/00	12/2/99	88274W2Q5	6/2/03	12/2/09 12/2/31	
RMRB 2000B		AMT	\$ 410,000.00	10/26/00	N/A	88274W2Q5	4/26/04	10/26/10 10/26/32	
Total			\$ 12,000,000.00						
Current Status: Still Outstanding.									

* Original Issuance Date is 12/2/1999
 ** Original Issuance Date is 12/18/2002
 *** Original Issuance Date is 10/30/2001

Total Series A \$ 75,000,000.00

EXHIBIT A

List of Underwriters

Senior Manager

Citigroup Global Markets Inc.

Co-Senior Manager

Goldman, Sachs & Co.

Co-Managers

A.G. Edwards & Sons, Inc.
First Southwest Company
Samuel A. Ramirez & Co.
Siebert Brandford Shank & Co. LLC

BOND FINANCE DIVISION

BOARD ACTION REQUEST

May 4, 2006

Action Items

Resolution authorizing application to the Texas Bond Review Board for reservation of single family private activity bond authority.

Required Action

Approval of Resolution 06 - 013 authorizing the filing of an application for reservation with the Texas Bond Review Board with respect to qualified mortgage bonds

Background

The Bond Finance Division recommends filing an application for reservation of the TDHCA's annual private activity bond authority ("volume cap") with the Texas Bond Review Board. TDHCA's 2006 annual private activity bond authority equals \$170,687,761. Of this amount, TDHCA used \$60 million in authority for its 2006 Mortgage Credit Certificate Program. TDHCA's current private activity bond authority balance equals \$110,687,761. This reservation application is for the remainder of the 2006 single family private activity bond authority balance.

The volume cap will be used in TDHCA's pending single family mortgage revenue bond issue to provide mortgage funds exclusively for counties located in the Hurricane Rita Gulf Opportunity Zone.

Recommendation

Approve Resolution 06 - 013 authorizing the filing of an application for reservation with the Texas Bond Review Board with respect to qualified mortgage bonds

Resolution No. 06-013

RESOLUTION AUTHORIZING THE FILING OF AN APPLICATION FOR RESERVATION WITH TEXAS BOND REVIEW BOARD WITH RESPECT TO QUALIFIED MORTGAGE BONDS; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT

WHEREAS, the Texas Department of Housing and Community Affairs (the "Department") has been duly created and organized pursuant to and in accordance with the provisions of Chapter 2306, Texas Government Code, as amended from time to time (the "Act"), for the purpose, among others, of providing a means of financing the costs of residential ownership, development and rehabilitation that will provide decent, safe, and affordable living environments for persons and families of low and very low income (as defined in the Act) and families of moderate income (as described in the Act and determined by the Governing Board of the Department (the "Board") from time to time) at prices they can afford; and

WHEREAS, the Act authorizes the Department: (a) to make, acquire and finance, and to enter into advance commitments to make, acquire and finance, mortgage loans and participating interests therein, secured by mortgages on residential housing in the State of Texas (the "State"); (b) to issue its bonds, for the purpose, among others, of obtaining funds to acquire or finance such mortgage loans, to establish necessary reserve funds and to pay administrative and other costs incurred in connection with the issuance of such bonds; and (c) to pledge all or any part of the revenues, receipts or resources of the Department, including the revenues and receipts to be received by the Department from such single family mortgage loans or participating interests, and to mortgage, pledge or grant security interests in such mortgages or participating interests, mortgage loans or other property of the Department, to secure the payment of the principal or redemption price of and interest on such bonds; and

WHEREAS, Section 103 and Section 143 of the Internal Revenue Code of 1986, as amended (the "Code"), provide that the interest on obligations issued by or on behalf of a state or a political subdivision thereof the proceeds of which are to be used to finance owner-occupied residences shall be excludable from gross income of the owners thereof for federal income tax purposes if such issue meets certain requirements set forth in Section 143 of the Code; and

WHEREAS, Section 146(a) of the Code requires that certain "private activity bonds" (as defined in Section 141(a) of the Code) must come within the issuing authority's private activity bond limit for the applicable calendar year in order to be treated as obligations the interest on which is excludable from the gross income of the holders thereof for federal income tax purposes; and

WHEREAS, the private activity bond "State Ceiling" (as defined in Section 146(d) of the Code) applicable to the State for calendar year 2006 is subject to allocation, in the manner authorized by Section 146(e) of the Code, pursuant to Chapter 1372, Texas Government Code, as amended (the "Allocation Act"); and

WHEREAS, the Allocation Act requires the Department, in order to reserve a portion of the State Ceiling for qualified mortgage bonds (the "Reservation") and satisfy the requirements of Section 146(a) of the Code, to file an application for reservation (the "Application for Reservation") with the Texas Bond Review Board (the "Bond Review Board"), stating the maximum amount of the bonds requiring an allocation, the purpose of the bonds and the section of the Code applicable to the bonds; and

WHEREAS, the Allocation Act and the rules promulgated thereunder by the Bond Review Board (the "Allocation Rules") require that an Application for Reservation be accompanied by a copy of the certified resolution of the issuer authorizing the filing of the Application for Reservation; and

WHEREAS, the Board has determined to authorize the filing of the Application for Reservation with respect to qualified mortgage bonds in calendar year 2006;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BOARD OF THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS THAT:

Section 1 - Application for Reservation. The Board hereby authorizes Vinson & Elkins L.L.P., as Bond Counsel to the Department, to file on its behalf with the Bond Review Board the Application for Reservation for qualified mortgage bonds to be issued and delivered within 180 days after receipt of a "reservation date," as defined in the Allocation Rules, in the amount of \$110,687,761, together with any other documents and opinions required by the Bond Review Board as a condition to the granting of the Reservation.

Section 2 - Authorization of Certain Actions. The Board authorizes the Executive Director or the Acting Executive Director, the staff of the Department, as designated by the Executive Director or the Acting Executive Director, and Bond Counsel to take such actions on its behalf as may be necessary to carry out the purposes of this Resolution.

Section 3 - Purposes of Resolution. The Board has expressly determined and hereby confirms that the issuance of the qualified mortgage bonds will accomplish a valid public purpose of the Department by providing for the housing needs of persons and families of low, very low and extremely low income and families of moderate income in the State.

Section 4 - Mortgage Credit Certificate Authority. The Department reserves the right, upon receipt of a Reservation, to convert all or any part of its authority to issue qualified mortgage bonds to mortgage credit certificates.

Section 5 - Effective Date. This Resolution shall be in full force and effect from and upon its adoption.

Section 6 - Notice of Meeting. Written notice of the date, hour and place of the meeting of the Board at which this Resolution was considered and of the subject of this Resolution was furnished to the Secretary of State and posted on the Internet for at least seven (7) days preceding the convening of such meeting; that during regular office hours a computer terminal located in a place convenient to the public in the office of the Secretary of State was provided such that the general public could view such posting; that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter hereof was discussed, considered and formally acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended; and that written notice of the date, hour and place of the meeting of the Board and of the subject of this Resolution was published in the Texas Register at least seven (7) days preceding the convening of such meeting, as required by the Administrative Procedure and Texas Register Act, Chapters 2001 and 2002, Texas Government Code, as amended. Additionally, all of the materials in the possession of the Department relevant to the subject of this Resolution were sent to interested persons and organizations, posted on the Department's website, made available in hard-copy at the Department, and filed with the Secretary of State for publication by reference in the Texas Register not later than seven (7) days before the meeting of the Board as required by Section 2306.032, Texas Government Code, as amended.

PASSED AND APPROVED this 4th day of May, 2006.

Chair, Governing Board

ATTEST:

Secretary to the Governing Board

(SEAL)

BOND FINANCE DIVISION

BOARD ACTION REQUEST

May 4, 2006

Action Items

Resolution 06 - 015 authorizing the extension of the certificate purchase period for Single Family Variable Rate Mortgage Revenue Bonds, 2005 Series A (Program 62A)

Required Action

Approval of Resolution 06 - 015 authorizing the extension of the certificate purchase period for Single Family Variable Rate Mortgage Revenue Bonds, 2005 Series A (Program 62A)

Background

The mortgage loan origination period related to TDHCA's Single Family Variable Rate Mortgage Revenue Bonds, 2005 Series A (Program 62A) will terminate on September 1, 2006. Unspent proceeds bond redemptions must be made if the origination period is not extended. Staff recommends extending the certificate purchase date for Program 62A to September 1, 2007. The table below reflects Program 62A's balances, per the master servicer's records, as of April 19, 2006.

Total Lendable Bond Proceeds		<u>\$101.8 million</u>
Assisted Funds Unreserved Balance (1)	\$ 0.0 million	
+ Unassisted Funds Unreserved Balance	\$ 0.0 million	
+ Loans in Mortgage Pipeline	<u>\$ 38.0 million</u>	
= Total Unspent Proceeds Balance		\$ 38.0 million
Mortgages Closed and Funded		<u>\$ 63.8 million</u>
Total Lendable Bond Proceeds		<u>\$101.8 million</u>

(1) Program 62A did not include any assisted funds.

The unassisted mortgage rate equals 4.99%. Significantly all of the mortgage funds have been reserved. Additional time is being requested to complete the processing of funds reserved in the pipeline, i.e., mortgage loan closings, poolings, and final purchases of mortgage certificates by the trustee. This process ranges from six months to nine months after loan closing under perfect conditions.

Recommendation

Approve Resolution 06 - 015 authorizing the extension of the certificate purchase period for Single Family Variable Rate Mortgage Revenue Bonds, 2005 Series A (Program 62A)

Resolution No. 06-015

RESOLUTION AUTHORIZING THE EXTENSION OF THE CERTIFICATE PURCHASE PERIOD FOR SINGLE FAMILY VARIABLE RATE MORTGAGE REVENUE REFUNDING BONDS, 2005 SERIES A; AUTHORIZING ARRANGEMENTS RELATING TO AN INVESTMENT AGREEMENT; AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS AND INSTRUMENTS RELATING THERETO; MAKING CERTAIN FINDINGS AND DETERMINATIONS IN CONNECTION THEREWITH; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT

WHEREAS, the Texas Department of Housing and Community Affairs (the "Department") has been duly created and organized pursuant to and in accordance with the provisions of Chapter 2306, Texas Government Code, as amended (the "Act"), for the purpose, among others, of providing a means of financing the costs of residential ownership, development and rehabilitation that will provide decent, safe, and affordable living environments for individuals and families of low and very low income (as defined in the Act) and families of moderate income (as described in the Act and determined by the Governing Board of the Department (the "Board") from time to time); and

WHEREAS, the Act authorizes the Department: (a) to make and acquire and finance, and to enter into advance commitments to make and acquire and finance, mortgage loans and participating interests therein, secured by mortgages on residential housing in the State of Texas (the "State"); (b) to issue its bonds, for the purpose, among others, of obtaining funds to acquire, finance or acquire participating interests in such mortgage loans, to establish necessary reserve funds and to pay administrative and other costs incurred in connection with the issuance of such bonds; and (c) to pledge all or any part of the revenues, receipts or resources of the Department, including the revenues and receipts to be received by the Department from such single family mortgage loans or participating interests, and to mortgage, pledge or grant security interests in such mortgages or participating interests, mortgage loans or other property of the Department, to secure the payment of the principal or redemption price of and interest on such bonds; and

WHEREAS, in order to implement its Bond Program No. 62A, the Department issued its Single Family Variable Rate Mortgage Revenue Refunding Bonds, 2005 Series A in the aggregate principal amount of \$100,000,000 (the "2005 Series A Bonds") pursuant to a Single Family Mortgage Revenue Bond Trust Indenture dated as of October 1, 1980 between the Department, as successor to the Texas Housing Agency, and J.P. Morgan Trust Company, National Association, as successor trustee (the "Trustee"), as supplemented and amended (collectively, the "Single Family Indenture"), and the Forty-Second Supplemental Single Family Mortgage Revenue Bond Trust Indenture dated as of April 1, 2005 (the "Forty-Second Supplement") with respect to the 2005 Series A Bonds, between the Department and the Trustee, for the purpose, among others, of providing funds to make and acquire qualified mortgage loans (including participating interests therein) during the Certificate Purchase Period (as described in the Forty-Second Supplement); and

WHEREAS, the Certificate Purchase Period with respect to the 2005 Series A Bonds ends on September 1, 2006, unless extended; and

WHEREAS, the investment agreement pursuant to which certain proceeds of the 2005 Series A Bonds are invested during the initial Certificate Purchase Period expires with respect to such proceeds on September 1, 2006; and

WHEREAS, the Department desires to approve and authorize (i) the extension of the Certificate Purchase Period for the 2005 Series A Bonds to September 1, 2007 in accordance with the terms of the Forty-Second Supplement, (ii) arrangements to obtain a new investment agreement to provide for the investment of proceeds of the 2005 Series A Bonds during the Certificate Purchase Period, as so extended, (iii) all actions to be taken with respect thereto, and (iv) the execution and delivery of all documents and instruments in connection therewith;

NOW THEREFORE BE IT RESOLVED BY THE GOVERNING BOARD OF THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS THAT:

ARTICLE I

EXTENSION OF CERTIFICATE PURCHASE PERIOD; APPROVAL OF DOCUMENTS

Section 1.1--Approval of Extension of the Certificate Purchase Period. The extension of the Certificate Purchase Period to September 1, 2007, or the first business day thereafter, is hereby authorized, subject to advice of any financial advisor, bond counsel or other advisor to the Department, such extension to be effectuated under and in accordance with the Single Family Indenture and the Forty-Second Supplement, and the authorized representatives of the Department named in this Resolution each are authorized hereby to execute and deliver all documents and instruments in connection therewith and to request and deliver all certificates as may be required by the terms of the Forty-Second Supplement in connection therewith.

Section 1.2--Investment Agreement and Investment Agreement Broker. The investment of funds held under the Forty-Second Supplement is hereby approved and the Executive Director or Acting Executive Director and the Director of Bond Finance each are authorized hereby to complete arrangements for investment in an investment agreement, including, without limitation, selection of the investment agreement broker, if any.

Section 1.3--Authorization of Investment Agreement. The execution and delivery of an investment agreement is hereby authorized and approved and the authorized representatives of the Department named in this Resolution each are authorized hereby to execute and deliver such investment agreement and all documents and instruments in connection therewith.

Section 1.4--Execution and Delivery of Other Documents. The authorized representatives of the Department named in this Resolution each are authorized hereby to execute and deliver all agreements, certificates, contracts, documents, instruments, releases, financing statements, letters of instruction, notices, written requests and other papers, whether or not mentioned herein, as may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution.

Section 1.5--Authorized Representatives. The following persons are each hereby named as authorized representatives of the Department for purposes of executing and delivering the documents and instruments referred to in this Article I: the Chair of the Board; the Vice Chairman of the Board; the Secretary to the Board; the Executive Director or the Acting Executive Director of the Department; and the Director of Bond Finance of the Department.

ARTICLE II

GENERAL PROVISIONS

Section 2.1--Purpose of Resolution. The Board has expressly determined and hereby confirms that the acquisition of mortgage loans or the purchase of Mortgage Certificates resulting from the extension of the Certificate Purchase Period will accomplish a valid public purpose of the Department by providing for the housing needs of persons and families of low, very low and extremely low income and families of moderate income in the State.

Section 2.2--Effective Date. That this Resolution shall be in full force and effect from and upon its adoption.

Section 2.3--Notice of Meeting. Written notice of the date, hour and place of the meeting of the Board at which this Resolution was considered and of the subject of this Resolution was furnished to the Secretary of State and posted on the Internet for at least seven (7) days preceding the convening of such meeting; that during regular office hours a computer terminal located in a place convenient to the public in the office of the Secretary of State was provided such that the general public could view such posting; that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter hereof was discussed, considered and formally acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended; and that written notice of the date, hour and place of the meeting of the Board and of the subject of this

Resolution was published in the Texas Register at least seven (7) days preceding the convening of such meeting, as required by the Administrative Procedure and Texas Register Act, Chapters 2001 and 2002, Texas Government Code, as amended. Additionally, all of the materials in the possession of the Department relevant to the subject of this Resolution were sent to interested persons and organizations, posted on the Department's website, made available in hard-copy at the Department, and filed with the Secretary of State for publication by reference in the Texas Register not later than seven (7) days before the meeting of the Board as required by Section 2306.032, Texas Government Code, as amended.

(Execution Page Follows)

PASSED AND APPROVED this 4th day of May, 2006.

Chair, Governing Board

ATTEST:

Secretary to the Governing Board

(SEAL)

BOND FINANCE DIVISION

BOARD ACTION REQUEST

May 4, 2006

Action Item

Federal Home Loan Bank of Dallas Master Transactions Agreement, Advances and Security Agreement, and a Corporate Certificate of Authority

Required Action

Approval to Execute a Master Transactions Agreement, an Advances and Security Agreement, and a Corporate Certificate of Authority or Similar Document with the Federal Home Loan Bank of Dallas (the "FHLB")

Background

The Texas Department of Housing and Community Affairs maintains a membership with the Federal Home Loan Bank of Dallas. The FHLB requested that TDHCA submit these documents solely for recordkeeping purposes only. Submission of the documents does not obligate TDHCA to enter into any transactions. Bond Finance will request approvals from TDHCA's Board and the Texas Bond Review Board prior to executing any transactions with the FHLB. Submission of the documents to the FHLB will be subject to final review and approval by TDHCA's General Counsel.

Recommendation

Approve Executing a Master Transactions Agreement, an Advances and Security Agreement, and a Corporate Certificate of Authority or Similar Document with the Federal Home Loan Bank of Dallas

June 1, 2005

Attention: _____

Re: Revised Forms of Agreements and Circulars

Dear [Mr.][Ms.] _____:

As a result of requests by Members, examiner comments, and changes in the law, Federal Home Loan Bank of Dallas (the "Bank") has revised its forms of Master Transactions Agreement, Advances and Security Agreement, Corporate Certificate of Authority, Federal Reserve Pass-Through Circular, Securities Safekeeping Circular, and Settlement Circular. A copy of each of these revised forms is enclosed. The Bank is requiring each of its Members to review each of these revised forms and execute the Master Transactions Agreement, the Advances and Security Agreement, and the Corporate Certificate of Authority by August 15, 2005. In an effort to speed your review of these revised forms, we have highlighted below a few of the changes we made to the forms. Please note that we do not represent our Members and this letter is being furnished to you for informational purposes only and shall not be construed as legal advice. For legal advice on the forms mentioned in this letter and the matters discussed in this letter you should consult your own counsel.

The Master Transactions Agreement was revised to update the provisions governing wire transfers. Specifically, the changed provisions more closely track the Model Funds Transfer Services Agreement. In connection with this change, the Bank created a Security Access Circular which describes the security measures used by the Bank in connection with its wire transfer services. The Bank is requiring each of its Members execute and return to the Bank the new form of Master Transactions Agreement included with this letter by August 15, 2005.

Historically, a Member, depending on what type of institution it was, would execute one of three forms of a security agreement governing advances. The Bank has decided to combine all of these different agreements into one form of Advances and Security Agreement that every Member would execute. In addition to this reduction of forms, the Bank has revised the

collateral descriptions in the Advances and Security Agreement to take into consideration revisions made to Article 9 of the Uniform Commercial Code. The Bank has also added a provision to the Advances and Security Agreement to address Members' privacy concerns related to nonpublic personal information. Specifically, the Advances and Security Agreement provides that the Bank will not use or disclose nonpublic personal information about a Member's customers except to provide services to the Member or as otherwise permitted by law. The Bank is requiring each of its Members executes and returns to the Bank the new form of Advances and Security Agreement included with this letter by August 15, 2005.

The Corporate Certificate of Authority was revised to reflect changes made to the Master Transactions Agreement and the Advances and Security Agreement and to more clearly define the authorities given in such certificate. In connection with the execution of the new forms of Master Transactions Agreement and Advances and Security Agreement, the Bank is requiring each of its Members executes and returns to the Bank the new form of Corporate Certificate of Authority included with this letter by August 15, 2005.

The Federal Reserve Pass-Through Circular, the Securities Safekeeping Circular, and the Settlement Circular were revised to add standard provisions to each of the circulars addressing the circulars' connection to the Master Transactions Agreement and the Bank's ability to change the procedures and fees described in such circulars. In order to make the circulars more accessible to Members, the Federal Reserve Pass-Through Circular, the Settlement Circular, and the Security Access Circular have been incorporated into the Correspondent Services Guide and the Securities Safekeeping Circular has been incorporated into the Safekeeping Guide.

As mentioned previously in this letter, please return in the enclosed self addressed postage prepaid envelope, on or before August 15, 2005, a completed and originally executed form of each of the following documents:

- Master Transactions Agreement;
- Advances and Security Agreement; and
- Corporate Certificate of Authority.

Thank you for your prompt attention to this request. If you have any questions regarding this request or the modifications made to the forms discussed in this letter please call your lending officer at 1-800-442-9841.

Sincerely,

Terry Smith
President and CEO



MASTER TRANSACTIONS AGREEMENT

THIS MASTER TRANSACTIONS AGREEMENT (as amended, restated, or otherwise modified from time to time, "Agreement") dated as of _____, 20____, is entered into by and between _____ ("Customer") with its chief executive office located at _____ and the Federal Home Loan Bank of Dallas (the "Bank"), with its principal office located at 8500 Freeport Parkway South, Suite 600, Irving, Texas 75063, mailing address: P.O. Box 619026, Dallas, Texas 75261-9026.

WHEREAS, the Bank is a depository for certain deposit account(s) of Customer, and funds of Customer in such deposit account(s) are subject to withdrawal and charge by Customer at any time and from time to time pursuant to the terms and conditions hereof; and

WHEREAS, Customer desires to transfer amounts from and to deposit account(s) through various means; and

WHEREAS, the Bank offers various products and services from time to time that are related to deposit accounts, and Customer desires to enter into agreements with the Bank for such various products and services.

NOW, THEREFORE, the Bank and Customer agree as follows:

ARTICLE I

WIRE TRANSFERS

SECTION 1.1. WIRE TRANSFER TRANSACTIONS. Upon written, facsimile, electronic transmission, telephonic, or other such instructions from Customer, the Bank shall with respect to any wire transfer request of Customer that the Bank accepts execute wire transfers of funds from the deposit account(s) of Customer and shall charge the deposit account(s) of Customer for the amount of such wire transfers, even if the charge to the deposit account(s) of Customer creates or increases an overdraft in such deposit account(s). The authority to make a request for wire transfer of funds and to issue other directions and instructions to the Bank shall be presumed if the person making the request uses the security measures set forth in the Bank's Security Access Circular as in effect from time to time. Notwithstanding any other provision set forth herein, the Bank shall not be liable for any damages or any other consequences for any

refusal to honor any instruction for a wire transfer of funds or related act if the Bank in good faith is unable to satisfy itself that the instruction was given by an authorized agent of Customer. Nothing herein shall obligate the Bank to make any wire transfer prohibited by law.

SECTION 1.2. INSTRUCTIONS FOR WIRE TRANSFERS. Within twenty-four (24) hours of the Bank's acting upon Customer's instruction for a wire transfer of funds from the deposit account(s) of Customer, the Bank shall make information available to Customer through electronic transmission relating to said wire transfer. If necessary, Customer may request in writing that the Bank provide Customer within three (3) banking days of such transactions a written advice or confirmation in such other form as may be acceptable to the Bank and Customer.

SECTION 1.3 SECURITY PROCEDURES WHEN CUSTOMER IS REQUESTING A WIRE TRANSFER.

(a) The Bank's Security Access Circular, as in effect from time to time, will govern the security procedures for outgoing wire transfer requests made by Customer.

(b) The Bank shall verify certain outgoing wire transfer requests from Customer, the beneficiary of which is a third party and which has not been formatted in accordance with the Bank's procedures, by telephoning the Authorized Individual of Customer that initiated the request. If the individual receiving the callback confirmation is unable to verify the wire transfer request, the wire transfer request will not be accepted by the Bank.

(c) An "Authorized Individual" for purposes of this Agreement is an employee or agent of Customer who is listed on the Bank's appropriate signature card or other authorizing document for wire transfers.

(d) When Customer wishes to cancel an outgoing wire transfer, whether repetitive or nonrepetitive, Customer shall notify the Bank immediately via telephone. All Customer cancellations will be subject to the same identification procedures used when initiating a wire transfer request. If the cancellation request is received by the Bank at a time and in a manner affording the Bank a reasonable opportunity to act prior to the Bank's execution of Customer's wire transfer request, the Bank will act on Customer's request to cancel the wire transfer request upon verification of the caller's authority. In the event Customer's cancellation request is received after execution of Customer's wire transfer request, the Bank will initiate a Wire Transfer Service Request requesting a cancellation as instructed by Customer. The "Wire Transfer Service Request" is an administrative wire that will be executed by the Bank in accordance with existing Federal Reserve System rules and regulations. The Bank's execution of a Wire Transfer Service Request does not constitute the Bank's acceptance of Customer's cancellation request. Under no circumstances is the Bank liable to Customer for cancellations acted upon by the Bank after execution of Customer's original wire transfer request. The Customer agrees to reimburse the Bank for any losses and expenses, including reasonable attorneys' fees, that the Bank incurs in connection with Customer's cancellation request.

(e) In the event the Bank rejects an outgoing wire transfer request, the Bank shall provide notice of such rejection to Customer by telephonically notifying an Authorized Individual. In the event the Bank is unable to so notify Customer, the Bank shall notify Customer within a reasonable time via the best means available under the circumstances.

SECTION 1.4. PROCEDURES WHEN CUSTOMER IS THE BENEFICIARY OF A WIRE TRANSFER. If the incoming wire transfer instructs payment to a specified account of Customer, notice of incoming funds to Customer will be deemed to have occurred when the Bank has credited such account of Customer and made such information available on the Bank's

electronic information systems or by other written advice or confirmation as may be requested by Customer in accordance with the terms hereof. The Bank will reject an incoming wire transfer received for the benefit of Customer where such incoming wire transfer fails to contain Customer's valid account number. In the event the Bank rejects an incoming wire transfer received for the benefit of Customer, the Bank shall send the incoming wire transfer back to the sending institution.

SECTION 1.5. RIGHTS AND OBLIGATIONS. All wire transfers sent or received on Customer's behalf shall be subject to and governed by this Agreement and the Bank's policies, bulletins, schedules, guides, circulars, the Bank's website at www.fhfb.com, and the Bank's private internet network made available to Customer (as such are in effect from time to time, collectively, the "Bank Rules"). Customer is responsible for maintaining the confidentiality of assigned security measures and procedures and any and all losses resulting from any breach of the confidentiality of such assigned security measures and procedures will be the sole responsibility of Customer. Any suspected breach of the confidentiality of assigned security measures and procedures will be reported immediately by Customer to the wire transfer department of the Bank.

SECTION 1.6. INDEMNIFICATION; STANDARD OF CARE, AND LIMITATION OF LIABILITY. If the Bank acts with ordinary care, acts in good faith, and acts in accordance with Customer's instructions, Bank will have no liability to Customer and Customer will indemnify, defend and hold the Bank harmless against any loss, cost, liability, or expense, including, without limitation, attorneys' fees, arising out of any claim by a third party alleging that a wire transfer requested by Customer contravenes or compromises the rights, title, or interest of any third party, or contravenes any law, rule, regulation, ordinance, court order, or other mandate or prohibition with the force or effect of law. Bank will be deemed to have acted with ordinary care if its action or failure to act has been in conformity with the Bank's prescribed procedures and such procedures do not vary unreasonably from general banking uses and practices not disapproved by any provision of the Texas Uniform Commercial Code or in the following circumstances:

(a) when an act or omission, whether or not authorized, of an employee, agent, or contractor of Customer contributed to the occurrence of the loss or cost;

(b) when a wire transfer of funds was made by the Bank upon written instructions by an Authorized Individual;

(c) where Customer's failure to examine information provided to Customer under Section 1.2 or any other statements (as defined in Section 2.1), whether furnished electronically or otherwise, by the Bank and to notify the Bank of discrepancies, within the time periods specified in Section 1.2 or Section 2.1, as applicable, contributed to the loss or cost;

(d) where the loss or cost on a wire transfer arises from a defective endorsement or a material alteration or a Customer error contained in the wire transfer instructions;

(e) where the loss or cost on a wire transfer arises out of a defective facsimile signature which, on its face, appears to be identical to Customer's genuine facsimile signature; or the Bank's process for determining the genuineness of Customer's signature as drawer, whether in manual or facsimile form, was consistent with the course of conduct in the banking industry or the security measures set forth in the Bank's Security Access Circular.

The Bank's liability to Customer for any claim by Customer involving the Bank's provision of wire transfer services will be limited to actual losses or costs incurred by Customer; provided, however, that such liability will not include consequential or other damages, and

provided further that the amount of damages will be limited to the face amount of the wire transfers at issue. If a wire transfer in the name of Customer accepted by the Bank was not authorized by Customer, the liability of the parties will be governed by the applicable provisions of 4A of the Texas Uniform Commercial Code. The Bank will not be liable to Customer for any failure to perform properly the Bank's duties hereunder if such failure is the result of war, insurrection, weather, or other circumstances beyond the Bank's control. Whenever compensation in the form of interest is payable by the Bank to Customer pursuant to this Article I, such compensation will be payable at the rate specified in Section 2.8.

In the event the Bank rejects or fails to execute a wire transfer request without giving notice thereof as provided in Section 1.3, the Bank shall compensate Customer for the use of funds at the rate specified in Section 2.8 if, on the execution date of the wire transfer request, there was a sufficient withdrawable credit balance in Customer's deposit account(s) to pay for the wire transfer request. Compensation shall be computed based on the number of days elapsing after the execution date to the day Customer receives notice or learns that the wire transfer request was not executed, counting the final day of the period as an elapsed day. If the withdrawable credit balance during that period falls below the amount of the wire transfer request, the amount of interest will be reduced accordingly. Notwithstanding the foregoing, no compensation will be due under this section if Customer's deposit account(s) is an interest-bearing account. No compensation will be due hereunder for any funds withdrawn by Customer from Customer's deposit account(s).

SECTION 1.7. CREDIT FOR WIRE TRANSFERS OF FUNDS RECEIVED. Wire transfer of funds received by the Bank for the account of Customer shall be credited to the deposit account(s) of Customer at such times as the Bank may determine pursuant to the Bank Rules, including, without limitation rules in respect of notification time cutoffs and cutoff times for investable credits.

SECTION 1.8. FEDWIRE AND APPLICABLE RULES. Each payment order or cancellation thereof may be furthered by any bank by use of the funds transfer system of the Federal Reserve Banks ("Fedwire"). The rights and obligations of the Bank and Customer with respect to any request for a wire transfer, any part of which is carried out through the use of Fedwire, will be governed by any applicable laws, the regulations of the Board of Governors of the Federal Reserve system, and the operating circulars of the Federal Reserve Banks in effect from time to time. Requests for wire transfers, or cancellations thereof, carried out through a funds transfer system will be governed by all applicable funds transfer system rules, whether or not the Bank is a member of the system. Customer acknowledges that the Bank's right to reverse, adjust, stop payment, or delay posting of an executed wire transfer request is subject to the laws, regulations, circulars, and rules described in this Section 1.8.

ARTICLE II

GENERAL DEPOSIT ACCOUNT MATTERS

SECTION 2.1. REPORTS AND STATEMENTS OF ACCOUNT. The Bank shall provide Customer with various confirmations, reports, and statements of account ("statements") from time to time that identify activity in the deposit account(s) of Customer. Customer shall promptly examine such statements and notify the Bank of any alleged errors or defects in such statements, and Customer shall comply with the following schedule with respect to the following

types of statements. Within fourteen (14) days of (a) receipt of a statement or (b) information relating to any activity in the clearing account(s) of Customer becoming available to Customer on the Bank's electronic information system, Customer shall examine the statement and notify the Bank of any alleged errors or defects in such statement or electronic information system information.

In the event Customer fails to notify the Bank of any alleged errors or defects in such statements or information within the aforementioned time period, Customer shall be precluded from asserting any dispute or difference as to the statements so rendered or information so provided and such statements or information shall be deemed conclusive and binding of all activity in the deposit account(s) as against Customer. If at any time following the provision of any statement or information from the Bank to Customer, the Bank shall discover any error or defect in any such statement or information, the Bank is authorized, in its sole discretion, to correct any such error or defect and to make any adjustment to such statement or information and to the deposit account(s) of Customer in order to correct any such error or defect.

SECTION 2.2. FEES AND CHARGES. Fees and charges for the maintenance and service of the deposit account(s), Customer's Federal Deposit Insurance Corporation ("FDIC") insurance premium assessments, both regular and special, examination fees of Customer, its holding company, and affiliates, any other charges, fees, or amounts owing to the FDIC, the Office of Thrift Supervision, or any Federal Home Loan Bank, interest and any other charges payable to the Bank on outstanding advances or other credit extended to Customer, and transactions provided for in this Agreement and any circular, bulletin, agreement, instrument, or document executed or delivered in connection herewith may be made on such occasions and in such amounts as the Bank may specify from time to time in the Bank Rules or other electronic transmissions heretofore or hereafter established by the Bank. Such fees and charges may be made by the Bank whether such Customer accounts are active or dormant. Customer hereby authorizes the Bank to deduct all fees and charges from the deposit account(s) of Customer.

SECTION 2.3. RIGHT OF SETOFF AND SECURITY AGREEMENT. To secure any and all indebtedness, liability, or obligation of Customer to the Bank, however and whenever incurred or evidenced, whether direct or indirect, absolute or contingent, due or to become due, Customer hereby assigns, transfers, and pledges to the Bank, and grants to the Bank a security interest in all balances, credits, deposits, moneys, and drafts now or hereafter in the deposit account(s) or any other account that Customer may maintain with the Bank, and the Bank is authorized to charge all such indebtedness, liabilities, and obligations against the deposit account(s), or any other account, whether or not the same is then due, and the Bank is authorized to refuse to make any wire transfer of funds, or to perform any other transaction provided for in this Agreement where the honoring, accepting, making, or effecting of such transactions would result in there being insufficient collected funds in the deposit account(s) to complete such transactions. The Bank shall notify Customer, in accordance with the notice provisions set forth in Section 2.1, of any actions taken pursuant to this Section 2.3, but such notification shall not be a condition precedent to the right of the Bank to take any such action.

SECTION 2.4. OVERDRAFT CHARGES. If at any time Customer has an overall net negative collected balance in a deposit account, the Bank is authorized to assess an overdraft charge and interest fees in such amounts as may be established by the Bank from time to time. If Customer is notified that a deposit account has been overdrawn at any time, Customer agrees, without negating the effect of any other provisions of this Agreement, to deposit immediately available funds with the Bank to return and maintain such deposit account to a positive collected

balance. Any overdraft existing at the close of a banking day is immediately due and payable without notice or demand.

SECTION 2.5. ACCOUNT OPENING AND CLOSING. The Bank may close any deposit account and any other account established hereunder at any time by sending the collected balance of funds in the deposit account or any property in any other account, as the case may be, if any, therein to Customer within five (5) banking days after the Bank gives notice of its intent to close the deposit account or any other account (said notice to be effective on the date given), and the Bank shall not be liable for dishonoring or refusing to accept any transaction provided for in this Agreement on or after the effective date of such notice. The deposit account and all of the accounts shall be deemed open at all times, unless notice is given by the Bank pursuant to the proceeding sentence of this Section 2.5, or until the Bank actually receives written notice from Customer of its intent to close said deposit account or any other account. In the event that Customer shall give written notice of its intent to close any of its accounts with the Bank, said notice also shall instruct the Bank with respect to the disposition of the collected balance of funds or other property, as the case may be, that may be remaining in any of the accounts.

SECTION 2.6. SERVICE OF PROCESS. Customer agrees that if the Bank receives any process, summons, order, injunction, execution, restraint, writ, attachment, lien, or notice (hereinafter referred to as "process") which in the opinion of the Bank affects any deposit account or any other account established hereunder, the Bank may, at its option and without liability, thereupon refuse to honor or to accept any transaction provided for in this Agreement and may either hold the collected balances in such account until the process is disposed of to the satisfaction of the Bank or pay the collected balances as specified in such process.

SECTION 2.7. AUTHORIZED PERSONS. The secretary, assistant secretary, cashier, or assistant cashier of Customer shall from time to time after the execution of this Agreement certify to the Bank on forms (which may be in written, electronic, or other form) specified by the Bank the names and specimen signatures of the persons who are authorized to take any action with respect to any matter provided for in this Agreement and all such persons shall be further authorized to perform any other acts incident to carrying out the powers conferred on such persons upon receipt of such forms by the Bank. The Bank may rely upon such certifications without inquiry or further authorization and notwithstanding that the directed action may appear to benefit the person directing the action. Such certifications are incorporated herein as part of this Agreement and shall continue in effect until expressly revoked by Customer, notwithstanding the fact that subsequent certifications may authorize other persons to act for and on behalf of Customer.

SECTION 2.8. INTEREST. The Bank shall pay interest on the daily collected principal balances of the deposit account(s) of Customer with the Bank at such rates as may be established in the Bank Rules and notices published by the Bank from time to time. Such interest shall accrue daily and be credited to the deposit account(s) of Customer as such time as the Bank may specify from time to time.

SECTION 2.9. INDEMNITY. Customer will indemnify the Bank for any loss or expense incurred (including attorneys' fees and expenses of litigation) resulting from the lack of authority of Customer to make any of the applicable warranties on presentment and transfer of payment devices provided for in Articles 3 and 4 of the UCC and any breach of such warranties.

ARTICLE III

TIME DEPOSITS

SECTION 3.1. *FORM OF TIME DEPOSIT.* The Bank will accept time deposits of funds from Customer for such maturities as may be requested by Customer and agreed to by the Bank. Upon the making of a time deposit the Bank shall provide Customer with a written advice or confirmation, in such form as the Bank may specify, of the terms and conditions of the acceptance by the Bank of such time deposit within three (3) banking days thereof. Failure by Customer to give notice to the Bank of any alleged dispute or defect in such advice or confirmation within three (3) banking days of the receipt thereof shall constitute acknowledgement of and agreement with the terms and conditions set forth in such advice or confirmation by Customer.

SECTION 3.2 *FEE FOR EARLY WITHDRAWAL.* In the event Customer should cause in any manner an early withdrawal of all or any of the amount in any time deposit, Customer shall be subject to an early withdrawal fee in such amounts as may be established by the Bank from time to time. Customer agrees that any such fee may be charged to the deposit account(s) of Customer with the Bank.

ARTICLE IV

ADDITIONAL SERVICES

SECTION 4.1. *ADDITIONAL SERVICES TO BE PROVIDED TO CUSTOMER.* By executing this agreement, Customer may, in the Bank's sole discretion, use other products and services offered by the Bank, including, without limitation, reserve pass-through services, settlement services, and safekeeping services, upon the terms and conditions set forth herein and as further provided by the documents described in Section 4.2 hereof.

SECTION 4.2. *PROVISION OF PRODUCTS AND SERVICES SUBJECT TO TERMS OF BANK CIRCULARS AND OTHER BANK PUBLICATIONS.* Customer and the Bank agree that the products and services to be provided in accordance with Section 4.1 above shall be governed by the terms and conditions of this Agreement as well as the terms and conditions of the Bank Rules and other Bank publications issued or amended from time to time regarding the various products and services subscribed for hereunder, and Customer agrees to be bound by all of the foregoing.

ARTICLE V

MISCELLANEOUS

SECTION 5.1. *TAPE RECORDING.* Customer consents and agrees that all telephone conversations or data transmissions between Customer and its agents and the Bank may be recorded and retained by either party by use of any reasonable means. Customer agrees to indemnify and hold the Bank harmless against any and all liability that the Bank may incur as a result of such recordings.

SECTION 5.2. *AMENDMENT; WAIVERS.* No modification, amendment, or waiver of any provisions of this Agreement or consent to any departure therefrom shall be effective unless executed by the party against whom such change is asserted and shall be effective only in the specific instance and for the purpose for which given. "Executed" as used in this Section 5.2 means a person has signed or executed or otherwise adopted a symbol, or encrypted or similarly processed a record in whole or in part, with the present intent of the authenticating person to identify the person and to adopt or accept a record. No notice to or demand on Customer in any case shall entitle Customer to any other or further notice or demand in the same, or similar or other circumstances. Any forbearance, failure, or delay by the Bank in exercising any right, power, or remedy hereunder shall not be deemed to be a waiver thereof, and any single or partial exercise by the Bank of any right, power, or remedy hereunder shall not preclude the further exercise thereof. Every right, power, and remedy of the Bank shall continue in full force and effect until specifically waived by the Bank in writing.

SECTION 5.3. *ENTIRE AGREEMENT; AMENDMENT AND RESTATEMENT.* THIS AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES HERETO AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR (INCLUDING, WITHOUT LIMITATION, THE EXISTING AGREEMENT, IF ANY, AS DEFINED BELOW), CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES HERETO. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES HERETO. To the extent Customer and the Bank have entered into a Second Amended and Restated Master Transactions Agreement (the "Existing Agreement"), (a) this Agreement amends and restates in its entirety the Existing Agreement, (b) this Agreement does not extinguish the indebtedness, liabilities, and obligations of Customer outstanding in connection with the Existing Agreement nor does it constitute a novation with respect to such indebtedness, liabilities, and obligations of Customer, (c) all indebtedness, liabilities, and obligations of Customer under the Existing Agreement are renewed and continued and hereafter shall be payable in accordance with this Agreement; provided, however, for matters relating to the accrual and payment of interest and fees and relating to indemnification arising prior to the effective date of this Agreement, the terms of the Existing Agreement shall control and are hereby ratified and confirmed, (d) this Agreement shall not result in or constitute a waiver of or a release, discharge, or forgiveness of any amount payable pursuant to the Existing Agreement and (e) all security interests and liens previously granted by Customer pursuant to the Existing Agreement are hereby renewed and continued, and all such security interests and other liens shall remain in full force and effect as security for all indebtedness, liabilities, and obligations of Customer to the Bank.

SECTION 5.4. *DESCRIPTIVE HEADINGS.* The article and section headings in this Agreement are for convenience only and do not constitute a part of this Agreement.

SECTION 5.5. *GOVERNING LAW AND JURISDICTION.* This Agreement shall be governed by the laws of the State of Texas, without giving effect to the choice of law principles therein included. Customer expressly agrees that any action or proceeding with respect to the performance and nonperformance of any term or condition contained herein shall be resolved by the United States District Court for the Northern District of Texas or, if such action or proceeding may not be brought and maintained in said court, by an appropriate District Court of the State of Texas for the County of Dallas. Customer agrees that, if any action or proceeding is brought by Customer against the Bank under or arising out of this Agreement or any transaction contemplated hereby and such relief is not granted by the final decision after any and all appeals of a court of competent jurisdiction, Customer shall pay all reasonable costs and attorney's fees incurred by the Bank in connection therewith.

SECTION 5.6. *BANKING DAYS.* The term "banking days" as used in this Agreement shall mean any day, other than Saturday or Sunday, that the Bank is open for business.

SECTION 5.7. *MAXIMUM RATE.* No interest rate specified in this Agreement, any Bank Rule, or any other agreement, instrument, or document executed or delivered in connection therewith shall at any time exceed the maximum rate of nonusurious interest under applicable law that the Bank may charge Customer.

SECTION 5.8. *EXECUTION.* This Agreement may be executed in any number of counterparts, on telecopy counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

SECTION 5.9. *TERMINATION.* The provision of services under this Agreement by the Bank to Customer will continue until terminated by either Customer or the Bank upon receipt of written notice by Customer or the Bank, as applicable.

SECTION 5.10. *NOTICES.* Except as otherwise provided for in this Agreement, any notice, remittance, report, statement, item, advice, request, consent, direction, or other communication given, made, or withdrawn pursuant to this Agreement shall be given in writing or by transmission in electronic or other form, and shall be deemed to have been duly given to and received by a party hereto three (3) banking days after it shall have been mailed to such party at its address given above by first class mail, or if given by hand or by transmission in electronic or other form when actually received by such party at its principal office, chief executive office, or as otherwise designated.

IN WITNESS WHEREOF, Customer and the Bank, each acting through its respective duly authorized representative(s), have caused this Agreement to be signed in their names and delivered as of the date first above written.

Full Corporate Name of Customer

Tax I.D. Number

Authorized Signature

Typed Name & Title of Signer

Authorized Signature

Typed Name & Title of Signer

Federal Home Loan Bank of Dallas

Authorized Officer

Title of Authorized Officer

(b) "Agreement" shall mean this Advances and Security Agreement, together with any and all authenticated amendments, modifications, or restatements hereof as may be duly entered into by the parties hereto and all documents or other agreements incorporated herein by reference.

(c) "Capital Stock" shall mean all of the capital stock of the Bank held by the Borrower and all payments that have been or hereafter are made on account of subscriptions to and all declared and unpaid dividends on such capital stock.

(d) "Collateral" shall mean (i) all First Mortgage Collateral, Other Real Estate Related Collateral, Capital Stock, Deposit Accounts, Securities, Small Business Collateral, and Small Farm and Agri-Business Collateral, (ii) all property in which Borrower has heretofore granted a security interest or has assigned, transferred, or pledged to the Bank as collateral for Advances prior to the date hereof, (iii) all other property as may be accepted by the Bank as collateral from time to time pursuant to the terms hereof, (iv) all securities representing undivided equity interests in any of the foregoing, (v) all accessions to, substitutions for, and replacements and products of all of the foregoing, and (vi) the proceeds, cash proceeds, and noncash proceeds of all of the foregoing, including, without limitation, any of the foregoing that are acquired with any cash proceeds of the foregoing.

(e) "Collateral Maintenance Level" shall mean one hundred percent (100%) of the aggregate outstanding Indebtedness. The Bank may increase or decrease the Collateral Maintenance Level as to all Indebtedness at any time.

(f) "Confirmation of Advance" shall mean a writing or transmission in electronic or other form as may be determined by the Bank from time to time evidencing an Advance.

(g) "Deposit Account" shall mean any and all of the deposit accounts of Borrower with the Bank, including, without limitation, all cash and other funds therein.

(h) "Event of Default" shall be as defined in Section 4.1 hereof.

(i) "Fair Market Value" shall mean the fair market value of Collateral determined in such manner as specified by the Bank from time to time.

(j) "First Mortgage Collateral" shall mean First Mortgage Documents and all ancillary security agreements, policies and certificates of insurance or guarantees, chattel paper, electronic chattel paper, evidences of recordation, applications, underwriting materials, appraisals, notices, opinions of counsel, loan servicing data, and all other electronically stored and written records or materials relating to the loans evidenced or secured by First Mortgage Documents.

(k) "First Mortgage Documents" shall mean all first mortgages and deeds of trust relating to one-to-four family residential dwellings and multifamily residential dwellings ("First Mortgages") and all promissory notes, bonds, or other instruments evidencing loans secured thereby ("First Mortgage Notes") and any endorsements and assignments thereof to Borrower.

(l) "Indebtedness" shall mean all indebtedness, obligations, and liabilities of Borrower to the Bank arising under or pursuant to this Agreement and any other agreements, including, without limitation, all Advances, all interest accruing from time to time (including, without limitation, any interest which accrues after the commencement of any receivership, bankruptcy, insolvency, or similar proceeding with respect to Borrower, whether or not allowed or allowable as a claim under any such proceeding), and all other amounts owed to the Bank under this Agreement or any other agreement.

(m) "Other Real Estate Related Collateral" shall mean (i) all other items of real estate related collateral, including without limitation, all mortgages, deeds of trust, and security agreements relating to loans secured by commercial property, home equity loans, home improvement loans, subordinate loans, mortgage warehouse lines of credit, real estate construction loans, and other real estate related loans, and (A) all promissory notes, bonds, or other instruments evidencing such loans and lines of credit, (B) any endorsements and assignments thereof to Borrower, and (C) all ancillary security agreements, policies and certificates of insurance or guarantees, chattel paper, electronic chattel paper, evidences of recordation, applications, underwriting materials, appraisals, notices, opinions of counsel, loan servicing data, and all other electronically stored and written records or materials relating to the loans evidenced or secured thereby, excluding First Mortgage Collateral, Securities, Small Business Collateral, and Small Farm and Agri-Business Collateral, (ii) all property relating to Borrower's management, collection, processing, accounting for, monitoring, or servicing of loans and accounts, including, without limitation, all checks, instruments, documents, certificates, agreements, loan accounts, payments, chattel paper, electronic chattel paper, collections, account statements, computer files, records, promissory notes, endorsements, assignments, and loan servicing data, together with the rights, remedies, and powers related thereto, and (iii) participations in or portions of First Mortgage Collateral and other real estate related collateral as set forth in clause (i) above.

(n) "Qualifying Collateral" shall mean (a) Collateral, other than Capital Stock, Other Real Estate Related Collateral, Small Business Collateral, and Small Farm and Agri-Business Collateral, that: (i) qualifies as security for Advances under the terms and conditions of the Act and the Regulations and satisfies the requirements that may be established by the Bank; (ii) is owned by Borrower free and clear of any liens, encumbrances, or other interests other than the security interest granted to or permitted by the Bank and the assignment to the Bank hereunder; (iii) in the case of First Mortgage Collateral, has no payments which are overdue by more than the number of days, if any, permitted by the Bank's Member Products & Credit Policy, as amended, restated, or otherwise modified from time to time, or any similar policy of the Bank and within the most recent twelve (12) month period has not otherwise been in default (beyond the applicable grace period with respect to such default, if any) which default has not been cured in a manner acceptable to the Bank in its sole discretion; (iv) in the case of First Mortgage Collateral, relates to residential real property that is covered by fire and hazard insurance in an amount at least sufficient to discharge the mortgage loan in full in case of loss and as to which all real estate taxes are current; (v) in the case of First Mortgage Collateral, does not secure any indebtedness on which any director, officer, employee, attorney, or agent of Borrower or any Federal Home Loan Bank or the Federal Housing Finance Board is personally liable unless the Board of Directors of the Bank has specifically approved acceptance of such Collateral and the Federal Housing Finance Board has endorsed such approval; and (vi) in the case of First Mortgage Collateral, has not been classified as substandard, doubtful or loss by Borrower's regulating authority or Borrower's management; and (b) Other Real Estate Related Collateral, Small Business Collateral, and Small Farm and Agri-Business Collateral that meets the requirements for First Mortgage Collateral except for the requirements in clause (a)(ii) above in the case of subordinate lien mortgages and except for the requirements in clause (a)(iv) above in the case of mortgages on underdeveloped land and in the case of commercial real estate property covered by fire and hazard insurance in an amount at least sufficient to discharge the mortgage loan in full in case of loss and as to which

all real estate taxes are current.

(o) "Securities" shall mean mortgage-backed securities (including participation certificates) issued or guaranteed by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Corporation, or the Government National Mortgage Association, obligations of or guaranteed by the United States, United States government agency securities, privately-issued residential mortgage-backed securities, and any other investment property delivered or furnished to the Bank from time to time.

(p) "Small Business Collateral" shall mean loans to persons or entities owning or operating small businesses and all promissory notes, mortgages, deeds of trust, security agreements, bonds, instruments, endorsements, assignments, policies and certificates of insurance, guarantees, evidences of recordations, applications, underwriting materials, appraisals, notices, opinions of counsel, loan servicing data, electronically stored and written records, agreements, chattel paper, electronic chattel paper, and documents relating to, evidencing, or securing such loans.

(q) "Small Farm and Agri-Business Collateral" shall mean loans to persons or entities owning or operating small farms or agri-businesses and all promissory notes, mortgages, deeds of trust, security agreements, bonds, instruments, endorsements, assignments, policies and certificates of insurance, guarantees, evidences of recordations, applications, underwriting materials, appraisals, notices, opinions of counsel, loan servicing data, electronically stored and written records, agreements, chattel paper, electronic chattel paper, and documents relating to, evidencing, or securing such loans.

(r) "UCC" means the Uniform Commercial Code as in effect in the State of Texas or any other state the laws of which are required to be applied in connection with the issue of perfection of security interests hereunder.

Unless otherwise defined herein or the context otherwise requires, terms defined in the UCC have the respective meanings provided in the UCC. The foregoing definitions shall be equally applicable to both the singular and plural forms of the defined terms.

ARTICLE II

ADVANCES

SECTION 2.1. *APPLICATION AND PROCEDURES FOR ADVANCES.* Borrower may from time to time request Advances and agrees to be bound by the terms and conditions contained herein and by the Confirmation of Advance issued with respect to each such Advance. Unless otherwise agreed to by the Bank, each Advance shall be made by crediting the Deposit Account(s) of Borrower with the Bank.

SECTION 2.2. *REPAYMENT OF ADVANCES.* Borrower agrees to repay each Advance in accordance with this Agreement and the terms and conditions of the Confirmation of Advance and any other document evidencing such Advance. Unless otherwise specified in any document evidencing an Advance, interest shall be paid on the first business day of the month for the amount accrued through the last day of the previous month and at maturity on the daily outstanding principal amount of each Advance at the rate set forth in the Confirmation of

Advance evidencing such Advance; provided, however, interest shall be paid at maturity on the daily outstanding principal amount of each Advance with a maturity date of thirty five days or less at the rate set forth in the Confirmation of Advance evidencing such Advance. Interest will be charged for each day that an Advance is outstanding and will be computed on the basis of the actual number of days in the year. Borrower shall pay to the Bank immediately and without demand, interest on any past due principal of and interest on any Advance at the rate in effect and being charged by the Bank from time to time on overdrafts on Deposit Account(s) of its members. Borrower shall maintain in Deposit Account(s) with the Bank an amount at least equal to the amounts then currently due and payable to the Bank on outstanding Advances, and Borrower hereby authorizes the Bank to debit such Deposit Account(s) for all amounts due and payable on any Advance and for all other amounts due and payable hereunder. In the event that the collected balance in such Deposit Account(s) is, at any time, insufficient to pay such due and payable amounts, the Bank may without notice to Borrower apply any other deposits, credits, or monies of Borrower then in the possession of the Bank to the payment of such due and payable amounts. Borrower agrees that, in the event any such debit results in such Deposit Account(s) being overdrawn, Borrower shall pay overdraft charges and interest on the amount of the overdraft at the rate in effect and being charged by the Bank from time to time on overdrafts on Deposit Account(s) of its members. Upon maturity of any Advance, either by its terms, by acceleration pursuant to this Agreement, or otherwise the Bank may without notice to Borrower apply any credits, deposits, or monies of Borrower then in the possession or custody and control of the Bank to the payment of principal, interest, and other due and payable amounts in connection with such Advance, including, without limitation, any prepayment fees owed in connection with the repayment of that Advance. All payments with respect to Advances shall be applied first to any fees or charges applicable thereto, then to interest due thereon, and then to any principal amount thereof that is then due and payable.

SECTION 2.3. *ADVANCES WITH RESPECT TO OUTSTANDING COMMITMENTS.*

In the event that one or more commitments to make Advances to Borrower are outstanding at the time of an Event of Default under Section 4.1 hereof ("Outstanding Commitments"), the Bank may at its option make an Advance by crediting a special reserve account with the Bank in an amount equal to the Outstanding Commitments. Amounts credited to such special reserve account shall be utilized by the Bank for the purpose of satisfying the obligations of the Bank under such Outstanding Commitments. When all such obligations have expired or have been satisfied, the Bank shall disburse the balance, if any, in such special reserve account first to the satisfaction of any amounts then due and owing by Borrower to the Bank and then to Borrower or its successors in interest. Advances made pursuant to this Section 2.3 shall be payable on demand and shall bear interest at the rate in effect and being charged by the Bank from time to time on overdrafts on Deposit Account(s) of its Borrowers. Nothing contained in this Section 2.3, however, shall be interpreted to obligate the Bank to release funds or to fund an Outstanding Commitment in the event Borrower is unable to satisfy the continued eligibility for funding Advances or Collateral requirements of this Agreement or is otherwise in default under this Agreement.

ARTICLE III

SECURITY AGREEMENT

SECTION 3.1. *CREATION OF SECURITY INTEREST.* As security for all Indebtedness and Outstanding Commitments, Borrower hereby assigns, transfers, and pledges to the Bank, and grants to the Bank a security interest in all of the Collateral, including, without limitation, the First Mortgage Collateral, Capital Stock, Deposit Accounts, Other Real Estate Related Collateral, Securities, Small Business Collateral, and Small Farm and Agri-Business Collateral now owned or existing or hereafter owned, acquired, or arising by Borrower, all payment intangibles related to the foregoing, and all proceeds, cash proceeds, and noncash proceeds of the foregoing. Without limitation of the foregoing and for the avoidance of doubt, all property heretofore assigned, transferred, or pledged by Borrower to the Bank or as to which Borrower has granted a security interest to the Bank, as collateral for Advances prior to the date hereof is Collateral hereunder. If, as, and when First Mortgage Collateral, Securities, Small Business Collateral, Small Farm and Agri-Business Collateral, and Other Real Estate Related Collateral is encumbered or disposed of by Borrower in the ordinary course of the Borrower's business and in conformity with the requirements of Section 3.3 (a) hereof the security interest created hereunder shall be automatically released.

SECTION 3.2. *REPRESENTATIONS AND WARRANTIES OF BORROWER CONCERNING COLLATERAL.* Borrower represents and warrants to the Bank, as of the date hereof and as of the date of each Advance hereunder, the following:

(a) Borrower owns and has good and marketable title to the Collateral free and clear of any and all liens, claims, or encumbrances and has the right and authority to grant a security interest in the Collateral and to subject all of the Collateral to this Agreement.

(b) The information contained in any status report, schedule, or other documents required hereunder and any other information given from time to time by Borrower as to each item of Collateral is true, accurate, and complete in all material respects.

(c) All of the Collateral meets the standards and requirements with respect thereto from time to time established by the Bank, the Act, and the Regulations.

(d) To the best of Borrower's knowledge and belief, no part of any real property or interest in real property that is the subject of mortgages included in the Collateral contains or is subject to the effects of toxic or hazardous materials or other hazardous substances (including those defined in the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended, 42 U.S.C. sec. 9601, *et. seq.*; the Hazardous Materials Transportation Act, 49 U.S.C. sec. 1801, *et. seq.*; the Resource Conservation and Recovery Act, 42 U.S.C. sec. 6901, *et. seq.*; and in the regulations adopted and publications promulgated pursuant to said laws, as such laws, regulations, and publications may be amended, reformed, or otherwise modified from time to time) the presence of which could subject the Bank or its successors and assigns to any liability under applicable state or Federal law or local ordinance either at any time that such property is pledged to the Bank or upon the enforcement by the Bank of its security interest therein. Borrower hereby agrees to indemnify and hold the Bank harmless against all costs, claims, expenses, damages, and liabilities resulting in any way from the presence or effects of any such toxic or hazardous substances or materials in, on, under, or

emanating from any real property or interest in real property that is subject to or included in the Collateral or any other property in which the Borrower has granted a security interest in favor of the Bank.

(e) The exact legal name of Borrower, the type and jurisdiction of organization of Borrower, and the location of Borrower's chief executive office, each as stated in the first paragraph of this Agreement is true, accurate, and complete. Except with thirty days' prior written notice to the Bank, Borrower will not change its name, its type and jurisdiction of organization, or the location of its chief executive office.

(f) Borrower is in compliance with all laws, rules, regulations, and ordinances applicable to or binding upon Borrower or the Collateral, including, without limitation, the Truth in Lending Act and the Home Ownership and Equity Protection Act (and Regulation Z promulgated thereunder), Equal Credit Opportunity Act, Fair Credit Reporting Act, Fair Debt Collection Practices Act, Fair and Accurate Credit Transactions Act, Gramm-Leach-Bliley Financial Privacy Act, anti-discrimination and fair lending laws, and all other federal and state laws, regulations, orders, directives, or similar requirements intended for the protection of consumers in connection with the extension of consumer credit, except to the extent that the failure to comply therewith would not be reasonably expected to (i) subject the Bank or its successors and assigns to any liability under applicable state or federal law or local ordinance at any time that Borrower grants a security interest in such property in favor of the Bank, upon the enforcement by the Bank of its security interest therein, or at any other time or (ii) have a material adverse effect on (A) the condition (financial or otherwise), operations, business, assets, or liabilities of Borrower, (B) the ability of Borrower to perform any material obligation under this Agreement, or (C) the material rights and remedies of the Bank under this Agreement. Borrower hereby agrees to indemnify and hold the Bank harmless against all costs, claims, expenses, damages, and liabilities resulting in any way from Borrower's failure to comply with any laws, rules, regulations, or ordinances applicable to or binding upon Borrower or the Collateral.

SECTION 3.3. *COLLATERAL MAINTENANCE REQUIREMENTS.*

(a) Borrower shall at all times maintain as Collateral an amount of Qualifying Collateral that has a Fair Market Value that is at least equal to the Collateral Maintenance Level. Borrower shall not assign, pledge, transfer, create any security interest in, sell, or otherwise dispose of any Collateral or interest therein if: (i) such Collateral has been or is required to be specified pursuant to Section 3.4 hereof or is or is required to be held by or on behalf of the Bank pursuant to Section 3.5 hereof, or the Bank has otherwise perfected its security interest in such Collateral; or (ii) at the time of or immediately after such action, Borrower is not or would not be in compliance with the collateral maintenance requirements of the first sentence of this Section 3.3 (a) or there is any other Event of Default under this Agreement.

(b) Subject to the additional requirements set forth in Sections 3.4 and 3.5 hereof that may govern Collateral, Collateral shall be held by Borrower in trust for the benefit of, and subject to the direction and control of, the Bank and will be physically safeguarded by Borrower with at least the same degree of care as Borrower uses in physically safeguarding its other property, which shall be no less than the treatment employed by a reasonable and prudent agent in the industry. Without limitation of the foregoing, Borrower shall take all action necessary or desirable to protect and preserve the Collateral and the interest of the Bank therein, including, without limitation, the maintaining of Insurance on property securing First Mortgage Collateral (such policies and certificates of insurance or guaranty relating to such

First Mortgage Collateral are herein called "Insurance"), the collection of payments under all mortgages and under all Insurance, and otherwise assuring that all mortgages are serviced in accordance with the standards of a reasonable and prudent servicer in the industry. Borrower, as agent for the Bank, shall collect all payments when due on all Collateral. If the Bank requires, Borrower shall hold all collections and other proceeds of Collateral separate from the other monies of Borrower and apply such collections to the reduction of Indebtedness as it becomes due; otherwise the Bank consents to the use and disposition by Borrower of all such collections in the ordinary course of Borrower's business.

SECTION 3.4. SPECIFICATION AND SEGREGATION OF COLLATERAL.

(a) Upon demand by the Bank, or promptly at any time that Borrower becomes subject to any mandatory collateral specification and segregation requirements that may be established in writing by the Bank, and in either case promptly after each valuation date established by the Bank, Borrower shall deliver to the Bank a status report and accompanying schedules, all in the form prescribed by the Bank, specifying and describing such amount of Qualifying Collateral as may be necessary so that the Fair Market Value of the Qualifying Collateral so specified meets or exceeds the Collateral Maintenance Level at all times. Each First Mortgage Note evidencing First Mortgage Collateral shall be endorsed by Borrower at such time as the Bank may request as follows: "Pay to the order of the Federal Home Loan Bank of Dallas." All other First Mortgage Documents and documents representing Securities, Small Farm and Agri-Business Collateral, and Other Real Estate Related Collateral shall be marked and assigned to the Bank in the foregoing manner or in such other manner as shall be specified by the Bank.

(b) Borrower shall physically segregate and hold in trust any First Mortgage Collateral, Small Business Collateral, Small Farm and Agri-Business Collateral, and Other Real Estate Related Collateral specified in each status report or delivered pursuant to subsection (a) of this Section 3.4 from all other property of Borrower in a manner satisfactory to the Bank. Borrower shall hold each First Mortgage Document and each document, agreement, instrument, endorsement, and assignment evidencing Other Real Estate Related Collateral which is a part of such segregated Collateral in a separate file folder with each folder clearly labeled with the loan identification number and the name of the mortgagor. Borrower shall hold each document, agreement, instrument, endorsement, and assignment evidencing Small Business Collateral or Small Farm and Agri-Business Collateral which is a part of such segregated Collateral in a separate file folder with each file folder clearly labeled with the loan identification number and the name of the borrower. Each such file folder shall be clearly marked or stamped with the statement: "The Mortgage, Deed of Trust, or Security Agreement, as applicable, and the Note Relating to this Loan Have Been Assigned to the Federal Home Loan Bank of Dallas."

(c) If requested by the Bank, Borrower shall provide, at its own expense, such certifications by an independent certified public accountant or by another party acceptable to the Bank as the Bank may request with respect to the compliance by Borrower with the terms of Sections 3.3 and 3.4. All Securities and, unless otherwise specified by the Bank, all other Collateral specified in such a status report shall be delivered to the Bank or to a custodian designated by the Bank, or in the case of uncertificated securities, transferred to the Bank in the manner specified in Section 3.5 hereto.

SECTION 3.5. *DELIVERY OF COLLATERAL.*

(a) Upon demand by the Bank, or promptly at any time that Borrower becomes subject to any mandatory collateral delivery requirements that may be established in writing by the Bank, and in either case from time to time thereafter, Borrower shall deliver to the Bank, or to a custodian designated by the Bank, such Qualifying Collateral as may be necessary so that the Fair Market Value of Qualifying Collateral held by the Bank, or such custodian, meets or exceeds the Collateral Maintenance Level at all times. Collateral delivered to the Bank shall be endorsed or assigned in recordable form by Borrower to the Bank. Unless otherwise specified in writing by the Bank, such endorsements or assignments may be in blanket form provided that, in the case of First Mortgage Collateral, Small Business Collateral, Small Farm and Agri-Business Collateral, and Other Real Estate Related Collateral, there shall be separate endorsements and assignments for each county or recording district in which the real property secured by such First Mortgage Collateral, Small Business Collateral, Small Farm and Agri-Business Collateral, or Other Real Estate Related Collateral is located. Concurrently with the initial delivery under this Section 3.5 of Collateral and promptly after each subsequent valuation date established by the Bank, and at such other times as the Bank may request, Borrower shall deliver to the Bank a status report and accompanying schedules, all in the form prescribed by the Bank and dated as of the then most recent valuation date, describing the Collateral held by the Bank or its custodian.

(b) With respect to uncertificated securities pledged to the Bank as Securities or other property offered as collateral by Borrower to the Bank and as may be accepted by the Bank as collateral from time to time pursuant to the terms hereof, the delivery requirements contained in this Agreement shall be satisfied by the Bank becoming the registered owner of such securities or the issuer of such securities having agreed that it will comply with instructions originated by the Bank without further consent by Borrower, such transfer to be effected in such manner and to be evidenced by such documents as specified by the Bank.

(c) Borrower agrees to pay the Bank such reasonable fees and charges as may be assessed by the Bank to cover the overhead and other costs of the Bank relating to the receipt, holding, redelivery, and reassignment of Collateral, and to reimburse the Bank upon request for all recording fees and other reasonable expenses, disbursements, and advances incurred or made by the Bank in connection therewith, including reasonable compensation and the expenses and disbursements of any custodian that may be appointed by the Bank hereunder, and the agents and legal counsel of the Bank and of such custodians.

SECTION 3.6. *WITHDRAWAL OR REASSIGNMENT OF COLLATERAL.* Upon approval by the Bank and receipt by the Bank of written documents in the form specified by the Bank constituting (i) a request from Borrower for the withdrawal or reassignment of Collateral that has been specified pursuant to Section 3.4 hereof or has been delivered pursuant to Section 3.5 hereof, or as to which the Bank has otherwise perfected its security interest, (ii) a detailed listing of the Collateral to be withdrawn or reassigned, and (iii) a certificate of a duly authorized officer of Borrower certifying that the Fair Market Value of the Qualifying Collateral that is specified and pledged to or will be held by the Bank, as appropriate, after such withdrawal or reassignment will not be less than the Collateral Maintenance Level, the Bank shall promptly redeliver or reassign to Borrower the Collateral specified in said certificate of such duly authorized officer. Notwithstanding anything to the contrary herein contained, while an Event of

Default hereunder shall have occurred and be continuing, the Bank will not be required to honor any request for withdrawal or reassignment of any Collateral.

SECTION 3.7. REPORTS, COLLATERAL AUDITS, AND ACCESS.

(a) If the Fair Market Value of Qualifying Collateral owned by Borrower, free and clear of any liens, security interests, or encumbrances other than any lien, security interest, or encumbrance in favor of the Bank, shall at any time fall below the Collateral Maintenance Level or if Borrower becomes aware of, or has reason to believe that a contingency exists, which with the lapse of time, giving of notice, or both could result in Borrower failing to maintain Qualifying Collateral in an amount that has a Fair Market Value at least equal to the Collateral Maintenance Level, Borrower shall immediately notify the Bank. Borrower shall furnish to the Bank annually and at such other times as the Bank may request, an audit report prepared by the Bank, if the Bank in its sole discretion chooses to prepare such audit report, or an external independent auditor of Borrower in accordance with generally accepted auditing standards certifying that Borrower owns, free and clear of any liens, security interests, or encumbrances, other than liens, security interests, or encumbrances in favor of the Bank, Qualifying Collateral with a Fair Market Value at least equal to the Collateral Maintenance Level. If Borrower is required to specify and pledge or deliver Collateral pursuant to Sections 3.4 and 3.5 hereof, such audit report shall refer only to such Qualifying Collateral that is so specified, pledged, delivered, or held by the Bank as of the date of such audit report. If requested by the Bank, Borrower shall furnish to the Bank a written report covering such matters regarding the Collateral as the Bank may require, including, without limitation: listings of First Mortgages and Securities and unpaid principal balances thereof; and certifications concerning the status of payments of First Mortgages and of taxes and Insurance on properties securing First Mortgages and Other Real Estate Related Collateral. If so requested by the Bank, Borrower shall promptly report to the Bank any event that reduces the principal balance of any First Mortgage or Security by five percent (5%) or more, whether by payment, prepayment, foreclosure sale, Insurance or guaranty payment, or otherwise. Borrower shall give the Bank access at all reasonable times to Collateral in the possession of Borrower and to the books and records of account of Borrower relating to such Collateral for the purpose of permitting the Bank to examine, verify, or reconcile the Collateral and the reports of Borrower to the Bank thereon.

(b) All Collateral and the maintenance by Borrower of Qualifying Collateral in an amount that has a Fair Market Value at least equal to the Collateral Maintenance Level shall be subject to audit and verification by or on behalf of the Bank. Such audits and verifications may occur without notice by the Bank during normal business hours of Borrower or upon reasonable notice at such other times as the Bank may reasonably request. Borrower shall provide access to, and shall make adequate working facilities available to, the representatives or agents of the Bank for the purposes of such audits and verifications. Borrower agrees to pay to the Bank such reasonable fees and charges as may be assessed by the Bank to cover overhead and other costs relating to such audits and verifications.

SECTION 3.8. ADDITIONAL DOCUMENTATION. Borrower shall make, execute, record, and deliver to the Bank such financing statements, notices, assignments, listings, powers of attorney, and other instruments with respect to the Collateral and the security interest of the Bank therein all in such form as the Bank may require. To the extent permitted by applicable law, Borrower hereby irrevocably authorizes the Bank to file, in the name of Borrower or otherwise and without the signature or other separate authorization or authentication of Borrower

appearing thereon, such UCC financing statements (including, without limitation, continuations and amendments) and in such jurisdictions as the Bank may deem necessary or appropriate to perfect or maintain the perfection of the security interest of the Bank. Borrower hereby irrevocably authorizes the Bank to file financing statements (including, without limitation, continuations and amendments) with respect to any Collateral describing the Collateral covered thereby as "all of the debtor's personal property and assets" or words to similar effect, notwithstanding that such description may be broader in scope than the Collateral described in this Agreement. Borrower agrees that a photocopy, electronic or other reproduction of this Agreement or of a financing statement is sufficient as a financing statement. Borrower shall pay the cost of, or incidental to, any recording or filing of any financing statements (including, without limitation, continuations and amendments) or other assignment documents concerning the Collateral.

SECTION 3.9. *RESPONSIBILITY OF THE BANK AS TO COLLATERAL.* The duty of the Bank as to the Collateral shall be solely to use reasonable care in the custody and preservation of the Collateral in its possession, which shall not include (i) any steps necessary to preserve rights against other parties with a prior position or (ii) the duty to send notices, perform services, or take any action in connection with the collection or management of the Collateral. The Bank shall not have any responsibility or liability for the form, sufficiency, correctness, genuineness, or legal effect of any instrument or document constituting a part of the Collateral, or any signature thereon or the description or misdescription or value of property represented, or purported to be represented, by any such document or instrument. Borrower agrees that any and all Collateral may be removed by the Bank from the state or location where situated, and may there be dealt with by the Bank as provided in this Agreement.

SECTION 3.10. *RIGHTS OF THE BANK AS TO COLLATERAL; POWER OF ATTORNEY.* At any time or times, at the expense of Borrower, the Bank may in its sole discretion, before or after the occurrence of an Event of Default, in its own name or in the name of its nominee or of Borrower, do any or all things and take any and all actions that are pertinent to the protection of the interest of the Bank hereunder and that are lawful under the laws of the State of Texas or any other State or jurisdiction the laws of which shall apply to (i) the attachment and perfection of a security interest of the Bank hereunder or (ii) the enforcement of the Bank's rights hereunder, including, but not limited to, the following:

- (a) Terminate any consent given hereunder;
- (b) Notify obligors on any Collateral to make payments thereon directly to the Bank;
- (c) Endorse any Collateral in the name of Borrower;
- (d) Enter into any extension, compromise, settlement, or other agreement relating to or affecting any Collateral;
- (e) Take any action Borrower is required or permitted to take or that is otherwise necessary to (i) sign and record a financing statement or otherwise perfect a security interest in any or all of the Collateral; or (ii) obtain, preserve, protect, enforce, or collect the Collateral;
- (f) Take control of any funds or other proceeds generated by the Collateral and use the same to reduce Indebtedness as it becomes due (or hold the same as additional Collateral); and
- (g) Cause the Collateral to be transferred to the Bank's name or the name of its nominee.

Borrower hereby appoints the Bank as its true and lawful attorney, for and on behalf of Borrower and in its name, place and stead, to prepare, execute, and record endorsements and assignments to the Bank and its successors and assigns and grants to the

Bank as such attorney full power and authority to do or perform every lawful act necessary or proper in connection therewith as fully as the Borrower might or could do. Borrower hereby ratifies and confirms all that the Bank shall lawfully do or cause to be done by virtue of this special power-of-attorney set forth in this Section 3.10. This special power-of-attorney is granted for a period commencing on the date hereof and continuing until the discharge of all Indebtedness and all obligations of Borrower hereunder regardless of any Event of Default, is coupled with an interest, and is irrevocable for the period granted.

SECTION 3.11. *SUBORDINATION OF OTHER LOANS TO COLLATERAL.* Borrower hereby agrees that all First Mortgage Notes that are part of the First Mortgage Collateral and any notes securing personal property or other property (collectively, the "Pledged Notes") shall have priority in right and remedy over any claims, however evidenced, for other loans, whenever made, that are secured by mortgages or security agreements on the property securing the Pledged Notes. The Pledged Notes shall be satisfied out of the property or proceeds thereof covered by such mortgages or security agreements before recourse to such property may be obtained for the repayment of such other loans. To this end, Borrower hereby subordinates the lien and security interests of such mortgages and security agreements with respect to such other loans to the lien and security interests of such mortgages and security agreements with respect to the Pledged Notes. Borrower further agrees to retain possession of any promissory notes evidencing such other loans and not to pledge, assign, or transfer the same, except that (if otherwise qualified) the same may be pledged to the Bank as part of the Collateral.

SECTION 3.12. *NOTARIAL ENSORSEMENTS AND PARAPHS OF PARAPHED NOTES; NOTES NOT PARAPHED.* Borrower agrees that to the extent any Collateral consists of First Mortgage Notes or any other promissory notes delivered to the Bank that are payable to the order of Borrower and paraphed for identification with First Mortgages or any other mortgages also secured by property located in Louisiana (such First Mortgages and such other mortgages secured by property located in Louisiana, herein the "Louisiana Mortgages" and such First Mortgages Notes and other promissory notes that are secured by Louisiana Mortgages, herein the "Louisiana Notes"), then Borrower shall endorse such Louisiana Notes payable to the order of Bank (or bearer) pursuant to notarial acts of endorsement ("Notarial Endorsement") and cause the notary public before whom the Notarial Endorsement is executed to paraph the various Louisiana Notes for identification with the Notarial Endorsement. The Notarial Endorsement shall be delivered to the Bank contemporaneously with the delivery of the Louisiana Notes.

Borrower further agrees that to the extent any Collateral consists of Louisiana Notes that are not paraphed for identification with the Louisiana Mortgages and that are secured by Louisiana Mortgages, Borrower shall endorse such Louisiana Notes and shall execute an Assignment of Note and Mortgage in authentic form assigning the Louisiana Notes and all of Borrower's interest in and to the Louisiana Mortgages to the Bank. The Assignment of Note and Mortgage shall be delivered to the Bank contemporaneously with the delivery of the Louisiana Notes.

ARTICLE IV

DEFAULT; REMEDIES

SECTION 4.1. *EVENTS OF DEFAULT; ACCELERATION.* Upon the occurrence of and during the continuation of any of the following events or conditions of default ("Event of Default"), the Bank may at its own option declare all Indebtedness and accrued interest thereon, including any prepayment fees and charges that are provided for in the event of the payment of an Advance before the date(s) scheduled for repayment, to be immediately due and payable without presentment, demand, protest, or any further notice:

(a) The failure of Borrower to pay when due the interest on or the principal of any Advance;

(b) The failure of Borrower to perform any promise or obligation or to satisfy any condition or liability contained herein, in any Confirmation of Advance, or in any other agreement to which Borrower and the Bank are parties;

(c) Evidence coming to the attention of the Bank that any representation, statement, or warranty made or furnished in any manner to the Bank by or on behalf of Borrower in connection with any Advance, any specification of Qualifying Collateral, or any certification of Fair Market Value was false in any material respect when made or furnished;

(d) The issuance of any tax levy, seizure, attachment, garnishment, levy of execution, or other legal process with respect to the Collateral;

(e) Any suspension of payment by Borrower to any creditor of sums due or the occurrence of any event that results in acceleration of the maturity of any indebtedness of Borrower to others under any obligation, security agreement, indenture, loan agreement, or comparable undertaking;

(f) The appointment of a conservator or receiver for Borrower or any subsidiary of Borrower or the property of Borrower; entry of an order for relief against Borrower or any subsidiary of Borrower under the federal bankruptcy laws; entry of a judgment or decree adjudicating Borrower or any subsidiary of Borrower insolvent; commencement of a case or other proceeding by or against Borrower or any subsidiary of Borrower seeking liquidation, reorganization, or other relief with respect to it or its debts under any bankruptcy, insolvency, or similar law now or hereafter in effect; or an assignment by Borrower or any subsidiary of Borrower for the benefit of creditors;

(g) The sale by Borrower of all or a material part of the assets of Borrower or the taking of any other action by Borrower to liquidate or dissolve;

(h) The cessation of Borrower to be a type of institution that is eligible under the Act to become a Borrower of the Bank; or in the case of member borrowers, termination of the membership of Borrower in the Bank;

(i) Merger, consolidation, or other combination of Borrower with an entity that is not a member of the Bank or is not otherwise eligible to borrow from the Bank if such non-member or non-eligible entity is the surviving entity;

(j) The Bank reasonably and in good faith determines that a material adverse change has occurred in the financial condition of Borrower from the time of the making of any Advance or from the condition of Borrower as theretofore most recently disclosed to the Bank; or

(k) The Bank reasonably and in good faith deems itself insecure even though Borrower is not otherwise in default.

SECTION 4.2. *REMEDIES.* Upon the occurrence of any Event of Default, the Bank shall have all of the rights and remedies provided by applicable law, which shall include, without limitation, all of the remedies of a secured party under the UCC. In addition, the Bank may take immediate possession of any of the Collateral or any part thereof wherever the same may be found. The Bank is irrevocably authorized to foreclose upon the Collateral, in whole or in part, and to thereupon cause such Collateral to be seized and sold under either executory or ordinary proceedings at the Bank's sole option, without appraisal, in either its entirety or in lot. The Bank may sell, assign, and deliver the Collateral or any part thereof at public or private sale (at the sole option of the Bank), without recourse to judicial proceedings and without demand, appraisal, advertisement or notice of any kind, all of which are expressly waived to the fullest extent permitted by law, for such price as the Bank deems appropriate without any liability for any loss due to a decrease in the market value of the Collateral during the period held. The Bank shall have the right to purchase all or part of the Collateral at such public or private sale free of any right of redemption on the part of Borrower which right is expressly waived and released to the fullest extent permitted by law. If the Collateral includes insurance or securities that will be redeemed by the issuer upon surrender, or any accounts or deposits in the possession of the Bank, the Bank may realize upon such Collateral without notice to Borrower. If any notification of intended disposition of any of the Collateral is required by applicable law, such notification shall be deemed reasonable and properly given if mailed, postage prepaid, at least five (5) days before any such disposition to the principal address of Borrower appearing on the records of the Bank. The Bank shall be entitled to receive the proceeds from any sale of the Collateral by preference and priority over all other parties. The proceeds of any sale shall be applied in the order that the Bank, in its sole discretion, may choose. Borrower agrees to pay all costs and expenses of the Bank in the collection of the Indebtedness and enforcement of the rights and remedies of the Bank in case of default, including, without limitation, reasonable attorney's fees. The Bank, at its discretion, may apply any surplus after payment of the Indebtedness, provision for repayment to the Bank of any amounts to be paid or advanced under Outstanding Commitments, and all costs of collection and enforcement to third parties, without recourse to the Bank, claiming a secondary security interest in the Collateral, with any remaining surplus paid to Borrower. Borrower shall be liable to the Bank for any deficiency remaining.

ARTICLE V

GENERAL REPRESENTATIONS AND WARRANTIES BY BORROWER

SECTION 5.1. *REPRESENTATIONS AND WARRANTIES.* Borrower represents and warrants to the Bank, as of the date hereof and as of the date of each Advance hereunder, each of the following:

(a) Borrower is not now, and neither the execution of nor the performance of any of the transactions or obligations of Borrower under this Agreement shall, with the passage of time, the giving of notice or otherwise, cause Borrower to be: (i) in violation of its charter or articles of incorporation, bylaws, the Act, the Regulations, any other law or administrative regulation or order, or any court decree; or (ii) in default under or in breach of any indenture, contract, or other instrument to which Borrower is a party or by which it or any of its property is bound.

(b) Borrower has full corporate power and authority and has received all corporate and governmental authorizations and approvals as may be required to enter into and perform its obligations under this Agreement and to borrow each Advance.

(c) The information given by Borrower in any document provided, or in any oral statement made, in connection with an application or request for an Advance, is true, accurate, and complete in all material respects.

ARTICLE VI

MISCELLANEOUS

SECTION 6.1. *ASSIGNMENT*. Borrower hereby gives the Bank the full right, power, and authority to pledge, assign, or negotiate to any person or entity, with or without recourse, all or any part of the Indebtedness or participations therein, and to the extent permitted by law, the Bank may assign or transfer all or any part or right, title, and interest of the Bank in and to this Agreement and may assign and deliver the whole or any part of the Collateral to the transferee, which shall succeed to all of the powers and rights of the Bank in respect thereof, and the Bank shall thereafter be forever relieved and fully discharged from any liability or responsibility with respect to the transferred Collateral. In the event of any such pledge or assignment, all references herein to the "Bank" shall be read to refer also to the pledgee or assignee, as the case may be. Borrower may not assign or transfer any of its rights or obligations hereunder without the express prior written consent of the Bank.

SECTION 6.2. *CONFESSION OF JUDGMENT*. Borrower hereby confesses judgment in favor of Bank, or any future holder or holders of any Collateral, up to the full amount of the Indebtedness including, principal, interest, attorney's fees, and any sums or expenditures that may be advanced or incurred during the life of this Agreement for the payment of insurance, taxes, or any amounts expended for the protection and preservation of the Collateral.

SECTION 6.3. *DISCRETION OF THE BANK TO GRANT OR DENY ADVANCES AND COMMITMENTS*. Nothing contained herein or in any documents describing or setting forth the credit program or policy of the Bank shall be construed as an agreement or commitment on the part of the Bank to grant Advances or extend commitments hereunder, the right and power of the Bank in its discretion to either grant or deny any Advance or commitment requested hereunder being expressly reserved.

SECTION 6.4. *AMENDMENT; WAIVERS*. No modification, amendment, or waiver of any provision of this Agreement or consent to any departure therefrom shall be effective unless executed by the party against whom such change is asserted and shall be effective only in the specific instance and for the purpose for which given. "Executed" as used in this Section 6.4 means that a person has signed or executed or otherwise adopted a symbol, or encrypted or similarly processed a record in whole or in part, with the present intent of the authenticating person to identify the person and to adopt or accept a record on behalf of Borrower. No notice to or demand on Borrower in any case shall entitle Borrower to any other or further notice or demand in the same or similar or other circumstances. Any forbearance, failure, or delay by the Bank in the exercise of any right, power, or remedy hereunder shall not be deemed to be a waiver thereof, and any single or partial exercise by the Bank of any right, power, or remedy hereunder shall not preclude the further exercise thereof. Without limiting the generality of Section 6.3 or

the foregoing provisions of this Section 6.4, the making of any Advance after the occurrence or during the continuance of an Event of Default (whether or not known to the Bank) shall not be deemed to be a waiver of such Event of Default or any right, power, or remedy hereunder and shall not preclude the further exercise thereof. Every right, power, and remedy of the Bank shall continue in full force and effect until specifically waived by the Bank in writing.

SECTION 6.5. *JURISDICTION; LEGAL FEES.* In any action or proceeding brought by the Bank or Borrower in order to enforce any right or remedy under this Agreement, the parties hereby consent to, and agree that they will either (i) submit to the jurisdiction of the United States District Court for the Northern District of Texas or, if such action or proceeding may not be brought and maintained in such court, the jurisdiction of an appropriate District Court for the State of Texas, County of Dallas, or (ii) if the parties mutually agree, submit any disagreement arising out of this Agreement to arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association, in effect from time to time. Borrower agrees that if any action or proceeding is brought by Borrower seeking to obtain any legal or equitable relief against the Bank under or arising out of this Agreement or any transaction contemplated hereby, and such relief is not granted by the final decision, after judgment of any and all appeals has been entered or the time period to appeal a decision has expired, of a court of competent jurisdiction, Borrower shall pay all attorneys' fees and other costs incurred by the Bank in connection therewith.

SECTION 6.6. *NOTICES.* Except as otherwise provided for in this Agreement, any notice, advice, request, consent, or direction given, made, or withdrawn pursuant to this Agreement shall be given in writing or by a transmission in electronic or other form, and shall be deemed to have been duly given to and received by a party hereto when it shall have been mailed to such party at its address given above by first class mail, or if given by hand or by a transmission in electronic or other form when actually received by such party at its principal office, chief executive office, or as otherwise designated. Any notice by the Bank to Borrower pursuant to Section 3.4(a) or 3.5(a) hereof may be oral and shall be deemed to have been duly given to and received by Borrower at the time of the oral communication.

SECTION 6.7. *TAPE RECORDING.* Borrower consents and agrees that all telephone conversations or data transmissions between Borrower and its agents and the Bank may be recorded and retained by either party by use of any reasonable means. Borrower agrees to indemnify and hold the Bank harmless against any and all liability that the Bank may incur as a result of such recordings.

SECTION 6.8. *PRIVACY.* The Bank shall use and disclose nonpublic personal information (as defined in the Gramm-Leach-Bliley Act and related regulations) received from Borrower only to the extent necessary to allow the Bank to provide Borrower the products and services offered by the Bank or to the extent covered by a statutory exception authorized by the Gramm-Leach-Bliley Act and related regulations.

SECTION 6.9. *SIGNATURE OF BORROWER.* The Secretary, Assistant Secretary, Cashier, or Assistant Cashier of Borrower shall from time to time certify to the Bank on forms provided by the Bank the names and specimen signatures of the persons authorized to apply on behalf of Borrower to the Bank for Advances and otherwise act for and on behalf of Borrower in accordance with this Agreement. Such certifications are incorporated herein and made a part of this Agreement and shall continue in effect until expressly revoked by Borrower, notwithstanding that subsequent certifications may authorize additional or different persons to

act for and on behalf of Borrower.

SECTION 6.10. *APPLICABLE LAW; SEVERABILITY.* IN ADDITION TO THE TERMS AND CONDITIONS SPECIFICALLY SET FORTH HEREIN AND IN ANY CONFIRMATION OF ADVANCE BETWEEN THE BANK AND BORROWER, THIS AGREEMENT AND ALL ADVANCES GRANTED AND COMMITMENTS EXTENDED UNDER THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF TEXAS, WITHOUT GIVING EFFECT TO THE CHOICE OF LAW PRINCIPLES INCLUDED THEREIN. NOTWITHSTANDING THE FOREGOING, THE UCC, WITHOUT GIVING EFFECT TO THE CHOICE OF LAW PRINCIPLES INCLUDED THEREIN, SHALL BE DEEMED APPLICABLE TO THIS AGREEMENT AND TO ANY ADVANCE HEREUNDER AND SHALL GOVERN THE ATTACHMENT AND PERFECTION OF ANY SECURITY INTEREST GRANTED HEREUNDER. IN THE EVENT THAT ANY PORTION OF THIS AGREEMENT CONFLICTS WITH APPLICABLE LAW, SUCH CONFLICT SHALL NOT AFFECT ANY OTHER PROVISION OF THIS AGREEMENT THAT CAN BE GIVEN EFFECT WITHOUT THE CONFLICTING PROVISION, AND TO THIS END THE PROVISIONS OF THIS AGREEMENT ARE DECLARED TO BE SEVERABLE.

SECTION 6.11. *SUCCESSORS AND ASSIGNS.* This Agreement shall be binding upon and inure to the benefit of the authorized and permitted successors and assigns of Borrower and the Bank.

SECTION 6.12. *ENTIRE AGREEMENT; AMENDMENT AND RESTATEMENT.* THIS AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES HERETO AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR (INCLUDING, WITHOUT LIMITATION, THE EXISTING AGREEMENT, IF ANY, AS DEFINED BELOW), CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES HERETO. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES HERETO. To the extent Borrower and the Bank have entered into an Advances, Specific Collateral Pledge and Security Agreement with Blanket Floating Lien, an Advances, Collateral Pledge and Security Agreement with Delivery, or an Advances, Collateral Pledge and Security Agreement prior to the date hereof (the "Existing Agreement"), (a) this Agreement amends and restates in its entirety the Existing Agreement, (b) this Agreement does not extinguish the indebtedness, liabilities, and obligations of Borrower outstanding in connection with the Existing Agreement nor does it constitute a novation with respect to such indebtedness, liabilities, and obligations of Borrower, (c) all indebtedness, liabilities, and obligations of Borrower under the Existing Agreement are renewed and continued and hereafter shall be payable in accordance with this Agreement; provided, however, for matters relating to the accrual and payment of interest and fees and relating to indemnification arising prior to the effective date of this Agreement, the terms of the Existing Agreement shall control and are hereby ratified and confirmed, (d) this Agreement shall not result in or constitute a waiver of or a release, discharge, or forgiveness of any amount payable pursuant to the Existing Agreement, (e) all security interests and liens previously granted by Borrower pursuant to the Existing Agreement are hereby renewed and continued, and all such security interests and other liens shall remain in full force and effect as security for all indebtedness, liabilities, and obligations of Borrower to the Bank, (f) any default thereunder shall constitute an Event of Default hereunder, and (g) Collateral furnished pursuant to this Agreement shall also secure all indebtedness, liabilities, and obligations of Borrower to the Bank under the Existing Agreement.

SECTION 6.13. *MAXIMUM RATE*. No interest rate specified in this Agreement shall at any time exceed the maximum rate of nonusurious interest under applicable law that the Bank may charge Borrower (the "Maximum Rate"). In the event the Bank ever receives, collects, or applies as interest any sum which is in excess of the Maximum Rate, such amount which would be in excess of the Maximum Rate shall be applied as a payment and reduction of the principal of the Advances; and, if the principal of the Advances has been paid in full, any remaining excess shall forthwith be paid to Borrower. In determining whether or not the interest paid or payable exceeds the Maximum Rate, Borrower and the Bank shall, to the extent permitted by applicable law, (a) characterize any non-principal payment as an expense, fee, or premium rather than as interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest throughout the entire contemplated term of the Advances so that interest for the entire term does not exceed the Maximum Rate.

SECTION 6.14. *CAPTIONS AND HEADINGS*. The captions and headings in this Agreement are for convenience only and shall not be considered a part of or affect the construction or interpretation of any provision of this Agreement.

SECTION 6.15. *FURTHER ASSURANCES*. Borrower shall execute such additional documents and take such other actions as the Bank may reasonably request to effectuate the intent of this Agreement.

SECTION 6.16. *EXECUTION*. This Agreement may be executed in any number of counterparts, on telecopy counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

IN WITNESS WHEREOF, Borrower and the Bank, each acting through its respective duly authorized representative(s), have caused this Agreement to be signed in their names and delivered as of the date first above written.

Full Corporate Name of Borrower

Fiscal Year End

Authorized Signature

Typed Name & Title of Signer

Authorized Signature

Typed Name & Title of Signer

FEDERAL HOME LOAN BANK OF DALLAS

Authorized Signature

Typed Name & Title of Signer

Authorized Signature

Typed Name & Title of Signer



CORPORATE CERTIFICATE OF AUTHORITY

Member Name: _____ (“Corporation”)

MASTER TRANSACTIONS AGREEMENT

RESOLVED, that the Board of Directors of this Corporation hereby authorizes, empowers, and directs the President, any Vice President, or the Treasurer to execute, deliver, or acknowledge, as applicable, the Master Transactions Agreement and all amendments, restatements, or other modifications thereto.

ADVANCES AND COLLATERAL

RESOLVED, that the Board of Directors of this Corporation hereby authorizes, empowers, and directs each person shown on signature cards submitted to Federal Home Loan Bank of Dallas (the "Bank") from time to time (each such person an "Authorized Individual" and collectively, the "Authorized Individuals") to apply for and to request loans, advances, interest rate swaps, letters of credit or other credit related products or services from the Bank (collectively "Advances") and to execute, deliver, or acknowledge, as applicable, all agreements, documents, instruments, and certificates necessary to apply for, request, and obtain Advances from time to time and, if required by Bank, to execute and deliver a note or notes or other documents or instruments evidencing such Advances.

RESOLVED FURTHER, that the Board of Directors of this Corporation hereby authorizes, empowers, and directs each Authorized Individual to execute, deliver, or acknowledge, as applicable, all agreements, documents, instruments, and certificates necessary to pledge, grant a security interest in favor of the Bank, or otherwise encumber, to assign to the Bank, and to deliver or otherwise furnish to the Bank certain property of this Corporation as may be required from time to time.

RESOLVED FURTHER, that the Board of Directors of this Corporation hereby authorizes, empowers, and directs each Authorized Individual to execute, deliver, or acknowledge, as applicable, such other agreements, documents, instruments, and certificates and to do all things necessary in connection with all of the aforementioned matters as may be required.

DEPOSITS

RESOLVED, that the Board of Directors of this Corporation hereby designates the Bank as a depository institution for this Corporation with authority to accept or receive at any time for the credit of this Corporation deposits of funds and other property, including, without limitation, securities in whatever form

or manner transferred or endorsed, by whomsoever made; and that each Authorized Individual is hereby authorized to open or cause to be opened one or more accounts with the Bank on such terms, conditions and agreements as the Bank may now or hereafter require and to make any other agreements deemed advisable in regard to any of the foregoing.

RESOLVED FURTHER, that checks, drafts or other orders for the payment, transfer or withdrawal of any of the funds or property of this Corporation on deposit with the Bank shall be binding on this Corporation when signed, manually or by use of a facsimile or mechanical signature, regardless of by whom or by what means the actual or purported facsimile or mechanical signature or signatures may have been placed thereon, or otherwise authorized, by any Authorized Individual.

WIRE TRANSFERS

RESOLVED, that that the Board of Directors of this Corporation hereby authorizes, empowers, and directs each Authorized Individual to provide the Bank with written, telephonic, electronic or oral instructions, complying with such rules and regulations relating to such authorization as the Bank may communicate to this Corporation from time to time, authorizing the payment, transfer or withdrawal of funds of this Corporation on deposit with the Bank (or otherwise transferable by the Bank), by wire or otherwise, without any written order for the payment of money being issued with respect to such transfer, and, furthermore, each Authorized Individual for and on behalf of this Corporation, is hereby authorized, empowered, and directed to enter into such agreements with the Bank with respect to any such transfers as such Authorized Individual in his or her sole discretion deems advisable.

If any such payment, transfer or withdrawal authorization requires communication to the Bank by the requester of a code, and such code is communicated, any such payment, transfer or withdrawal so affected shall be binding on this Corporation regardless of who communicates the request.

SAFEKEEPING SERVICES

RESOLVED, that each Authorized Individual is hereby authorized, empowered, and directed, on behalf of this Corporation, to transact any and all safekeeping business with and through the Bank which such person(s) may at any time deem to be advisable, and, in reference to any such business, to make any and all agreements and to execute and deliver to the Bank any and all agreements, documents, instruments, and certificates which such person may deem to be necessary or desirable.

FURTHER PROVISIONS

RESOLVED FURTHER, that the Secretary, Assistant Secretary, Cashier, or Assistant Cashier shall certify to the Bank the names and signatures (either actual or any form or forms of facsimile or mechanical signatures adopted by the person authorized to sign) of the Authorized Individuals and the Secretary, Assistant Secretary, Cashier, or Assistant Cashier shall from time to time hereafter, upon a change in any facts so certified, immediately certify to the Bank the names and signatures (actual or facsimile) of the officers or persons then authorized to sign or to act; the Bank shall be fully protected in relying on such certificates and on the obligation of the Secretary, Assistant Secretary, Cashier, or Assistant Cashier to immediately certify to the Bank any changes in the facts so certified, and the Bank shall be indemnified and saved harmless by this Corporation from any claims, demands, expenses, loss or damage resulting from or growing out of honoring or relying on the signature or other authority (whether or not properly used and, in the case of any facsimile signature, regardless of when or by whom or by what means such

signature may have been made or affixed) of any officer or person whose name and signature was so certified, or refusing to honor any signature or authority not so certified.

RESOLVED FURTHER, that these resolutions shall continue in force until express written notice of their rescission or modification has been furnished to and received by the Bank.

RESOLVED FURTHER, that any and all transactions by or in behalf of this Corporation with the Bank prior to the adoption of this resolution (whether involving deposits, withdrawals or otherwise) be and the same hereby are in all respects ratified, approved, and confirmed.

The undersigned hereby certify that the Board of Directors of the Corporation has, and at the time of adoption of said resolutions had, full power and lawful authority to adopt the foregoing resolutions and to confer the powers therein granted to the persons named, and that such persons have full power and authority to exercise the same, and such resolutions have not been amended, rescinded, or otherwise modified and are still in full force and effect.

To be executed by any or all of the following:

Secretary

Assistant Secretary

Cashier

Assistant Cashier

Attest by One Other Officer

Date:

PORTFOLIO MANAGEMENT AND COMPLIANCE DIVISION

**BOARD ACTION REQUEST
HOME AMENDMENTS
May 4, 2006**

Action Item

Requests for amendments to HOME Investment Partnerships Program (HOME) contracts involving modifications that significantly decrease the benefits to be received by the Department.

Requested Action

Approve or deny the requests for amendments.

Background

The 2006 HOME Rules in the Texas Administrative Code, Title 10, Part 1, Chapter 53, Rule §53.62(b)(3) states that modifications and/or amendments that increase the dollar amount by more than 25% of the original award or \$50,000, whichever is greater; or significantly decrease the benefits to be received by the Department, in the estimation of the Executive Director, will be presented to the Board for approval.

HOME Administrators periodically request amendments to modify contract terms or performance requirements specified in Exhibit A (Performance Statement) of HOME contracts. In order for a request to be considered, the Administrator must:

- submit justification, extenuating circumstances, or compelling reasons for the request; and
- submit a request that would still have resulted in an award of HOME funds if the original application had been submitted according to the requested changes; and
- be in compliance with monitoring and auditing requirements for all Department programs.

Contract extensions are the most commonly requested type of amendment. Other types of amendment requests include revisions to income targeting according to Area Median Family Income (AMFI) limits, revisions to the number of assisted units, budget modifications, and revisions to matching contributions.

Contract extensions are typically requested when Administrators are close to the end date of the contract, but contract performance requirements are not complete or construction work is in progress and may not be completed by the end date of the contract.

Changes to AMFI are typically requested if the Administrator has not received sufficient applicants at the income targeting requirements specified in their Performance Statement. This situation occurs most often with Homebuyer Assistance (HBA) contracts. Applicants for HBA assistance at the lower income levels, because of high credit or bad credit ratings, may not qualify for a mortgage and are therefore ineligible to participate in the program.

Another issue is the low income levels relative to some parts of the state. This is especially the case for Rider 3/Rider 4 counties. Rider 4 of the 2006-2007 Appropriations Act states: Housing Assistance. The housing finance division shall adopt an annual goal to apply no less than \$30M of the division's total housing funds toward housing assistance for individuals and families in which the annual family income does not exceed the following amounts based on the number of persons in the family:

Number of Persons in the Family	Maximum Annual Income
1 Person	\$13,000
2 Persons	\$16,000
3 Persons	\$17,000
4 Persons	\$19,000
5 Persons	\$21,000

Rider 4 allows assistance up to 60% of state median income and states that in those counties where median family income is lower than the state average median family income, the state average median family income shall be used to interpret the rider. Since state law is automatically incorporated in Department contracts, the increased eligibility thresholds are arguably incorporated in the contracts.

A reduction in the number of assisted households is typically requested as a result of higher than anticipated construction or labor costs that are revealed after the bidding process has occurred. In these cases, the reduction is requested to allow additional funds to be budgeted to each household thereby ensuring the project's financial feasibility.

Reductions to match requirements are often requested when match as originally pledged is no longer available, or more frequently, match documentation submitted by Administrators is not sufficient to meet match criteria defined in federal rules and notices. While eligible sources of match are approved during the award phase, documentation evidencing the match often reveals issues that are not apparent until the match is reported, including issues with procurement, identity of interest, and the use of federal funding sources; these changes necessitate modifications to match during contract implementation.

This issue is most common with Tenant-Based Rental Assistance (TBRA) contracts. Supportive services is the only eligible category of match for TBRA contracts. It is very difficult for Administrators to obtain the appropriate amount of documentation verifying that the match is not derived from a federal source. Another issue encountered by TBRA Administrators and Department staff includes the amount of time and effort to document, prepare, review, and verify the validity of match reported for each individual activity. The process is cumbersome and often a relatively minimal amount of match is verified as valid compared to the amount of time and effort required to obtain the information. Administrators have expressed concerns about the burden placed on staff to track and provide the information needed to meet their match obligations. In most instances, TBRA administrators would have received an award of HOME funds without committing to match.



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TDHCA Contract System

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CONTRACT

Contract Number 1000038	Program Activity OCC (Single-Family 2003)	<u>Status</u> Active
CSAS Number(s) 542125	<u>Contractor</u> Webb County	UOG Code 489479
Period Begin Date 9/1/03	<u>Contact</u> PAUL MARTINEZ	UOG Number 2
Period End Date 8/31/05	Contact Phone (956) 728-1481	CPS Number (IDIS) 0188
Amended End Date 8/31/06	Grant yes	Mail Code 032
Application Number 20030044	Loan no	<u>Executor</u> Louis H. Bruni
Consultant	Consultant Phone	

BUDGET

	Original	Amended	Funded	Committed	Refunded	Draw	Requested	Retainage	Balance
Admin	\$20,000.00	\$20,000.00	\$20,000.00	\$0.00	\$0.00	\$1,095.28	\$1,095.28	\$0.00	\$18,904.72
Project	\$500,000.00	\$500,000.00	\$500,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$500,000.00
Total	\$520,000.00	\$520,000.00	\$520,000.00	\$0.00	\$0.00	\$1,095.28	\$1,095.28	\$0.00	\$518,904.72

[Allocation Detail](#) | [Budget Detail](#) | [Draw History](#) | [Draw Request](#)

SETASIDES

Setaside Type None

CONTRACT DETAIL

Board Approval Date 7/30/03	Units 16	PJ no
Certificate of Completion Date	Projects Set Up 0	
Closeout Visit Date	Projects Completed 0	Fund with Multi Year yes
Contractor Program Design Approval Date 2/11/04	<u>Match Funds</u> \$25,000.00	Program Income \$0.00
Labor Standards Required no	<u>Leverage Funds</u> \$0.00	C/A Program Income \$0.00
Labor Standards Officer		



WEBB COUNTY CAA
SELF-HELP CENTER
PROGRAM

Paul Martinez, Director

Webb County Courthouse
1200 Washington Street
Laredo, Texas 78040
Office: 8116 Hwy 359
Phone (956) 728-1481
Fax: (956) 728-1483

MEMORANDUM

April 24, 2006

To: Lucy Trevino, Supervisor
TDHCA-HOME Portfolio Management

From: Paul Martinez, Director
Webb County Self-Help Center Program

Re: HOME OCC

As per your request, here is a list of the Applicants with the AMFI per applicant that we have qualified and committed for housing assistance under our TDHCA-HOME OCC Program:

- | | |
|-----------------------|-----|
| 1. Maria G. Mendoza | 30% |
| 2. Juan Rodriguez | 30% |
| 3. Maria G. Segovia | 40% |
| 4. Maria F. Martinez | 40% |
| 5. Claudia Picasso | 40% |
| 6. Dolores Valdez | 40% |
| 7. Rosa De Leon | 50% |
| 8. Maria S. Garza | 50% |
| 9. Pedro Gutierrez | 50% |
| 10. Leticia Zamarripa | 50% |
| 11. Maria G. Saldana | 60% |

Should you have any questions or need further information, please feel free to call me at 728-1481.



LOUIS H. BRUNI
WEBB COUNTY JUDGE

*Paul
Martinez
956-728-1481*

February 6, 2006

Ms. Lucy Treviño
Texas Department of Housing
and Community Affairs
P.O. Box 13941
Austin, Texas 78711-3941

log of 10000381

Re: Contract Amendment HOME Contract No. 1000038

Dear Ms. Treviño:

The County of Webb is grateful to the Texas Department of Housing and Community and Affairs HOME Program for the opportunity to administer the Owner Occupied Housing Rehabilitation Project. In order to complete all project activities successfully, Webb County is hereby requesting the following contract revisions.

This project's objectives are to rehabilitate / reconstruct 16 homes in rural Webb County, 14 of which are at 30% or below the Area Median Family Income (AMFI) and (2) homes at 40% or below the AMFI. Webb County is proposing to revise the aforementioned figures as follows;

- (3) homes @ 30%AMFI**
- (8) homes @ 60% or below AMFI**

Webb County further proposes to revise the number of homes and the cost per home from 16 homes @ \$ 31,250 per home as follows;

- (11) homes @ \$ 45,454 per home**

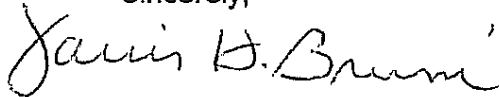
RECEIVED

FEB 17 2006

COMPLIANCE

Webb County had encountered a 28% price increase in construction materials and significant increases in labor. Although we have considered many possible solutions, we have concluded that the proposed changes are the most responsible and realistic. Our goal remains the successful completion of this project and it is our hope that your favorable consideration will correct unforeseeable obstacles we have encountered as this project unfolded. Webb County feels confident that with these contract revisions, all activities will be successfully completed. Should you have any questions or comments, please feel free to call Mr. Juan Vargas at (956) 523-4605.

Sincerely,

A handwritten signature in cursive script that reads "Louis H. Bruni".

Louis H. Bruni
Webb County Judge



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TDHCA Contract System

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- 1 result(s) returned

CONTRACT

Contract Number 1000272	Program Activity OCC (Single-Family 2004)	Status Active
CSAS Number(s) 544397	Contractor City of Ranger	UOG Code 484404
Period Begin Date 10/1/04	Contact A.J. Raliff	UOG Number 1
Period End Date 9/30/06	Contact Phone (254) 647-3522	CPS Number (IDIS) 0150
Amended End Date	Grant yes	Mail Code 003
Application Number 20040150	Loan no	Executor
Consultant	Consultant Phone	

BUDGET

	Original	Amended	Funded	Committed	Refunded	Draw	Requested	Retainage	Balance
Admin	\$19,800.00	\$19,800.00	\$19,800.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$19,800.00
Project	\$495,000.00	\$495,000.00	\$495,000.00	\$110,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$495,000.00
Total	\$514,800.00	\$514,800.00	\$514,800.00	\$110,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$514,800.00

[Allocation Detail](#) | [Budget Detail](#) | [Draw History](#) | [Draw Request](#)

SETASIDES

Setaside Type Special Needs

CONTRACT DETAIL

Board Approval Date 8/19/04	Units 9	PJ no
Certificate of Completion Date	Projects Set Up 2	
Closeout Visit Date	Projects Completed 0	Fund with Multi Year no
Contractor Program Design Approval Date 8/19/04	Match Funds \$61,875.00	Program Income \$0.00
Labor Standards Required no	Leverage Funds \$0.00	C/A Program Income \$0.00
Labor Standards Officer		

CITY OF **R**ANGER

400 WEST MAIN
(254) 647-3522

RANGER, TX 76470
FAX (254) 647-1407

jimrch@cebridge.net

CITY ADMINISTRATOR – A.J. RATLIFF

MAYOR – JOE OLIVER

open
Commissioner Place 1
Nancy Burrow
Commissioner Place 3

Adam Lopez
Commissioner Place 2
Michael C. Hennech
Commissioner Place 4

February 1, 2006

Lucy Trevino
Texas Department of Housing and Community Affairs
P.O. Box 13941
Austin, TX 78711

RE: City of Ranger HOME Contract # 1000272

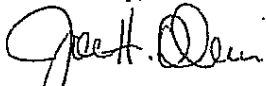
Dear Ms. Trevino:

I am writing to request a contract amendment to increase the area served for Contract # 1000272 from the City of Ranger to include all of Eastland County. The City of Ranger has a limited number of homeowners that have applied for the HOME Program, and with the recent fires that have damaged over 60 homes in Eastland County, the City would like to utilize these funds to alleviate some of the damage created by the fires.

This amendment will not affect the number of homeowners that are served and the income limits will remain the same. I truly believe that expanding the area served will accelerate the ability to expedite funds.

If you have any questions or need any additional information please call our consultant, Kelly Mullane, at (512) 420-0303.

Sincerely,



Joe H. Oliver
Mayor of the City of Ranger

cc: Kelly Mullane: GrantWorks, Inc



FEMA

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- [Declared Disasters & Emergencies](#)
- [Declared Disasters by Year or State](#)
- [Current FEMA News](#)
- [Individual Assistance](#)
- [Public Assistance](#)

FEMA Authorizes Millions To Help Texas, Oklahoma, New Mexico Fight Fires

Release Date: January 3, 2006

Release Number: HQ-06-001

» [En Español](#)

WASHINGTON , D.C. -- The U.S. Department of Homeland Security's Federal Emergency Management Agency (FEMA) this week authorized the use of federal funds from the Nation's Disaster Relief Fund to help Texas , Oklahoma and New Mexico fight 17 fires burning in those three states.

David Paulison, Acting FEMA Director, said the three states' requests for federal fire management assistance were approved as fires destroyed hundreds of homes and threatened thousands more.

"These fire management assistance grants are critical and necessary steps towards enabling state and local governments fight these fires," said Paulison. "We are committed to getting our firefighters the funds they need to extinguish dangerous fires that threaten lives and property."

The authorization makes FEMA funding available to pay 75 percent of the state's eligible firefighting costs under an approved grant specifically designed for managing, mitigating and controlling any fire that threatens to become a major disaster.

The following fires were approved for Fire Management Assistance Grants:

Texas

- Carbon Fire in Eastland County , Texas , which has already burned more than 10,000 acres.
- Ringgold Fire in Montague and Clay counties, Texas , which has burned more than 2,200 acres and destroyed more than 27 homes.
- Kennedale Fire, Tarrant County, Texas, which killed one person and has burned more than 300 acres and threatened more than 100 homes.

- Callahan County Fire, Texas, which has burned more than 1,000 acres and destroyed more than 100 homes near Cross Plains, Texas.

Oklahoma

- Hughes County Fire Complex, Hughes and Seminole counties, Oklahoma, which has burned more than 2,600 acres.
- Depew Fire Complex in Creek County, Oklahoma, which has burned more than a thousand acres and threatened 1,450 homes in Bristow, Okla.
- Wainwright Fire Complex in Muskogee County, Oklahoma, which has burned more than 4,000 acres and threatened nearly 12,000 homes in Muskogee, Okla.
- Shamrock Fire Complex in Creek County, Oklahoma, which threatened more than 300 homes in Drumright and Shamrock, Okla.
- Bethel Acres Fire in Pottawatomie County, Oklahoma, which has burned more than 600 acres and threatened 50 homes in Bethel, Okla.
- Cashion Fire Complex in Kingfisher County, Oklahoma, which has burned more than 12,800 acres and threatened more than 100 homes in Cashion, Okla.
- Guthrie Fire in Logan County, Oklahoma, which has burned more than 1,000 acres and threatened approximately 100 homes in Guthrie, Okla.
- Sapulpa Fire Complex in Creek County, Oklahoma, which has burned more than 800 acres and threatened more than 6,500 homes near Kellyville, Okla.
- Prague Fire Complex in Lincoln and Okfuskee counties, Oklahoma, which has burned more than 2,650 acres and threatened 2,650 homes in eight communities.
- 63rd Street Fire in Oklahoma County, Oklahoma, which has burned some 700 acres near Oklahoma City. The fire threatened 85 homes outside the city.
- Eastern Oklahoma County Fire Complex, Oklahoma, which has destroyed 12 homes and threatened 100 residents.
- Achille Fire Complex, Bryan County, Oklahoma, which is burning on each side of Achille, Oklahoma. Homes have been destroyed and another 165 are threatened.

New Mexico

- Hobbs Fire in Lea County, New Mexico, which has burned more than 35,000 acres and forced more than 10,000 people to evacuate. The fire threatened Hobbs and Tatum, N.M.

"The entire federal family continues to monitor the fires in New Mexico, Oklahoma and Texas extremely closely," Paulison said. "The National Interagency Fire Center in Boise is supporting the operational needs of the states. FEMA will continue to provide coordination and support at the regional and national level as needed."

Federal fire management assistance is provided through the President's Disaster Relief Fund and made available by FEMA to assist in fighting fires that threaten to cause a major disaster. Eligible costs covered by the fund include expenses for field camps; equipment use, repair and replacement; tools, materials and supplies; sheltering; and mobilization and demobilization activities.

FEMA prepares the nation for all hazards and manages federal response and recovery efforts following a major national incident. FEMA also initiates mitigation activities, trains first responders, works with state and local emergency managers, and manages the National Flood Insurance Program.



TDHCA Contract System

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- 1 result(s) returned

CONTRACT

Contract Number 1000296	Program Activity OCC (Single-Family 2004)	Status Active
CSAS Number(s) 544384	Contractor Community Colonias Organization	UOG Code 481536
Period Begin Date 10/1/04	Contact Joe Andrade	UOG Number 3
Period End Date 9/30/06	Contact Phone (830) 752-1288	CPS Number (IDIS) 0143
Amended End Date	Grant yes	Mail Code 002
Application Number 20040237	Loan no	Executor Jose Andrade
Consultant	Consultant Phone	

BUDGET

	Original	Amended	Funded	Committed	Refunded	Draw	Requested	Retainage	Balance
Admin	\$9,800.00	\$9,800.00	\$9,800.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$9,800.00
Project	\$245,000.00	\$245,000.00	\$245,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$245,000.00
Total	\$254,800.00	\$254,800.00	\$254,800.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$254,800.00

[Allocation Detail](#) | [Budget Detail](#) | [Draw History](#) | [Draw Request](#)

SETASIDES

Setaside Type Special Needs

CONTRACT DETAIL

Board Approval Date 8/19/04	Units 35	PJ no
Certificate of Completion Date	Projects Set Up 0	
Closeout Visit Date	Projects Completed 0	Fund with Multi Year no
Contractor Program Design Approval Date 9/1/04	Match Funds \$27,860.00	Program Income \$0.00
Labor Standards Required no	Leverage Funds \$0.00	C/A Program Income \$0.00
Labor Standards Officer		



Maverick County Colonias
 Self Help Center
 2064 Boulder Ridge Dr.
 Eagle Pass, TX 78852
 (830) 752-1278/(830) 752-1288 Fax: (830) 752-1210



*2/7
 Val -
 Please log in -
 request
 compliance w/
 Thanks!
 L.
 OCI?*

January 30, 2006

Lucy Trevino
 HOME Program
 PO Box 13941
 Austin, Texas 78701

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

EXHIBIT A

PERFORMANCE STATEMENT

COMMUNITY COLONIAS

AMENDMENT #1

Re: Request approval to amend contract # 1000296 performance statement.

We are requesting your assistance to amend the following performance statement.

Original contract:

Administrator shall use the funds provided under this contract to provide grants to reconstruct or rehabilitate a minimum of **Thirty-five (35)** units each of which must be the principal residence of the homeowner assisted.

5/16 Twenty (20) of the **Thirty-five (35)** assisted homeowners shall have incomes that are thirty percent (30%) or less of the area median family income (AMFI), as defined by HUD.

RECEIVED
 FEB 06 2006
 COMPLIANCE

Fifteen (15) of the **Thirty-five (35)** assisted homeowners shall have incomes that are fifty percent (50%) or less of the area median family income (AMFI) as defined by HUD.

All of the Thirty-five (35) households assisted shall be individuals of families with special needs. "Special Needs Individual" or "Special Needs Family" means an individual of family with at least one member who is considered: (1) elderly (62 years of age or older); (2) homeless; (3) a person with HIV/AIDS; (4) a person with an alcohol or drug addiction; (5) migrant farm worker; (6) victim of domestic violence; (7) a colonia resident; or (8) disabled.

Amend to:

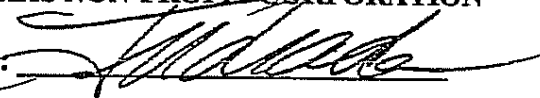
Administrator shall use the funds provided under this contract to provide grants to reconstruct or rehabilitate a minimum of **Sixteen (16)** units each of which must be the principal residence of the homeowner assisted.

^{47%} **Six (6)** of the **Sixteen (16)** assisted homeowners shall have incomes that are thirty percent (30%) or less of the area median family income (AMFI), as defined by HUD.

Ten (10) of the **Sixteen (16)** assisted homeowners shall have incomes that are fifty percent (50%) or less of the area median family income (AMFI) as defined by HUD.

All of the Thirty-five (16) households assisted shall be individuals of families with special needs. "Special Needs Individual" or "Special Needs Family" means an individual of family with at least one member who is considered: (1) elderly (62 years of age or older); (2) homeless; (3) a person with HIV/AIDS; (4) a person with an alcohol or drug addiction; (5) migrant farm worker; (6) victim of domestic violence; (7) a colonia resident; or (8) disabled.

**COMMUNITY COLONIAS ORGANIZATION,
A TEXAS NON-PROFIT CORPORATION**

By: 

**Jose B. Andrade
Director**

Date: 1/31/06



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CONTRACT

Contract Number 1000310	Program Activity HBA (Single-Family 2004)	<u>Status</u> Active
CSAS Number(s) 544358	<u>Contractor</u> Habitat for Humanity Council of North Central Texas	UOG Code 481896
Period Begin Date 10/1/04	<u>Contact</u> Ann S. Chappell	UOG Number 55
Period End Date 9/30/06	Contact Phone (817) 475-8111	CPS Number (IDIS) 0135
Amended End Date	Grant yes	Mail Code 001
Application Number 20040083	Loan no	<u>Executor</u> Ann S. Chappell
Consultant	Consultant Phone	

BUDGET

	Original	Amended	Funded	Committed	Refunded	Draw	Requested	Retainage	Balance
Admin	\$4,000.00	\$4,000.00	\$4,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4,000.00
Project	\$100,000.00	\$100,000.00	\$100,000.00	\$65,000.00	\$0.00	\$50,000.00	\$50,000.00	\$0.00	\$50,000.00
Total	\$104,000.00	\$104,000.00	\$104,000.00	\$65,000.00	\$0.00	\$50,000.00	\$50,000.00	\$0.00	\$54,000.00

[Allocation Detail](#) | [Budget Detail](#) | [Draw History](#) | [Draw Request](#)

SETASIDES

Setaside Type None

CONTRACT DETAIL

Board Approval Date 8/19/04	Units 20	PJ no
Certificate of Completion Date	Projects Set Up 13	
Closeout Visit Date	Projects Completed 10	Fund with Multi Year no
Contractor Program Design Approval Date 8/26/04	<u>Match Funds</u> \$63,000.00	Program Income \$0.00
Labor Standards Required no	<u>Leverage Funds</u> \$0.00	C/A Program Income \$0.00
Labor Standards Officer		



3/28
Please res. are.
Humbler
L.

February 27, 2006

Ms. Lucy Trevino
Texas Department of Housing and Community Affairs
P. O. Box 13941
Austin, TX 78701

Dear Ms. Trevino:

I am writing with regard to HOME contract # 1000310 between TDHCA and the Habitat for Humanity Council of North Central Texas of October 1, 2004. In the performance section of the contract the agreement delineates that we will distribute the 20 loans in the following manner:

- 3 - (3) of the Twenty (20) assisted homebuyers shall have incomes that are thirty percent (30%) or less of the area median family income (AMFI), as defined by HUD.
- 12 - 50% (14) of the Twenty (20) assisted homebuyers shall have incomes that are fifty percent (50%) or less of the area median family income (AMFI), as defined by HUD.
- 5 - 60% (3) of the Twenty (20) assisted homebuyers shall have incomes that are sixty percent (60%) or less of the area median family income (AMFI), as defined by HUD.

We would like to amend this to offer 12 and the 50% or less and 5 at the 60% or less if such an alteration will not significantly impact our scoring. This is our first foray into the HOME field and we were not sure exactly what to expect. We based our projections on figures we received from one of the urban affiliates, and we have observed that family incomes in some of the exurban affiliates seem to run a little bit higher than those of the inner city families. We currently have two prospective families whose income is in the 60% range that we will be unable to assist without this amendment.

If I can provide additional information, please feel free to call me.

Sincerely,

Ann S. Chappell
Ann S. Chappell
Council Coordinator

RECEIVED
MAR 02 2006
COMPLIANCE



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- 1 result(s) returned

CONTRACT

Contract Number 1000324	Program Activity HBA (Single-Family 2004)	<u>Status</u> Active
CSAS Number(s) 530403	<u>Contractor</u> Southern Rio Services	UOG Code 489215
Period Begin Date 10/1/04	<u>Contact</u> Francisco Briones	UOG Number 15
Period End Date 9/30/06	Contact Phone (512) 341-0674	CPS Number (IDIS) 0226
Amended End Date	Grant yes	Mail Code 000
Application Number 20040263	Loan no	<u>Executor</u> Francisco Briones
Consultant	Consultant Phone	

BUDGET

	Original	Amended	Funded	Committed	Refunded	Draw	Requested	Retainage	Balance
Admin	\$14,000.00	\$14,000.00	\$14,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$14,000.00
Project	\$350,000.00	\$350,000.00	\$350,000.00	\$39,500.00	\$0.00	\$9,500.00	\$9,500.00	\$0.00	\$340,500.00
Total	\$364,000.00	\$364,000.00	\$364,000.00	\$39,500.00	\$0.00	\$9,500.00	\$9,500.00	\$0.00	\$354,500.00

[Allocation Detail](#) | [Budget Detail](#) | [Draw History](#) | [Draw Request](#)

SETASIDES

Setaside Type None

CONTRACT DETAIL

Board Approval Date 8/19/04	Units 35	PJ no
Certificate of Completion Date	Projects Set Up 4	
Closeout Visit Date	Projects Completed 1	Fund with Multi Year yes
Contractor Program Design Approval Date 8/25/04	<u>Match Funds</u> \$42,000.00	Program Income \$0.00
Labor Standards Required no	<u>Leverage Funds</u> \$0.00	C/A Program Income \$0.00
Labor Standards Officer		



216th E. EXPRESWAY 83; SUITE Q
PHARR, TEXAS 78577
(956) 283-0022 FAX (956) 283-0244

March 6, 2006

Ms. Valcra Gonzalez, Portfolio Analyst
Texas Department of Housing and Community Affairs
221 East 11th Street
P.O. Box 13941
Austin, Texas 78711-3941



RE: Contract No. 1000324
Amendment to Contract

Dear Ms. Gonzalez:

Please accept this transmittal as our request to amend the above-named contract. The contract currently describes the following performance requirements:

<i>10 of 35</i>	<i>50% or less of the area median income;</i>
<i>20 of 35</i>	<i>60% or less of the area median income;</i>
<i>05 of 35</i>	<i>80% or less of the area median income;</i>

As a result of our marketing efforts, the majority of our applicants fall into the 60% and 80% of the areas' median income; currently, we have 12 in the 80% ASMI and 6 in the 60% ASMI. Due to this development, we are requesting considerations to approve the following changes to the performance requirements:

Changes

<i>5</i>	<i>05 of 35</i>	<i>50% or less of the area median income;</i>
<i>20</i>	<i>10 of 35</i>	<i>60% or less of the area median income;</i>
<i>10</i>	<i>20 of 35</i>	<i>80% or less of the area median income;</i>

We look forward to your favorable response. Please do not hesitate to call me should you have any questions.

Respectfully,

Francisco Briones
Francisco Briones
Director

512-475-0270



TDHCA Contract System

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[Contract #1000324](#) > Performance Requirements

CSAS Number(s): 530403

Performance Requirements

PERFORMANCE REQUIREMENTS

AMFI	Income Restrictions		Rent Restrictions
	Projected	Reported	Projected
30% 0	0	0	
31% - 50% 10	0	0	
51% - 60% 20	2	0	
61% - 80% 5	2	0	
Total Restricted Units 35	4	0	

SPECIAL NEEDS

Special Need	Projected	Reported
Alcohol and Drug Addiction 0	0	
Elderly Populations 0	0	
Homeless Populations 0	1	
People With Disabilities 0	0	
Persons with HIV/AIDS 0	0	
Victims of Domestic Violence 0	0	
Colonias 0	0	
Migrant Farmworkers 0	1	
General 0	0	
Total Special Needs 0	2	



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- 1 result(s) returned

CONTRACT

Contract Number 1000341	Program Activity TBRA (Single-Family 2004)	<u>Status</u> Active
CSAS Number(s) 544340	<u>Contractor</u> Affordable Caring Housing, Inc.	UOG Code 480738
Period Begin Date 10/1/04	<u>Contact</u> Denise Bryant	UOG Number 11
Period End Date 3/31/07	Contact Phone (979) 846-8878	CPS Number (IDIS) 0107
Amended End Date	Grant yes	Mail Code 000
Application Number 20040194	Loan no	<u>Executor</u> Denise Bryant
Consultant	Consultant Phone	

BUDGET

	Original	Amended	Funded	Committed	Refunded	Draw	Requested	Retainage	Balance
Admin	\$9,332.00	\$9,332.00	\$9,332.00	\$0.00	\$0.00	\$881.54	\$881.54	\$0.00	\$8,450.46
Project	\$233,311.00	\$233,311.00	\$233,311.00	\$38,777.00	\$0.00	\$15,718.00	\$15,718.00	\$0.00	\$217,593.00
Total	\$242,643.00	\$242,643.00	\$242,643.00	\$38,777.00	\$0.00	\$16,599.54	\$16,599.54	\$0.00	\$226,043.46

[Allocation Detail](#) | [Budget Detail](#) | [Draw History](#) | [Draw Request](#)

SETASIDES

Setaside Type None

CONTRACT DETAIL

Board Approval Date 8/19/04	Units 35	PJ no
Certificate of Completion Date	Projects Set Up 9	
Closeout Visit Date	Projects Completed 0	Fund with Multi Year no
Contractor Program Design Approval Date 8/26/04	<u>Match Funds</u> \$41,996.00	Program Income \$0.00
Labor Standards Required no	<u>Leverage Funds</u> \$0.00	C/A Program Income \$0.00
Labor Standards Officer		



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TDHCA Contract System

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[Contract #1000341](#) > Match Funds

CSAS Number(s): 544340

Match Funds

MATCH FUNDS

Source	Match Type	Required Amount	Project % Drawn	Required per % Drawn	Actual Amount Reported	Over/Under MatchAmount	Comment
Administrator	Direct Cost of Self-Sufficiency Program	\$41,996.00	6.74	\$2,829.24	\$0.00	-\$2,829.24	Affordable Caring Hsg. self-sufficiency program
Total		\$41,996.00		\$2,829.24	\$0.00	-\$2,829.24	



Affordable Caring Housing, Inc.

2518 Dartmouth, College Station, Texas 77840 Office: (979) 485-0567 • Fax (979) 485-0567
Email Address: achinc@cox-internet.com

March 24, 2006

Texas Department of Housing and Community Affairs
ATTN: Lucy Trevino
P.O. Box 13941
Austin, TX 78711-3941

RE: HOME TBRA Contract 1000341

Dear Ms. Trevino,

Affordable Caring Housing, Inc. (ACH, Inc.) had a delayed start in administering TBRA HOME Contract #1000341 due to the death of the contract administrator's husband and her subsequent resignation. Ms. Bryant's resignation left ACH, Inc. without a contract administrator for several months.

Currently, there are five clients receiving TBRA on this contract. However, next week, there are 3 more that will be in the system. By the end of next week we fully expect to have \$35,000 allocated to our clients. ACH, Inc. also has numerous applications coming in on a weekly basis for this service area; we are currently processing six applications. ACH, Inc. fully expects to use all 35 vouchers.

In response to the match requirement that is not being fulfilled, when this grant was applied for, ACH, Inc. envisioned using local resources and some ACH, Inc. donated labor. I have researched the Palestine and Athens area for local in-kind services and have found that there are limited funds available in these rural areas. To date, two services agencies have been identified: The Palestine Resource Center, and Texas Cooperative Extension Service in Palestine. Both agencies are willing to provide the in-kind match to our clients. We have discussed figures and found that we will not be able to assist with the match required.

Because of the limited resources in these rural cities, Affordable Caring Housing, Inc. has concluded that fulfilling the match obligation would be mainly ACH, Inc. financial responsibility. We envision using some of the profit from the three apartment sets we are building to meet this obligation, but unfortunately, ACH, Inc. has not arrived at this level yet. To date, only Grand Montgomery Court has been completed, and we have just begun to see cash flow. That being said, at this time ACH, Inc. is formally requesting that the Texas Department of Housing and Community Affairs consider reducing or eliminating the match obligation for HOME TBRA contract #1000341.


There is a great need for rental assistance for the residents of Anderson and Henderson County, but unfortunately, there are limited resources available to them that can be used



to fulfill the match requirement. If ACH, Inc. is not granted the reduction or elimination in match obligation, this contract will place an enormous strain on ACH, Inc. which will most like result in ACH, Inc. not being able to provide this service to the residents of Henderson and Anderson Counties after this contract is expired.

We are open to any suggestion TDHCA has regarding this matter. If there are any questions regarding this matter, please call me at 979-485-0567.

Sincerely,



Jason Bienski
President
Affordable Caring Housing, Inc.



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TDHCA Contract System

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[Notes](#) | [Perf Reqs](#) | [Activities](#) | [Areas Served](#)

- 1 result(s) returned

CONTRACT

Contract Number 1000342	Program Activity TBRA (Single-Family 2004)	Status Active
CSAS Number(s) 544341	Contractor Affordable Caring Housing, Inc.	UOG Code 480738
Period Begin Date 10/1/04	Contact Denise Bryant	UOG Number 11
Period End Date 3/31/07	Contact Phone (979) 846-8878	CPS Number (IDIS) 108
Amended End Date	Grant yes	Mail Code 000
Application Number 20040195	Loan no	Executor Denise Bryant
Consultant	Consultant Phone	

BUDGET

	Original	Amended	Funded	Committed	Refunded	Draw	Requested	Retainage	Balance
Admin	\$6,962.00	\$6,962.00	\$6,962.00	\$0.00	\$0.00	\$640.13	\$640.13	\$0.00	\$6,321.87
Project	\$174,048.00	\$174,048.00	\$174,048.00	\$90,767.00	\$1,905.00	\$59,089.00	\$60,994.00	\$0.00	\$114,959.00
Total	\$181,010.00	\$181,010.00	\$181,010.00	\$90,767.00	\$1,905.00	\$59,729.13	\$61,634.13	\$0.00	\$121,280.87

[Allocation Detail](#) | [Budget Detail](#) | [Draw History](#) | [Draw Request](#)

SETASIDES

Setaside Type None

CONTRACT DETAIL

Board Approval Date 8/19/04	Units 20	PJ no
Certificate of Completion Date	Projects Set Up 20	
Closeout Visit Date	Projects Completed 3	Fund with Multi Year no
Contractor Program Design Approval Date 8/26/04	Match Funds \$24,000.00	Program Income \$0.00
Labor Standards Required no	Leverage Funds \$0.00	C/A Program Income \$0.00
Labor Standards Officer		



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TDHCA Contract System

[Source of Funds](#) | [Program Funds](#) | [Contract](#) | [Contract Activity](#) | [Notifications](#) | [User Admin](#)

[Contract #1000342](#) > Match Funds

CSAS Number(s): 544341

Match Funds

MATCH FUNDS

Source	Match Type	Required Amount	Project % Drawn	Required per % Drawn	Actual Amount Reported	Over/Under MatchAmount	Comment
Administrator	Direct Cost of Self-Sufficiency Program	\$24,000.00	33.95	\$8,147.96	\$0.00	-\$8,147.96	ACH, Inc. self-sufficiency program
Total		\$24,000.00		\$8,147.96	\$0.00	-\$8,147.96	



Affordable Caring Housing, Inc.

2518 Dartmouth, College Station, Texas 77840 Office: (979) 485-0567 • Fax (979) 485-0567
Email Address: achinc@cox-internet.com

March 23, 2006

Texas Department of Housing and Community Affairs
ATTN: Lucy Trevino
P.O. Box 13941
Austin, TX 78711-3941

RE: HOME TBRA Contract 1000342

Dear Ms. Trevino,

Affordable Caring Housing, Inc. (ACH, Inc.) had a delayed start in administering TBRA HOME Contract #1000342 due to the death of the contract administrator's husband and her subsequent resignation. Ms. Bryant's resignation left ACH, Inc. without a contract administrator for several months.

Currently there are 17 clients active on TDHCA's Contract system. ACH, Inc. currently has five applications being processed, and based on preliminary review of the applications ACH, Inc. anticipates accepting at least three of the five. ACH, Inc. has made contract with various referral sources, including the disaster relief contractor working with hurricane victims who want to remain in Walker County. Based on the response from these referral sources, it is the belief of ACH, Inc. that all obligated funds TBRA funds will be allocated.

In response to the match requirement that is not being fulfilled, when this grant was applied for, ACH, Inc. envisioned using local resources and some ACH, Inc. donated labor. After further research, I have discovered that there are limited local service agencies. The local nonprofit agencies in Huntsville include The Worksource, Walker County Senior Center is a nonprofit service agency many of our senior citizen clients utilize; ACH, Inc. has approached these organizations about providing in-kind services. We have met with The Worksource and they are willing to provide the in-

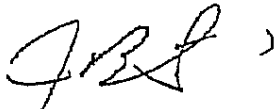


kind match to our clients. We have discussed figures, but we will not be able to assist with the match amount required.

Because of the limited resources, Affordable Caring Housing, Inc. has concluded that fulfilling the match obligation would be mainly ACH, Inc. financial responsibility. We envision using some of the profit from the three apartment sets we are building to meet this obligation, but unfortunately, ACH, Inc. has not arrived at this level yet. To date, only Grand Montgomery Court has been completed, and we have just begun to see cash flow. That being said, at this time ACH, Inc. is formally requesting that the Texas Department of Housing and Community Affairs consider reducing or eliminating the match obligation for HOME TBRA contract #1000342.

Affordable Caring Housing, Inc. recognizes that we are very behind in the match obligations, and welcome any suggestions TDHCA may have regarding this matter.

Sincerely,



Jason Bienski
President
Affordable Caring Housing, Inc.



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TDHCA Contract System

[Source of Funds](#) | [Program Funds](#) | [Contract](#) | [Contract Activity](#) | [Notifications](#) | [User Admin](#)

[Add Contract Activity](#) | [Allocate Funds](#)

[Notes](#) | [Perf Reqs](#) | [Activities](#) | [Areas Served](#)

- 1 result(s) returned

CONTRACT

Contract Number 1000352	Program Activity <u>OCC (Single-Family 2004)</u>	Status <u>Active</u>
CSAS Number(s) 544377	<u>Contractor</u> City of Dayton	UOG Code 481368
Period Begin Date 10/1/04	<u>Contact</u> Robert Ewart	UOG Number 1
Period End Date 9/30/06	Contact Phone (936) 258-2642	CPS Number (IDIS) 0125
Amended End Date	Grant yes	Mail Code 002
Application Number 20040120	Loan no	<u>Executor</u> Guy L Harris
<u>Consultant</u> PUBLIC MANAGEMENT	Consultant Phone (281) 592-0439	

BUDGET

	Original	Amended	Funded	Committed	Refunded	Draw	Requested	Retainage	Balance
Admin	\$20,000.00	\$20,000.00	\$20,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$20,000.00
Project	\$500,000.00	\$500,000.00	\$500,000.00	\$275,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$500,000.00
Total	\$520,000.00	\$520,000.00	\$520,000.00	\$275,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$520,000.00

[Allocation Detail](#) | [Budget Detail](#) | [Draw History](#) | [Draw Request](#)

SETASIDES

Setaside Type Persons with Disabilities

CONTRACT DETAIL

Board Approval Date 8/19/04	Units 9	PJ no
Certificate of Completion Date	Projects Set Up 5	
Closeout Visit Date	Projects Completed 0	Fund with Multi Year no
Contractor Program Design Approval Date 9/1/04	<u>Match Funds</u> \$75,000.00	Program Income \$0.00
Labor Standards Required no	<u>Leverage Funds</u> \$0.00	C/A Program Income \$0.00
Labor Standards Officer		

The City of Dayton
 117 Cook Street
 Dayton, Texas 77535
 Phone: 936-258-2642 • Fax: 936-258-2348

*2/24/06
 Val-
 Please process,
 we'll have to
 review. Thanks,
 L.*

February 24, 2006

Lucy Trevino, Portfolio Analysis Manager
 Texas Department of Housing and Community Affairs
 P.O. BOX 13941
 Austin, TX 78711-3941

VIA FACSIMILE: 512-475-0220; Original to follow by mail

Re: City of Dayton Contract #1000352

Dear Ms. Trevino:

The City of Dayton is requesting a program amendment to the above contract. As you know, our contract is unique in that each eligible household has to have a disabled person. We have qualified five families at 30% of the median income limits and have set them up on the HOME contracts system. However, we have other families with a disabled person in the household which have just as much need for adequate housing but are over the 30% annual income limits. We are proposing that those families be considered eligible by amending the above contract as follows:

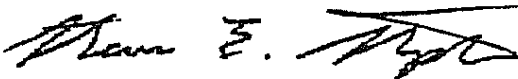
Administrator shall use the funds provided under this contract to provide grants to reconstruct or rehabilitate a minimum of nine units each of which must be the principal residence of the homeowner assisted.

Five of the Nine assisted homeowners shall have incomes that are 30% or less of the area median family income (AMFI), as defined by HUD

Four of the Nine assisted homeowners shall have incomes that are 50% or less of the area median family income (AMFI), as defined by HUD.

We would appreciate your favorable consideration of this request. We will be ready to set-up these additional houses as soon as we receive approval for this proposed amendment. If you have questions about this request, please call our consultant, J. Rice of Public Management at 281-592-0439.

Sincerely,



Steve Stephens
 Mayor

RECEIVED

FEB 23 2006

COMPLIANCE

Webb County, HOME Contract Number 1000038

Summary of Request

Webb County previously requested an amendment to extend the contract end date as a result of unforeseen delays in the project, including that the Webb County Self-Help Center experienced a change in management. The amendment was executed on December 29, 2005 extending the end date of the contract for 12 months, from August 31, 2005 to August 31, 2006.

Webb County is requesting a second amendment to reduce the number of assisted households from sixteen (16) to eleven (11), or a reduction of thirty-one percent (31%). The reduction in the number of assisted households will result in the cost per home increasing from \$31,250 to \$45,454, which is below the \$55,000 limit allowed for HOME Owner-Occupied Assistance (OCC) projects. The bidding process revealed a twenty-eight percent (28%) price increase in construction materials and significant increases in labor costs above the amount originally budgeted. Webb County has indicated that the contract can be successfully completed by the amended ending date of the contract (August 31, 2006).

Webb County, a Rider 3 county at the time of award, has not received sufficient applications to meet income targeting limits requirements and is therefore requesting the following modification:

	2006 Income Limits (4 Person)	Original	Requested	Change
30% AMFI	\$12,950	14	2	(12)
40% AMFI	\$17,240	2	4	2
50% AMFI	\$21,550		4	4
60% AMFI	\$25,860		1	1
Total		16	11	(5)

Activity Type: Owner-Occupied Assistance (OCC) Contract (Reconstruction)
Contract Executor: Louis H. Bruni, County Judge
Contract Contact: Paul Martinez, Director, Webb County Self-Help Center Program
Service Area: Rural Areas and Colonias in Webb County (Rider 3 County at award)
Contract Start Date: September 1, 2003
Contract End Date: August 31, 2006 (As Amended)
Total Budget Amount: \$520,000
Project Amount: \$500,000
Administration Amount: \$20,000
Amount Committed: \$0.00
Amount Drawn: \$1,095.28

Requested Action

Because of current policy, staff is unable to recommend the approval of the amendment. If the board chooses to approve the amendment, the required beneficiaries would be reduced from sixteen (16) to eleven (11) based on the Area Median Family Income (AMFI) limits shown in the above table and the cost per unit would be increased from \$31,250 to \$45,454.

Support documentation submitted substantiates extenuating circumstances or compelling reasons for the request; the amendment would still have resulted in an award of HOME funds; and the Administrator is in compliance with all monitoring and auditing requirements for Department programs. In addition, assistance has been committed to eleven (11) colonia households, and the increase in construction costs does not exceed program limits. Webb County has provided a program implementation timetable and has assured the Department that the contract will be completed by the amended contract end date.

City of Ranger, HOME Contract Number 1000272

Summary of Request

The City of Ranger (City) is requesting that their service area be expanded to include all of Eastland County and to change their target population from Special Needs to General. The City has received applications from a limited number of households that qualify under the original terms of the contract. The requested changes will allow the Administrator to assist families affected by wild fires in Eastland County that would otherwise not qualify for assistance.

Activity Type:	Owner-Occupied Assistance (OCC) Contract
Contract Executor:	Joe Oliver, Mayor
Contract Contact:	A.J. Ratliff
Contract Start Date:	October 1, 2004
Contract End Date:	September 30, 2006
Service Area:	Ranger, Eastland County
Total Budget Amount:	\$514,800
Project Amount:	\$495,000
Administration Amount:	\$19,800
Amount Committed:	\$110,000
Amount Drawn:	\$0.00

Requested Action

Because of current policy, staff is unable to recommend the approval of the amendment. If the board chooses to approve the amendment, the service area would be expanded to include all of Eastland County and the target population would change from Special Needs to General.

Support documentation submitted substantiates extenuating circumstances or compelling reasons for the request; assistance could be provided to families affected by wild fires in Eastland County and rescoring the application based on the request to change the target population from Special Needs to General would still have resulted in an award; and the Administrator is in compliance with all monitoring and auditing requirements for Department programs.

Community Colonias Organization, HOME Contract Number 1000296

Summary of Request

Community Colonias Organization is requesting to reduce the number of assisted households from thirty-five (35) to sixteen (16), or a reduction of fifty-four percent (54%). The reduction in the number of units will result in the cost per home increasing from \$7,000 to \$15,300, which is below the \$55,000 limit allowed for HOME Owner-Occupied Assistance (OCC) projects.

The bidding process revealed significant increases in costs of construction materials and labor which has resulted in projects that are not financially feasible. Community Colonias Organization has indicated that the contract can be successfully completed by the ending date of the contract (September 30, 2006).

Community Colonias Organization, located in Maverick County (a Rider 3 county at the time of award), has not received sufficient applications to meet income targeting limits requirements and is therefore requesting the following modification:

	2006 Income Limits (4 Person)	Original	Requested	Change
30% AMFI	\$12,950	20	6	(14)
50% AMFI	\$21,550	15	10	(5)
Total		35	16	(19)

Activity Type: Owner-Occupied Assistance (OCC) Contract (Rehabilitation)
Executor: Joe Andrade, Director
Contract Contact: Joe Andrade, Director
Contract Start Date: October 1, 2004
Contract End Date: September 30, 2006
Service Area: Rural Areas of Maverick County (Rider 4 County)
Total Budget Amount: \$254,800
Project Amount: \$245,000
Administration Amount: \$9,800
Amount Committed: \$0.00
Amount Drawn: \$0.00

Requested Action

Because of current policy, staff is unable to recommend the approval of the amendment. If the board chooses to approve the amendment, the required beneficiaries would be reduced from thirty-five (35) to sixteen (16) based on the Area Median Family Income (AMFI) limits in the above table, and the cost per unit would be increased from \$7,000 to \$15,300.

Support documentation submitted substantiates extenuating circumstances or compelling reasons for the request; the amendment as recommended by staff would still have resulted in an award of HOME funds; and the Administrator is in compliance with all monitoring and auditing requirements for Department programs.

In addition, assistance has been committed to sixteen (16) colonia households, and the increase in construction costs does not exceed program limits. Community Colonias Organization has provided a program implementation timetable and has assured the Department that the contract will be completed by the contract end date.

Habitat for Humanity Council of North Central Texas, HOME Contract Number 1000310

Summary of Request

Habitat for Humanity Council of North Central Texas (Habitat for Humanity) is requesting modifications to income targeting requirements as follows to allow them to assist two (2) prospective families that they would otherwise not be able to assist.

	2006 Income Limits (4 Person)	Original	Requested	Change
30% AMFI	\$19,000	3	3	
50% AMFI	\$31,700	14	12	(2)
60% AMFI	\$38,040	3	5	2
Total		20	20	

Activity Type: Owner-Occupied Assistance (OCC) Contract
Contract Executor: Ann S. Chapell, Council Coordinator
Contract Contact: Ann S. Chapell, Council Coordinator
Contract Start Date: October 1, 2004
Contract End Date: September 30, 2006
Service Area: Collin, Ellis, Denton, Rockwall, and Johnson Counties
Total Budget Amount: \$104,000
Project Amount: \$100,000
Administration Amount: \$4,000
Amount Committed: \$65,000
Amount Drawn: \$50,000

Requested Action

Because of current policy, staff is unable to recommend the approval of the amendment. If the board chooses to approve the amendment, the income targeting requirements would be changed according to the table shown above.

Support documentation submitted substantiates extenuating circumstances or compelling reasons for the request; rescoring the application based on the changes in income targeting would still have resulted in an award of HOME funds; and the Administrator is in compliance with all monitoring and auditing requirements for Department programs.

Southern Rio Services, HOME Contract Number 1000324

Summary of Request

Southern Rio Services (Southern Rio) requested a change in income targeting as a result of receiving several applications from potential homebuyers with incomes ranging between 60 – 80% Area Median Family Income (AMFI). Southern Rio has indicated that there are insufficient applicants that qualify for a mortgage with incomes at less than 60% AMFI.

	2006 Income Limits (4 Person)	Original	Requested	Variance	Recommended	Variance
50% AMFI	\$21,550	10	5	(5)	5	(5)
60% AMFI	\$25,860	20	10	(10)	20	
80% AMFI	\$34,500	5	20	15	10	5
Total		35	35		35	

Activity Type: Homebuyer Assistance (HBA)
Contract Executor: Francisco Briones, Director
Contract Contact: Francisco Briones, Director
Contract Start Date: October 1, 2003
Contract End Date: September 30, 2006
Service Area: Raymondville, Willacy County
Total Budget Amount: \$364,000
Project Amount: \$350,000
Administration Amount: \$14,000
Amount Committed: \$40,000
Amount Drawn: \$0

Requested Action

Because of current policy, staff is unable to recommend the approval of the amendment. If the board chooses to approve the amendment, the income targeting requirements would be modified according to the targets under ***Recommended*** in the above table.

Re-scoring the original application based on the changes to income targeting as requested by Southern Rio would not have resulted in an award; support documentation substantiating extenuating circumstances or compelling reasons for the request have been met and the Administrator is in compliance with all monitoring and auditing requirements for Department programs.

In addition, amendment approval will allow Southern Rio Services to assist additional eligible households, thus ensuring that the overall level of beneficiaries will not be reduced.

Affordable Caring Housing, Inc., HOME Contract Number 1000341

Summary of Request

Affordable Caring Housing, Inc. (Administrator) requested a reduction of the match requirement. Pledged match cannot be provided until cash flow from complexes under development is achieved. Services provided to rural beneficiaries would be discontinued if the Administrator were forced to utilize available funds for the match. The Administrator unsuccessfully attempted to attain match from the Palestine Resource Center and Texas Cooperative Extension Service in their rural service area.

The Administrator is requesting the following modification to match requirements:

	Original	Requested	Variance
Match	\$41,996	\$0	(\$41,996)

Activity Type: Tenant-Based Rental Assistance (TBRA)
Contract Executor: Jason Bienski, President
Contract Contact: Nashema Hatten, Chief Program Administrator
Contract Start Date: October 1, 2004
Contract End Date: March, 31, 2007
Service Area: Palestine and Athens in Anderson and Henderson Counties
Total Budget Amount: \$242,311
Project Amount: \$233,311
Administration Amount: \$9,332
Amount Committed: \$38,777.00
Amount Drawn: \$15,567.54

Requested Action

Because of current policy, staff is unable to recommend the approval of the amendment. If the board chooses to approve the amendment, the match requirement would be eliminated.

Support documentation submitted substantiates extenuating circumstances or compelling reasons for the request; the amendment as recommended by staff would still have resulted in an award of HOME funds; and the Administrator is in compliance with all monitoring and auditing requirements for Department programs.

In addition, the Administrator attempted to identify alternate sources of match, however, none were identified; and the TBRA program traditionally provides minimal amounts of match that is very labor intensive for HOME Administrators to document and for Department staff to verify.

As of federal fiscal year 2005, the Department has approximately \$12M in excess match to carry-over to future years. Also, as part of the Hurricane Rita disaster relief, the Department's entire match requirement for fiscal years 2006 and 2007 has been waived.

Affordable Caring Housing, Inc., HOME Contract Number 1000342

Summary of Request

Administrator requested the Match requirement be reduced or eliminated because Match can not be provided. Affordable Caring Housing, Inc. (Administrator) requested a reduction of the match requirement. Pledged match cannot be provided until cash flow from complexes under development is achieved. Services provided to rural beneficiaries would be discontinued if the Administrator were forced to utilize available funds for the match. The Administrator attempted unsuccessfully to attain Match from the Work Source and the Walker County Senior Center in their rural service area.

The Administrator is requesting the following modification to match requirements:

	Original	Requested	Variance
Match	\$24,000	\$0	(\$24,000)

Activity Type: Tenant-Based Rental Assistance (TBRA)
Contract Executor: Jason Bienski, President
Contract Contact: Nashema Hatten, Chief Program Administrator
Contract Start Date: October 1, 2004
Contract End Date: March, 31, 2007
Service Area: Huntsville, Walker County
Total Budget Amount: \$181,010
Project Amount: \$174,048
Administration Amount: \$6,962
Amount Committed: \$90,767.00
Amount Drawn: \$61,634.13

Requested Action

Because of current policy, staff is unable to recommend the approval of the amendment. If the board chooses to approve the amendment, the match requirement would be eliminated.

Support documentation submitted substantiates extenuating circumstances or compelling reasons for the request; the amendment as recommended by staff would still have resulted in an award of HOME funds; and the Administrator is in compliance with all monitoring and auditing requirements for Department programs.

In addition, the Administrator attempted to identify alternate sources of match, however, none were identified; and the TBRA program traditionally provides minimal amounts of match that is very labor intensive for HOME Administrators to document and for Department staff to verify.

As of federal fiscal year 2005, the Department has approximately \$12M in excess match to carry-over to future years. Also, as part of the Hurricane Rita disaster relief, the Department's entire match requirement for fiscal years 2006 and 2007 has been waived.

City of Dayton, HOME Contract Number 1000352

Summary of Request

The City of Dayton (Administrator) is requesting an increase in Area Median Family Income (AMFI) limits for four (4) households from thirty percent (30%) to fifty percent (50%). Approval of the amendment would allow the Administrator to assist disabled households that have applied to the program but cannot be approved for assistance under the terms of the original award.

	2006 Income Limits (4 Person)	Original	Requested	Change
30% AMFI	\$18,300	9	5	(4)
50% AMFI	\$30,500	0	4	4
Total		9	9	

Activity Type: Owner-Occupied Assistance (OCC) Contract
Contract Executor: Steve Stephens, Mayor
Contract Contact: Steve Stephens, Mayor
Contract Start Date: October 1, 2004
Contract End Date: September 30, 2006
Service Area: Dayton, Liberty County
Total Budget Amount: \$520,000
Project Amount: \$500,000
Administration Amount: \$20,000
Amount Committed: \$275,000
Amount Drawn: \$0

Requested Action

Because of current policy, staff is unable to recommend the approval of the amendment. If the board chooses to approve the amendment, the income targeting requirements would be modified according to the targets in the above table.

Support documentation submitted substantiates extenuating circumstances or compelling reasons for the request; the amendment as recommended by staff would still have resulted in an award of HOME funds; and the Administrator is in compliance with all monitoring and auditing requirements for Department programs.

**COMMUNITY AFFAIRS DIVISION
BOARD ACTION REQUEST
PY2006 LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)
May 4, 2006**

Action Item

Review and approval of the distribution of the PY 2006 Low Income Home Energy Assistance Program (LIHEAP) 2nd quarter, Emergency Contingency, and supplemental award and recommended program design changes.

Required Action

Staff recommends Board approval of the distribution of the 2nd quarter, Emergency Contingency, and supplemental award for the PY 2006 LIHEAP grant award along with 2 sets of unexpended PY 2005 balances (TDHCA Administration and subrecipient unexpended fund balances) and recommended program design changes.

Background

On March 31, 2006, United States Department of Health and Human Services (HHS) allocated a supplemental LIHEAP award of \$38,276,836 to the State of Texas with the condition that no part of the award could be used for administration. However, HHS is allowing states to use funds from the 1st and 2nd quarter base LIHEAP awards to provide the additional administration necessary to administer the \$38,276,386 supplemental award. The LIHEAP award for Program Year (PY) 2006 is comprised of a base award (1st and 2nd quarter) of \$44,144,179, Emergency Contingency funds of \$1,584,092, and the \$38,276,836 supplemental award, for a total LIHEAP award of \$84,005,107. Of that amount, 90% must be obligated no later than September 30, 2006.

The State of Texas has not awarded all of the original \$44,144,179. The LIHEAP rules require that each state reserve a balance of at least 15% of the entire LIHEAP grant award until March 15 of each fiscal year. Historically, the Department has allocated 75% of the total LIHEAP award to the Comprehensive Energy Assistance Program (CEAP), the maximum allowable 15% to the Weatherization Assistance Program (WAP), and the remaining 10% to program administration. For the last several years, subrecipients have received 60% of the program administration funding and the Department has retained 40%. When necessary, the Department has obligated unspent portions of its LIHEAP administrative funds to the LIHEAP subrecipients for administrative support and/or for direct services. The LIHEAP State Plan contains these administrative details. The Department provided the Plan to the public and to the subrecipient network for comment. The public and the subrecipient network provided comments, which were incorporated into the Plan. The Department then submitted the LIHEAP State Plan to HHS and HHS approved the Plan.

Staff recommends Board approval of the obligation of 90% of the cumulative current awards as well as 2 additional sets of funds from PY 2005: \$877,965 in unspent TDHCA administration

and \$872,745 of unexpended subrecipient program funds. Both balances must be obligated and expended by September 30, 2006. On January 1, 2006, the Department obligated \$28,705,833 of PY 2006 LIHEAP award to CEAP subrecipients. Staff is recommending obligation of the remaining \$45,555,041 to the subrecipient network in order to bring the total subrecipient obligation to \$74,260,825. In addition, staff is recommending the obligation of \$1,667,827 as Department administration, for a total LIHEAP obligation of **\$47,222,868** in this Board action. Please note that the programs administered using LIHEAP funds are not competitive programs, so there is no competitive cycle or competitive application process. Funds are allocated to a predetermined service provider network as further discussed in this document.

Recommended Program Design Changes

Staff is recommending some broad program design changes for CEAP and LIHEAP WAP. These changes will improve the efficiency and effectiveness of both programs, providing maximum flexibility while insuring the integrity of the programs, while also addressing the need to implement changes necessary to effectively and efficiently spend the supplemental LIHEAP award. Staff will discuss these recommendations with subrecipient staff to develop the details necessary to implement the broad recommendations for program design change. Staff already contemplated implementing some of the program design change recommendations prior to the supplemental award. Most of the recommendations should be permanent, but some may be revisited if LIHEAP funding levels drop significantly. Many states already implemented similar changes to program design due to the supplemental LIHEAP award. HHS provides flexibility for administration of LIHEAP. If the Board approves these recommendations, staff will not plan on returning to the Board for further approval, but will submit to HHS an amendment to the LIHEAP State Plan, based on the changes noted below and as refined in public dialogue.

Comprehensive Energy Assistance Program (CEAP)

The four current CEAP components, caps or floors, time limitations, and maximum annual benefits are listed below.

Component	Budget cap/floor	Time Limitation on Assistance	Maximum Annual Benefit
Elderly/Disabled	No more than 50%	Up to 4 months	\$1,000
Energy Crisis	No more than 10%	1 month	\$1,000
Co-pay	None	From 6 to 12 months	\$1,000
Heating & Cooling	Minimum of 20%	NA	Maximum \$3,000

- Flexibility in CEAP contract component percentages and/or time limitations. Changes would allow subrecipients to determine local needs and provide assistance accordingly.
- Increase the maximum allowable assistance per household. This change would provide consistency among income levels up to 125% and offset increased price of electricity and gas.
- Provide flexibility as length of assistance (# of times or # of months). Currently, three CEAP components have a maximum number of months of assistance to a client, ranging from one to twelve months.

- Restrict CEAP case management definition to “energy self-sufficiency,” and when more in-depth case management is necessary or appropriate, refer to other providers, including CSBG subrecipients.

Low Income Home Energy Assistance Program Weatherization Assistance Program (LIHEAP WAP)

- The existing LIHEAP WAP contract period is April 1 to March 31. Staff recommends that the Department change the PY2006 contract year to end December 31, 2006. Future LIHEAP WAP contracts would operate concurrently with the LIHEAP-funded CEAP contract (January 1 to December 31) to facilitate reporting from subrecipients as well the Department to HHS.
- Currently, the Department imposes DOE WAP requirements on all LIHEAP WAP funds. The LIHEAP rules do not require states to operate LIHEAP WAP using DOE WAP rules. Staff proposes to relax the most restrictive portions while retaining those sections which insure integrity, thereby allowing maximum flexibility for subrecipients.
- Staff will develop in collaboration with subrecipients, a per unit cap on LIHEAP WAP assistance.

**Proposal for the Award of the Program Year (PY)
2006 Low Income Home Energy Assistance Program (LIHEAP)
Grant Award for the State of Texas**

Plan Development Procedures

The Texas Department of Housing and Community Affairs (the Department) develops and submits a Low Income Home Energy Assistance Program (LIHEAP) plan each year on or before September 1 to the U.S. Department of Health and Human Services (HHS). The development of the plan starts in April, with review and comment by Energy Assistance (EA) staff, Community Affairs Division Director, Legal, Fiscal, and Executive. Following internal review, the Department publishes a draft of the plan on the website in advance of the required public hearing, usually held in June. The public hearing provides opportunity for comments from the public as well as the subrecipient network. Upon completion of the public hearing and public comment period, EA staff modifies the plan based on public comment, and going forward, staff will present the plan to the Board for review and approval in July. Upon approval by the Board, staff will forward the plan (with any changes recommended by the Board) to HHS for final approval of the Plan. The PY 2006 LIHEAP State Plan has been submitted to, and approved by, HHS.

Fund Allocation Procedure and Recommendation

HHS awards LIHEAP funds annually to the State of Texas. The PY2006 LIHEAP award for Texas is currently \$84,005,107, 90% of which must be obligated no later than September 30, 2006. HHS has allocated this amount in 4 different sets of funds: The Department received the first quarter award of \$35,694,359 on October 15, 2005, the Emergency Contingency award of \$1,584,296 (at the discretion of the President) on January 10, 2006, and the second quarter award of \$8,449,820 on January 12, 2006. Each of the three sets of funds included administration. On March 31, 2006 HHS awarded a supplemental LIHEAP allocation of \$38,276,836 to the State of Texas. This award was made with the condition that no part of the award could be used for administration, and all of the supplemental award would be used for direct client services. The Department has not awarded the second quarter award (The LIHEAP rules require that each state reserve a balance of at least 15% of the entire LIHEAP grant award until March 15 of each year). HHS also is allowing states the option of utilizing a portion of the three previous awards to provide administration for the additional \$38,276,836. Historically, the Department has allocated 75% of LIHEAP funds to the Comprehensive Energy Assistance Program (CEAP), 15% of LIHEAP funds to the Weatherization Assistance Program (WAP), and the maximum allowable 10% of each year's allocation for administration. For the last several years, subrecipients have received 60% of the program administration funding and the Department has retained 40%. When necessary, the Department has obligated unspent portions of its LIHEAP administrative funds to the LIHEAP subrecipients for administrative support and/or for direct services. This described use of funds is included in the HHS-approved 2006 LIHEAP State Plan.

Staff recommends Board approval of the obligation of 90% of the current award as well as 2 additional sets of funds from PY 2005: \$877,965 in unspent TDHCA administration and \$872,745 of unexpended subrecipient program funds. Both balances must be obligated and expended by September 30, 2006, or it is recaptured by HHS. On January 1, 2006, the Department obligated \$28,705,833 of PY 2006 LIHEAP award to CEAP subrecipients. Staff is recommending obligation of the remaining \$45,555,041 to the subrecipient network in order to bring the total subrecipient obligation to \$74,260,825. In addition, staff is recommending the obligation of \$1,667,827 as Department administration, for a total LIHEAP obligation of \$47,222,868 in this Board action.

Staff recommends board approval of LIHEAP funds obligation as follows:

	Previously Awarded	Requested Approval	Total Obligation
CEAP Administration	\$ 1,782,967	\$ 2,110,569	\$ 3,893,536
CEAP Case Mgmt.	\$ 1,782,967	\$ 2,084,784	\$ 3,867,751
CEAP Direct Services	\$ 25,139,849	\$ 29,395,445	\$ 54,535,294
Total CEAP Award	\$ 28,705,783	\$ 33,590,798	\$ 62,296,582
WAP Administration	\$	\$ 747,765	\$ 747,765
WAP Direct Services	\$	\$ 11,216,478	\$ 11,216,478
Total WAP Award	\$	\$ 11,964,243	\$ 11,964,243
TOTAL SUBRECIPIENT OBLIGATION	\$ 28,705,783	\$ 45,555,041	\$ 74,260,825
TDHCA Administration	\$ 1,426,374	\$ 1,667,827	\$ 3,094,201
TOTAL OBLIGATION	\$ 30,132,157	\$ 47,222,868	\$ 77,355,026

The Department has used the following funding allocation formula since 1998. The Department has updated the budget allocation proportions by county and subrecipient, based on poverty income, elderly poverty, median household income (2000 U.S. Census), and climate data (Southern Regional Climate Center, Louisiana State University, June 2002). Staff performs the update as new Census data is released at the completion of the decennial census.

The Department developed this funding formula with input from subrecipients and HHS has approved the use of this formula. This formula not only allocates funds based on the number of low-income households in a service area, but also takes into account the special needs of individual service areas. The need for energy assistance in an area is addressed through a weather factor (based on heating and cooling degree-days). The extra expense in delivering services in sparsely populated areas is addressed by an inverse population density factor. The lack of additional services available in very poor counties is addressed by a county median income factor. Finally, the elderly are given priority by giving greater weight to this population. The five factors used in the formula are calculated as follows:

Fund Allocation Factors	Percentage
Households in poverty with at least one member 64 years of age or younger.	40
Households in poverty with at least one member 65 years of age or older.	40
Household density as an inverse ratio.	5
Median income of the county.	5
Weather factor based on heating degree days and cooling degree days.	10

All demographic factors are based on the 2000 U.S. Census.

Subrecipient Network

The CEAP service network is comprised of 50 subrecipients that provide utility assistance services to all 254 counties in the state. The WAP service network is comprised of 34 agencies that provide weatherization assistance to all 254 counties. A majority of these subrecipients administer CEAP and WAP, as well as the Community Services Block Grant (CSBG).

The Community Affairs Division continues to contract with those subrecipients who have demonstrated the ability to deliver a broad range of client services to the low-income population in their services area. Often, in the rural areas of Texas, these agencies are the sole provider of emergency services for a multi-county area. These agencies are recognized in their communities and receive funding to provide the entire array of programs (i.e, CSBG, CEAP, WAP, housing, Meals on Wheels, Head Start, rural transportation, job training, homeless services, case management, etc.) for the low-income population in their service area. LIHEAP and DOE legislation encourage states to award funds for energy assistance and weatherization assistance to organizations receiving CSBG funding for a combined funding approach to more effectively deliver services to the client.

Agencies utilize the LIHEAP WAP funding to provide cost effective weatherization measures to eligible client households. Typical weatherization measures include attic and wall insulation, weather-stripping and air sealing measures, heating and cooling unit repair and/or replacement, refrigerator replacement, and minor roof repair. Potential WAP client households apply for assistance with the WAP subrecipient. The subrecipient determines if the household is income-eligible and whether they fit in one or more of the priority populations. Typically, if the applicant is determined eligible, the applicant is placed on a waiting list. When the applicant comes up on the waiting list, the subrecipient assesses the applicant's home using the EZ3 energy audit to determine if weatherization measures are appropriate. If the applicant still is eligible, the subrecipient weatherizes the client's home. The weatherization work typically is performed by an independent contractor procured through competition and with whom the subrecipient has contracted.

CEAP provides utility assistance to eligible client households. Additionally, some households can qualify for repair and/or replacement of inefficient heating and cooling unit or appliances in their household. An applicant seeking utility assistance applies to the CEAP subrecipient for assistance. The subrecipient determines income-eligibility, prioritizes status (this includes a review of billing history to determine energy burden and consumption), and determines which CEAP component is most appropriate for that eligible applicant. If the CEAP applicant is eligible and meets program priorities, the CEAP subrecipient makes utility payment to utility company through a vendor agreement with that company.

Energy Assistance Deobligation and Reobligation Procedure

During the sixth month of the program year, EA staff conducts an in-house review of expenditure rates and performance of subrecipients, based on Community Affairs Division Policy Issuance #05-11.32. The Department may deobligate funds from subrecipients that have expended less than 40% of their yearly budget at the 6th month. Subrecipients that exceed 60% expenditure threshold are given the opportunity to accept additional funding. Subrecipients that agree to accept additional funds are given a proportional share of the deobligated fund pool. This assures any additional allocation will be reobligated in direct proportion to census derived low-income population figures.

Current CEAP Funding

(from 1st quarter Award)

\$28,705,783

Aspermont	\$	215,953
Bee CAA	\$	119,316
Bexar County	\$	1,727,933
Big Bend	\$	236,480
Brazos Valley	\$	697,305
CA Corp. S. Texas	\$	182,161
CA Council S. Texas	\$	429,299
CAC Victoria	\$	399,009
CAI Hays	\$	157,593
Cameron & Willacy	\$	818,060
CAP, Inc.	\$	215,684
CAPROCK	\$	286,395
CC of Reeves	\$	107,895
CC of S. Central Texas	\$	567,909
CC of SW Texas	\$	330,980
City Of Lubbock	\$	386,062
Combined CAA	\$	228,892
Concho Valley CA	\$	277,882
CS of Northeast TX	\$	188,862
CSA of South Texas	\$	237,016
CSI	\$	1,021,091
CTO	\$	325,930
Dallas County HHS	\$	2,129,397
EAC Gulf Coast	\$	72,615
El Paso	\$	1,139,990
EOAC Planning Region	\$	586,402
Ft. Worth	\$	1,196,264
Galveston County	\$	706,695
GETCAP	\$	1,148,758
Hidalgo County	\$	1,238,980
Hill Country	\$	495,686
Kleberg County	\$	236,618
Montgomery County	\$	241,738
NETO, Inc.	\$	324,601
Nueces County	\$	485,663
Panhandle	\$	966,817
Pecos County	\$	122,840
PHS	\$	708,549
Rolling Plains	\$	464,150
San Angelo	\$	158,311
SC of Texarkana	\$	152,442
Sheltering Arms	\$	3,544,885
South Plains	\$	242,283
Texoma	\$	265,374
Travis County HHS	\$	717,468
Tri-County CA, Inc.	\$	536,738
Tx. Neighborhood Serv.	\$	394,100
Webb County	\$	367,147
West Texas Opport.	\$	777,490
Williamson-Burnet	\$	126,073
Totals	\$	28,705,783

New CEAP Funding

(2nd Q, Emer. Cont., Supplemental and 05 admin. and Program funds)

\$33,590,798

Aspermont	\$	252,703
Bee CAA	\$	139,621
Bexar County	\$	2,021,985
Big Bend	\$	276,723
Brazos Valley	\$	815,969
CA Corp. S. Texas	\$	213,161
CA Council S. Texas	\$	502,356
CAC Victoria	\$	466,911
CAI Hays	\$	184,411
Cameron & Willacy	\$	957,274
CAP, Inc.	\$	252,388
CAPROCK	\$	335,132
CC of Reeves	\$	126,256
CC of S. Central Texas	\$	664,553
CC of SW Texas	\$	387,304
City Of Lubbock	\$	451,760
Combined CAA	\$	267,843
Concho Valley CA	\$	325,171
CS of Northeast TX	\$	221,002
CSA of South Texas	\$	277,350
CSI	\$	1,194,856
CTO	\$	381,396
Dallas County HHS	\$	2,491,768
EAC Gulf Coast	\$	84,972
El Paso	\$	1,333,988
EOAC Planning Region	\$	686,193
Ft. Worth	\$	1,399,839
Galveston County	\$	826,957
GETCAP	\$	1,344,248
Hidalgo County	\$	1,449,824
Hill Country	\$	580,039
Kleberg County	\$	276,884
Montgomery County	\$	282,876
NETO, Inc.	\$	379,840
Nueces County	\$	568,310
Panhandle	\$	1,131,345
Pecos County	\$	143,744
PHS	\$	829,126
Rolling Plains	\$	543,137
San Angelo	\$	185,252
SC of Texarkana	\$	178,384
Sheltering Arms	\$	4,148,136
South Plains	\$	283,513
Texoma	\$	310,534
Travis County HHS	\$	839,564
Tri-County CA, Inc.	\$	628,077
Tx. Neighborhood Serv.	\$	461,166
Webb County	\$	429,627
West Texas Opport.	\$	909,800
Williamson-Burnet	\$	147,528
Totals	\$	33,590,798

Total CEAP Funding
 (Base and Supplemental Awards)
\$62,296,582

Aspermont	\$	468,657
Bee CAA	\$	258,937
Bexar County	\$	3,749,918
Big Bend	\$	513,203
Brazos Valley	\$	1,513,274
CA Corp. S. Texas	\$	468,071
CA Council S. Texas	\$	621,527
CAC Victoria	\$	1,775,334
CAI Hays	\$	234,151
Cameron & Willacy	\$	395,322
CAP, Inc.	\$	718,284
CAPROCK	\$	931,655
CC of Reeves	\$	496,735
CC of S. Central Texas	\$	603,053
CC of SW Texas	\$	409,864
City Of Lubbock	\$	1,075,725
Combined CAA	\$	342,004
Concho Valley CA	\$	575,909
CS of Northeast TX	\$	837,822
CSA of South Texas	\$	514,367
CSI	\$	2,215,947
CTO	\$	865,920
Dallas County HHS	\$	273,601
EAC Gulf Coast	\$	707,326
El Paso	\$	2,473,977
EOAC Planning Region	\$	157,587
Ft. Worth	\$	1,272,596
Galveston County	\$	2,596,103
GETCAP	\$	1,232,463
Hidalgo County	\$	1,533,653
Hill Country	\$	2,493,006
Kleberg County	\$	1,687,290
Montgomery County	\$	704,441
NETO, Inc.	\$	513,502
Nueces County	\$	524,615
Panhandle	\$	2,098,162
Pecos County	\$	266,584
PHS	\$	1,537,675
Rolling Plains	\$	4,621,165
San Angelo	\$	1,007,287
SC of Texarkana	\$	343,563
Sheltering Arms	\$	330,827
South Plains	\$	7,693,021
Texoma	\$	525,796
Travis County HHS	\$	1,557,032
Tri-County CA, Inc.	\$	1,164,815
Tx. Neighborhood Serv.	\$	1,053,973
Webb County	\$	2,688,805
West Texas Opport.	\$	855,266
Williamson-Burnet	\$	796,774
Totals	\$	62,296,582

Total LIHEAP WAP Funding

(Base and Supplemental Award)

\$11,964,243

Alamo Area Council of Govt.	\$	956,881
Bee Community Action Agency	\$	49,730
Big Bend Community Action	\$	149,760
Brazos Valley CA	\$	391,383
CA Committee of Victoria	\$	308,610
CA Council of South Texas	\$	811,568
Cameron-Willacy Cos.	\$	340,958
Caprock Community Action	\$	119,366
City of Fort Worth	\$	498,589
Combined CA	\$	221,878
Comm. Council of Reeves Co.	\$	44,969
Community Action Program	\$	265,144
Community Services Agency	\$	173,040
Community Services, Inc.	\$	641,741
Concho Valley Comm.	\$	232,402
Corporation of South Texas	\$	58,295
Dallas County DHS	\$	887,508
El Paso CAP-Project BRAVO	\$	475,135
EOAC of Planning Region XI	\$	244,406
Greater East Texas CAP	\$	380,516
Hill Country CAA	\$	286,461
Lubbock, City of	\$	160,906
Maverick County	\$	63,694
Nueces County	\$	202,419
Panhandle Comm. Service	\$	402,958
Program for Human Service	\$	417,019
Rolling Plains	\$	212,501
Sheltering Arms, Inc.	\$	1,477,468
South Plains CAA	\$	100,981
Texoma Council of Govt.	\$	388,147
Travis County HSD	\$	299,033
Tri-County CA, Inc.	\$	223,706
Webb County CAA	\$	153,023
West Texas Opp., Inc.	\$	324,049
TOTALS	\$	11,964,243

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TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
 POST OFFICE BOX 13941, AUSTIN, TX 78711-3941
 Energy Assistance 512-475-3951

MASTER LIST OF SUBRECIPIENTS

Current as of 4/27/2006

Subrecipient	Agency Address	Chief Executive	Program Contact	Board Chair	Counties Served
1 Aspermont Small Business Development Center, Inc. 1(800) 722-0137 mailto:asbdc@westex.net	P.O. Box 188 Aspermont, Texas 79502 Tel: (940) 989-3538 Fax: (940) 989-3445	Dana Myers Executive Director	Wilda Giles Tel: (940) 989-3538 Fax: (940) 989-3445	David Davis 1 Av. D Parnell Texas 79521	Haskell, Jones, Kent, Knox, Stonewall, Throckmorton
2 Bee Community Action Agency 1(800) 358-5534	P.O. Box 1540 Beeville, Texas 78104-1540 Tel: (361) 358-5530 Fax: (361) 358-6591	Anna Simo Executive Director mailto:annasimo@bizstx.rr.com	J.J. Perez Tel: Fax: mailto:jiperez@bizstx.rr.com	Carlos Salazar County Commissioner Texas	Bee, Live Oak, Refugio
3 Bexar County Economic Development and Special Programs	100 Dolorosa St., Ste 1.20 San Antonio, Texas 78205 Tel: (210) 335-0667 Fax: (210) 335-0665	David E. Marquez Executive Director mailto:dmarquez@bexar.org	Delia Perez Tel: (210) 335-6541 Fax: mailto:dperez@bexar.org	Nelson W. Wolff Bexar County Judge 100 Dolorosa, Suite 1.20 San Antonio Texas 78205	Bexar
4 Big Bend Community Action Committee, Inc. mailto:evbbcac@sbcglobal.net	P.O. Box 265 Marfa, Texas 79843 Tel: (432) 729-4908 Fax: (432) 729-3435	Emma Vasquez Executive Director	Gloria Garcia Tel: Fax:	Judge George Grubb P.O. Box 836 Ft. Davis Texas 79734	Brewster, Culberson, Hudspeth, Jeff Davis, Presidio
5 Brazos Valley Community Action Agency 1(866) 846-3645 mailto:admin@bvcaa.org	504 E. 27th Street Bryan, Texas 77803 Tel: (979) 779-7443 Fax: (979) 822-7758	Karen Garber Lead Administrator mailto:kgarber@bvcaa.org	Bryan Jones Tel: (979) 775-7692 Fax: (979) 779-9021	Mike Holmgreen PO Box 833 Bryan Texas 77805	Brazos, Burleson, Grimes, Leon, Madison, Robertson, Walker, Waller, Washington

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6 Cameron and Willacy Counties Community Projects, Inc. mailto:cwccp@orbitbroadband.net	3302 Boca Chica, Suite 209 Brownsville, Texas 78521-5705 Tel: (956) 544-6411 Fax: (956) 544-6414	Amalia C. Garza Executive Director mailto:cwccp@orbitbroadband.net	Xochitl C. Rodriguez Tel: Fax:	Mr. Miguel Torres Chairman Texas	Cameron, Willacy
7 Caprock Community Action Association, Inc. 1(800) 692-4164	224 S. Berkshire Crosbyton, Texas 79322 Tel: (806) 675-7307 Fax: (806) 675-2291	Claudia Cowley Executive Director mailto:claudia.cowley@twc.state.tx.us	Xylina Grizzle Tel: 1 (800) 692-4164 Fax:	Judge William Hardin 105 Main Street Floydada Texas 79235	Crosby, Dickens, Floyd, Hale, King, Motley
8 Central Texas Opportunities, Inc. 1(800) 625-4167	P.O. Box 820 Coleman, Texas 76834 Tel: (325) 625-4167 Fax: (325) 625-3335	Merridee McClatchy Executive Director mailto:merrideecto@web-access.net	Hanna Adams Tel: Fax:	Kermit Sorrells 904 W. 4th Coleman Texas 76834	Brown, Callahan, Coleman, Comanche, Eastland, McCulloch, Runnels
9 Combined Community Action, Inc. 1(800) 688-9065	165 W. Austin Street Giddings, Texas 78942 Tel: (979) 540-2980 Fax: (979) 542-9565	Rhoda Marie Gersch Executive Director mailto:rmgersch@ccaction.com	Kelly Franke Tel: (979) 540-2985 Fax:	Shirley Meadows 310 Oak Street Sealy Texas 77474	Austin, Bastrop, Colorado, Fayette, Lee
10 Community Action Committee of Victoria Texas 1(800) 695-0314 mailto:cacv@sbcglobal.net	P.O. Box 3607 Victoria, Texas 77903-3607 Tel: (361) 578-2989 Fax: (361) 578-0062	Vicki Smith Executive Director	Shawnee Bayer Tel: (361) 575-0478 o Fax:	Mrs. Patti Goehring 864 Goehring Road Yorktown Texas 78164	Aransas, Calhoun, DeWitt, Goliad, Gonzales, Jackson, Lavaca, Victoria

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Subrecipient	Agency Address	Chief Executive	Program Contact	Board Chair	Counties Served
11 Community Action Corporation of South Texas	204 E. 1st Street Alice, Texas 78333-1820 Tel: (361) 664-0145 Fax: (361) 664-0120	Rafael Trevino, Jr. Executive Director	Robert Cuevas Tel: (361) 664-4769 Fax: (361) 664-8731	Elias Villalobos Board Chair 716 Hughes St. Alice Texas 78332	Brooks, Jim Wells
1(800) 664-0145 mailto:M22349@intcomm.net					
12 Community Action Council of South Texas	510 E Eisenhower St Rio Grande City, Texas 78582 Tel: (956) 487-2585 Fax: (956) 487-2871	Francisco G. Zarate Executive Director mailto:paco@cacst.org	Celeste Garcia Tel: Fax:	Doroteo N. Garza Board Chair Rt. 1 Box 720 Zapata Texas 78076	Duval, Jim Hogg, McMullen, San Patricio, Starr, Zapata
mailto:cacst@southtx.quik.com					
13 Community Action Inc., of Hays, Caldwell and Blanco Counties	P.O. Box 748 San Marcos, Texas 78667-0748 Tel: (512) 392-1161 Fax: (512) 396-4255	Corina Jaimes Executive Director mailto:cjaimes@communityaction.com	Tina Morrow Tel: Ext. 309 Fax: mailto:tmorrow@communityaction.com	Judge H.T. Wright Board Chair 110 S. Main St. Lockhart Texas 78644	Blanco, Caldwell, Hays
mailto:cjaimes@communityaction.com					
14 Community Action Program, Inc.	P.O. Box 144 Abilene, Texas 79604-0144 Tel: (325) 673-5785 Fax: (325) 673-5784	Morris Baker Executive Director mailto:morrisbaker@nts-online.net	Norma Garcia Tel: Ext. 303 Fax:	Mr. Petty Hunter Board Chair P.O. Box 3594 Abilene Texas 79604	Shackelford, Stephens, Taylor
mailto:aubrey@nts-online.net					
15 Community Council of Reeves County	700 Daggett Street, Suite F Pecos, Texas 79772-4524 Tel: (432) 447-4913 Fax: (432) 447-4914	Mary Jane Rios Executive Director	Mary Jane Rios Tel: Fax:	Henry Freund Board Chair 302 S. Poplar St. Kermit Texas 79745	Loving, Reeves, Ward, Winkler
mailto:ccreeves@netwest.com					

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16 Community Council of South Central Texas, Inc.	205-A E. Court Street Seguin, Texas 78155-5705 Tel: (830) 303-4376 Fax: (830) 372-5354	Louis R. Ramirez, Sr. Executive Director mailto:mlcastillo@ccsct.org	Carol Kruse Tel: (830) 303-5670 Fax:	Mr. Alofo Aguilar	Atascosa, Bandera, Comal, Frio, Gillespie, Guadalupe, Karnes, Kendall, Kerr, Medina, Wilson
mailto:mlcastillo@ccsct.org					
17 Community Council of Southwest Texas, Inc.	P.O. Drawer 1709 Uvalde, Texas 78802-1709 Tel: (830) 278-6268 Fax: (830) 278-4281	Jorge Botello Executive Director mailto:ccswt@aol.com	Irma Morales Tel: (830) 278-9167 Fax: (830) 278-2679 <u>566 West Main St. Uvalde 78801</u>	Miguel Acosta P.O. Box 613 Crystal Texas 78839	Edwards, Kinney, Real, Uvalde, Val Verde, Zavala
18 Community Services Agency of South Texas	P.O. Box 488 Carrizo Springs, Texas 78834-6488 Tel: (830) 876-5219 Fax: (830) 876-5280	David Ojeda, Jr. Executive Director	David Avalos Tel: (830) 875-0272 Fax: (830) 876-9623	Roel Rodriguez, Jr. c/o Agency Texas	Dimmit, LaSalle, Maverick
mailto:csaofsti@sbcglobal.net					
19 Community Services of Northeast Texas, Inc.	P.O. Box 427 Linden, Texas 75563 Tel: (903) 756-5596 Fax: (903) 756-7294	Dan Boyd Executive Director mailto:dan.boyd@csntexas.org	Alma Harrison Tel: Ext. 14 Fax:	Howard Tong Board Chairman	Camp, Cass, Marion, Morris
mailto: dan.boyd@csntexas.org					
20 Community Services, Inc.	P.O. Box 612 Corsicana, Texas 75151-0612 Tel: (903) 872-2401 Fax: (903) 872-0254	Pauletta Hines Executive Director mailto:csi_csbq@sbcglobal.net	Valerie Nickerson Tel: (903) 875-3727 Fax:	L.L. Polk, Sr. 2508 Linda Circle Corsicana Texas 75110	Anderson, Collin, Denton, Ellis, Henderson, Hunt, Kaufman, Navarro, Rockwall, Van Zandt
1(800) 831-9929					
mailto:csi_ceap@sbcglobal.net					

PY 2006 Comprehensive Energy Assistance Program

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 Energy Assistance 512-475-3951

MASTER LIST OF SUBRECIPIENTS

Current as of 4/27/2006

Subrecipient	Agency Address	Chief Executive	Program Contact	Board Chair	Counties Served
21 Concho Valley Community Action Agency	P.O. Box 671 San Angelo, Texas 76902 Tel: (325) 653-2411 Fax: (325) 658-5137	Sidney Mabry Executive Director mailto:cvcaa@cvc.wtxcoxmail.com	Janet Appleton Tel: (325) 653-1680 Fax: (325) 658-3147	Hon. Allen Amos Board Chair P.O. Box 158 Paint Rock Texas 76866	Coke, Concho, Crockett, Irion, Kimble, Menard, Reagan, Schleicher, Sterling, Sutton
mailto:cvcaa@cvc.wtxcoxmail.com					
22 Dallas County Department of Health and Human Services	2377 N. Stemmons Fwy, Suite 600, L Dallas, Texas 75207-2710 Tel: (214) 819-1858 Fax: (214) 819-6022	Zachary Thompson Director mailto:ZThompson@dallascounty.org	Zachary Thompson Tel: (214) 819-2101 Fax: (214) 819-2101 mailto:ZThompson@dallascounty.org	Margaret Keliher County Judge 411 Elm Street, 2nd Floor Dallas Texas 75202	Dallas
23 Economic Action Committee of The Gulf Coast	P.O. Box 1685 Bay City, Texas 77404-1685 Tel: (979) 245-6901 Fax: (979) 245-5699	Hazel Johnson Executive Director	Eileen Parker Tel: (979) 245-3250 Fax:	Andy Hawkins C/O Agency	Matagorda
mailto:eacgc@sbcglobal.net					
24 Economic Opportunities Advancement Corporation of Planning Region XI	500 Franklin Avenue Waco, Texas 76701-2111 Tel: (254) 753-0331 Fax: (254) 754-0046	Johnette Hicks Executive Director mailto:jhicks@centexbiz.rr.com	Claudia Gooch Tel: Ext 218 Fax:	Darlene Cates C/O Agency	Bosque, Falls, Freestone, Hill, Limestone, McLennan
mailto:eoac@hot.rr.com					
25 El Paso Community Action Program, Project BRAVO, Inc.	P.O. Box 3445 El Paso, Texas 79923 Tel: (915) 562-4100 Fax: (915) 562-8952	Sofia Moreno Executive Director mailto:smoreno@projectbravo.org	Jesus Munoz Tel: Fax:	Dinna Spencer 500 E. San Antonio Street, Room El Paso Texas 79901	El Paso
mailto:bravofinance@earthlink.net					

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 POST OFFICE BOX 13941, AUSTIN, TX 78711-3941
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MASTER LIST OF SUBRECIPIENTS

Current as of 4/27/2006

Subrecipient	Agency Address	Chief Executive	Program Contact	Board Chair	Counties Served
26 Fort Worth, City of, Parks & Community Services Department	4200 South Freeway, Suite 2200 Ft Worth, Texas 76115-1499 Tel: (817) 871-5700 Fax: (817) 871-5776	Randle Harwood Acting Director	Leona Johnson Tel: (817) 871-5772 Fax:	Sharon Armstrong 4605 Virgil St. Fort Worth Texas 76119	Tarrant
27 Galveston County Community Action Council, Inc.	P.O. Box 3206 Galveston, Texas 77552 Tel: (409) 765-7878 Fax: (409) 765-9951	Norma R. Mitchell Executive Director mailto:normadmitchell60@hotmail.com	Sabrina Harrell Tel: (409) 762-8418 Fax: mailto:sl_harrell27@hotmail.com	Kerry W. Tillmon C/O Agency Texas	Brazoria, Fort Bend, Galveston, Wharton
1(800) 300-3004					
28 Greater East Texas Community Action Program (GETCAP)	P.O. Box 631938 Nacogdoches, Texas 75963 Tel: (936) 564-2491 Fax: (936) 564-0302	Karen Swenson Executive Director mailto:kswenson@sbcglobal.net	Beverly Norris Tel: Fax: mailto:bnorris@academicplanet.com	Robert Crow P.O. Box 631938 Nacogdoches Texas 75963	Angelina, Cherokee, Gregg, Houston, Nacogdoches, Polk, Rusk, San Jacinto, Smith, Trinity, Wood
1(800) 621-5746					
29 Hidalgo County Community Services Agency	P.O. Box 204 Edinburg, Texas 78540 Tel: (956) 383-6250 Fax: (956) 380-4324	Maribel Navarro-Saenz Executive Director mailto:csa_lopez@yahoo.com	Thelma Vasquez Tel: Ext. 44 Fax: mailto:fiscal_dept@hotmail.com	Jose Perez 423 N. Tower Rd. Alamo Texas 78516	Hidalgo
1(800) 522-4021					
30 Hill Country Community Action Association, Inc.	P.O. Box 846 San Saba, Texas 76877 Tel: (325) 372-5167 Fax: (325) 372-3526	Tama Shaw Executive Director mailto:tshaw@hccaa.com	Clovia Ketchum & Francis Little Tel: Ext 232 Fax: mailto:cketchum@hccaa.com	Richard Cortese Commissioner P.O. Box 768 Belton Texas 76513	Bell, Coryell, Hamilton, Lampasas, Llano, Mason, Milam, Mills, San Saba
mailto:hccaaainc@centex.net					

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31 Kleberg County Human Services	720 E. Lee Street Kingsville, Texas 78363 Tel: (361) 595-8572 Fax: (361) 595-8578	Arturo Pecos Executive Director	Mary Caballero Tel: (361) 595-8573 Fax:	Honorable Alan May County Judge C/O Agency Texas	Kenedy, Kleberg
1(800) 356-3463			mailto:redhot101@hotmail.com		
32 Lubbock, City of, Community Development Department	P.O. Box 2000 Lubbock, Texas 79457 Tel: (806) 775-2309 Fax: (806) 775-3281	Nancy Haney Executive Director	Joe Rangel Tel: Fax:	Karen Worley 4205 88th St. Lubbock Texas 79423	Lubbock
	mailto:nhaney@mail.ci.lubbock.tx.u				
33 Montgomery County Emergency Assistance, Inc	1022 McCall Street Conroe, Texas 77301 Tel: (936) 539-9211 Fax: (936) 539-9239	Joanne Callahan Executive Director	Tasha Galloway Tel: Ext. 224 Fax:	 Texas	Montgomery
	mailto:rcollett@mcia.com		mailto:latasha@mcea-mcha.org		
34 Northeast Texas Opportunities, Inc.	P.O. Box 478 Mount Vernon, Texas 75457 Tel: (903) 537-2256 Fax: (903) 537-2187	Beverly Logan Executive Director	Brenda Fountain Tel: Fax:	Judge Jerry Hubbell 200 N. Kufman Mt. Vernon Texas 75457	Delta, Franklin, Hopkins, Lamar, Rains, Red River, Titus
	mailto:netobev@mt-vernon.com		mailto:neto@mt-vernon.com		
35 Nueces County Community Action Agency	101 South Padre Island Drive Corpus Christi, Texas 78405 Tel: (361) 883-7201 Fax: (361) 883-9173	Joe A. Martinez Executive Director	Alicia A. "Addie" Hurd / Dorothy Wade Tel: (361) 883-7201 x Fax:	George Rosas 7417 Spitfire Corpus Christi Texas 78412	Nueces
	mailto:jam@nccaatx.org		mailto:ahurd@nccaatx.org		

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36 Panhandle Community Services 1(800) 676-4727	P.O. Box 32150 Amarillo, Texas 79120-2150 Tel: (806) 372-2531 Fax: (806) 373-8143	Johnny Raymond Executive Director mailto:i-raymond@pcsvcs.org	Pauletta Flores & Phyllis Cook Tel: Ext 225 Fax: mailto:p-flores@pcsvcs.org	Judge Donnie Allred Box 195 Vega Texas 79092	Armstrong, Briscoe, Carson, Castro, Childress, Collingsworth, Dallam, Deaf Smith, Donley, Gray, Hall, Hansford, Hartley, Hemphill, Hutchinson, Lipscomb, Moore, Ochiltree, Oldham, Parmer, Potter, Randall, Roberts, Sherman, Swisher, Wheeler
37 Pecos County Community Action Agency mailto:pccaction@ftstockton.net	P.O. Box 940 Fort Stockton, Texas 79735 Tel: (432) 336-7526 Fax: (432) 336-7528	Miguel Ureta Executive Director mailto:caa_ed@ftstockton.net	Pat Arcides Tel: Fax: mailto:pccaction@ftstockton.net	Oscar Gonzalez Chairman Texas	Crane, Pecos, Terrell
38 Programs for Human Services, Inc. 1(866) 550-0282 mailto:phs@pnx.com	P.O. Box 1607 Orange, Texas 77631-1607 Tel: (409) 886-0125 Fax: (409) 886-2849	Tish Foyle-Johnson Executive Director	Connie Gray Tel: (409) 886-4338 Fax: (409) 883-8404	Steve Neuman 5502 Bridge Forest Houston Texas 77088	Chambers, Hardin, Jefferson, Liberty, Orange
39 Rolling Plains Management Corporation 1(800) 633-0852 mailto:rpmc@chipshot.net	P.O. Box 490 Crowell, Texas 79227 Tel: (940) 684-1571 Fax: (940) 684-1693	Felix Taylor Executive Director	Marsha Anderson Tel: Fax:	John Shavor Judge Cottle County Courthouse Paducah Texas 79248	Archer, Baylor, Clay, Cottle, Foard, Hardeman, Jack, Montague, Wichita, Wilbarger, Young
40 San Angelo-Tom Green County Health Department	P.O. Box 1751 San Angelo, Texas 76902 Tel: (325) 657-4400 Fax: (325) 481-2632	Doris Brewer Chief Executive & Program mailto:dorisb@wcc.net	Chris Hangan Tel: Fax: (325) 657-4553	Tom Adams City Manager P.O. Box 1751 San Angelo Texas 78204	Tom Green

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41 Senior Citizens Services of Texarkana, Inc.	P.O. Box 619 Texarkana, Texas 75504 Tel: (903) 831-7696 Fax: (903) 831-7869	Eden Leach Executive Director	Nancy Bowman Tel: Fax:	Jack Stone Route W, Box 360 Texarkana Texas 75501	Bowie
mailto: scstxk@cableone.net		mailto: scstxk@cableone.net			
42 Sheltering Arms, Inc.	3838 Aberdeen Way Houston, Texas 77025 Tel: (713) 956-1888 Fax: (713) 956-2079	Robert E. Phillips President	Arcadio Padilla Tel: (713) 956-1888 E Fax: (713) 685-6590	Paul Waldner President and General Manager One Riverway, Suite 1150 Houston Texas 77056	Harris
43 South Plains Community Action Association, Inc.	P.O. Box 610 Levelland, Texas 79336 Tel: (806) 894-6104 Fax: (806) 894-5349	W. D. Powell, Jr. Executive Director	Luis Perez Tel: (806) 894-4560 Fax: (806) 894-9695	Jim Walker 2033 Rice Levelland Texas 79336	Bailey, Cochran, Garza, Hockley, Lamb, Lynn, Terry, Yoakum
mailto:community.services@spcaa.o		mailto:community.services@spcaa.org			
44 Texas Neighborhood Services	314 NW 4th Street Mineral Wells, Texas 76067 Tel: (940) 325-2065 Fax: (940) 325-9640	Woodrow Kaiser Executive Director	Randy Lawrence Tel: Ext. 221 Fax:	Clarence Holliman Board Chair 210 SW 11th St. Mineral Wells Texas 76067	Erath, Hood, Johnson, Palo Pinto, Parker, Somervell, Wise
1(800) 325-6944		mailto:wkaiser@txns.org	mailto:rlawrence@txns.org		
45 Texoma Council of Governments	1117 Gallagher Drive, Suite 300 Sherman, Texas 75090 Tel: (903) 893-2161 Fax: (903) 813-3511	Francis Pelley Executive Director	Donnie Boyd Tel: (903) 813-3528 Fax: (903) 813-3539	Johnny Waldrip Board Chair C/O agency	Cooke, Fannin, Grayson
1(800) 677-8264		mailto:fpelley@texoma.coq.tx.us			

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46 Travis County Health and Human Services Department	P.O. Box 1748 Austin, Texas 78767 Tel: (512) 854-4100 Fax: (512) 854-4123	Sherry Fleming Interim Executive Manager mailto:sherry.fleming@co.travis.tx.us	Lisa Sindermann Tel: (512) 854-4594 Fax: (512) 473-4123 mailto:lisa.sindermann@co.travis.tx.us	Sam Biscoe County Judge 314 W. 11th St., Suite 250 Austin Texas 78701	Travis
47 Tri-County Community Action, Inc.	P.O. Drawer 1748 Center, Texas 75935 Tel: (936) 598-6315 Fax: (936) 598-7272	Lenola Wyatt-Tutt Executive Director mailto:lenolatutt@sbcglobal.net	Janette Williams Tel: Fax:	Leroy Hughes Board Chair P.O. Box 299 San Augustine Texas 75972	Harrison, Jasper, Newton, Panola, Sabine, San Augustine, Shelby, Tyler, Upshur
48 Webb County Community Action Agency	1110 Washington St, Suite 203 Laredo, Texas 78040-4443 Tel: (956) 523-4182 Fax: (956) 523-5016	Mike Kazen Executive Director mailto:mkazen@webbcountytx.gov	Maricela Benavides Tel: Fax: (956) 523-5016 mailto:mbenavides@webbcountytx.gov	Sylvia Palumbo c/o agency Texas	Webb
49 West Texas Opportunities, Inc.	P.O. Box 1308 Lamesa, Texas 79331 Tel: (806) 872-8354 Fax: (806) 872-5816 mailto:wto@pics.net	Janet Everheart Executive Director mailto:j.everheart.wto@gmail.com	Karen Faulkner Tel: Ext. 215 Fax:	Bill Meares 1815 County Rd #14 Lamesa Texas 79331	Andrews, Borden, Dawson, Ector, Fisher, Gaines, Glasscock, Howard, Martin, Midland, Mitchell, Nolan, Scurry, Upton
50 Williamson-Burnet County Opportunities, Inc.	P.O. Box 740 Georgetown, Texas 78627 Tel: (512) 763-1400 Fax: (512) 763-1411 mailto:wbc@wbco.net	Andrew Shell Executive Director	Terry Acker Tel: (512) 763-1400 Fax: (512) 763-1411 mailto:tacker@wbco.net	Jean Crawford 4224 N. Hwy 281 Burnet Texas 78611	Burnet, Williamson

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1 Alamo Area Council of Governments	8700 Tesoro Dr., Ste. 700 San Antonio, Texas 78217 Phone: (210) 362-5245 Fax: (210) 225-5937	Al J. Notzon, III mailto:anotzon@aacoq.com	Rose Jackson mailto:rjackson@aacoq.com	Raymond Ramirez Mayor 8700 Tesoro, Suite 700 San Antonio Texas 78217	Atascosa, Bandera, Bexar, Comal, Frio, Gillespie, Guadalupe, Karnes, Kendall, Kerr, Medina, Wilson
mailto:mail@aacoq.com					
2 Bee Community Action Agency	P.O. Box 1540 Beeville, Texas 78104-1540 Phone: (361) 358-5530 Fax: (361) 358-6591	Anna Simo mailto:annasimo@bizstx.rr.com	J.J Perez mailto:jjperez@bizstx.rr.com	Carlos Salazar County Commissioner Texas	Bee, Live Oak, Refugio
1(800) 358-5534					
3 Big Bend Community Action Committee, Inc.	P.O. Box 265 Marfa, Texas 79843 Phone: (432) 729-4908 Fax: (432) 729-3435	Emma Vasquez	Rosita Garcia (432) 729-4876	Judge George Grubb P.O. Box 836 Ft. Davis Texas 79734	Brewster, Crane, Culberson, Hudspeth, Jeff Davis, Pecos, Presidio, Terrell
mailto:evbbcac@sbcglobal.net			mailto:evbbcac@sbcglobal.net		
4 Brazos Valley Community Action Agency	504 E. 27th Street Bryan, Texas 77803 Phone: (979) 779-7443 Fax: (979) 822-7758	Karen Garber mailto:kgarber@bvcaa.org	Rebecca Fortin (979) 7791708 mailto:rfortin@bvcaa.org	Mike Holmgreen PO Box 833 Bryan Texas 77805	Brazos, Burleson, Grimes, Leon, Madison, Montgomery, Robertson, Walker, Waller, Washington
1(866) 846-3645 mailto:admin@bvcaa.org					
5 Cameron and Willacy Counties Community Projects, Inc.	3302 Boca Chica, Suite 209 Brownsville, Texas 78521-5705 Phone: (956) 544-6411 Fax: (956) 544-6414	Amalia C. Garza mailto:cwccp@orbitbroadband.net	Rigoberto Cavazos (956) 421-2216	Mr. Miguel Torres Chairman Texas	Cameron, Willacy
mailto:cwccp@orbitbroadband.net					

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6 Caprock Community Action Association, Inc. 1(800) 692-4164	224 S. Berkshire Crosbyton, Texas 79322 Phone: (806) 675-7307 Fax: (806) 675-2291	Claudia Cowley mailto:claudia.cowley@twc.state.tx.us	Mr. Jackie Hamersly	Judge William Hardin 105 Main Street Floydada Texas 79235	Crosby, Dickens, Floyd, Hale, King, Motley
7 Combined Community Action, Inc. 1(800) 688-9065	165 W. Austin Street Giddings, Texas 78942 Phone: (979) 540-2980 Fax: (979) 542-9565	Rhoda Marie Gersch mailto:rmgersch@ccaction.com	Kelly Franke (979) 540-2985 mailto:weatherization@ccaction.com	Shirley Meadows 310 Oak Street Sealy Texas 77474	Austin, Bastrop, Blanco, Caldwell, Colorado, Fayette, Fort Bend, Hays, Lee
8 Community Action Committee of Victoria Texas 1(800) 695-0314 mailto:cacv@sbcglobal.net	P.O. Box 3607 Victoria, Texas 77903-3607 Phone: (361) 578-2989 Fax: (361) 578-0062	Vicki Smith	Lisa Tesch	Mrs. Patti Goehring 864 Goehring Road Yorktown Texas 78164	Aransas, Brazoria, Calhoun, De Witt, Goliad, Gonzales, Jackson, Lavaca, Matagorda, Victoria, Wharton
9 Community Action Corporation of South Texas 1(800) 664-0145 mailto:M22349@intcomm.net	204 E. 1st Street Alice, Texas 78333-1820 Phone: (361) 664-0145 Fax: (361) 664-0120	Rafael Trevino, Jr.	Robert Guerrero (361) 661-1300	Elias Villalobos Board Chair 716 Hughes St. Alice Texas 78332	Brooks, Jim Wells
10 Community Action Council of South Texas mailto:cacst@southtx.quik.com	510 E Eisenhower St Rio Grande City, Texas 78582 Phone: (956) 487-2585 Fax: (956) 487-2871	Francisco G. Zarate mailto:paco@cacst.org	Jorge Zamora Ext.267	Doroteo N. Garza Board Chair Rt. 1 Box 720 Zapata Texas 78076	Duval, Hidalgo, Jim Hogg, Kenedy, Kleberg, McMullen, San Patricio, Starr, Zapata

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11 Community Action Program, Inc.	P.O. Box 144 Abilene, Texas 79604-0144 Phone: (325) 673-5785 Fax: (325) 673-5784	Morris Baker mailto:morrisbaker@nts-online.net	Teresa Serda Ext. 310 mailto:teresaserda@nts-online.net	Mr. Petty Hunter Board Chair P.O. Box 3594 Abilene Texas 79604	Brown, Callahan, Comanche, Eastland, Haskell, Jones, Kent, Knox, Shackelford, Stephens, Stonewall, Taylor, Throckmorton
	mailto:aubrey@nts-online.net				
12 Community Council of Reeves County	700 Daggett Street, Suite F Pecos, Texas 79772-4524 Phone: (432) 447-4913 Fax: (432) 447-4914	Mary Jane Rios	Amparo Valenzuela	Henry Freund Board Chair 302 S. Poplar St. Kermit Texas 79745	Loving, Reeves, Ward, Winkler
	mailto:ccreeves@netwest.com				
13 Community Services Agency of South Texas	P.O. Box 488 Carrizo Springs, Texas 78834-6488 Phone: (830) 876-5219 Fax: (830) 876-5280	David Ojeda, Jr.	David Avalos (830) 876-0272 910 S. 5th St. Carrizo Springs, Texas 78834	Roel Rodriguez, Jr. c/o Agency Texas	Dimmit, Edwards, Kinney, La Salle, Real, Uvalde, Val Verde, Zavala
	mailto:csaofsti@sbcglobal.net				
14 Community Services, Inc.	P.O. Box 612 Corsicana, Texas 75151-0612 Phone: (903) 872-2401 Fax: (903) 872-0254	Pauletta Hines mailto:csi_csbq@sbcglobal.net	A.R. Kampschafer (903) 872-2407	L.L. Polk, Sr. 2508 Linda Circle Corsicana Texas 75110	Anderson, Collin, Denton, Ellis, Henderson, Hood, Hunt, Kaufman, Johnson, Navarro, Palo Pinto, Parker, Rockwall, Smith, Van Zandt
1(800) 831-9929					

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15 Concho Valley Community Action Agency	P.O. Box 671 San Angelo, Texas 76902 Phone: (325) 653-2411 Fax: (325) 658-5137	Sidney Mabry	Janet Appleton (325) 653-1680 1100 North Martin Luther King Dr. San Angelo, Texas 76903- 5365	Hon. Allen Amos Board Chair P.O. Box 158 Paint Rock Texas 76866	Coke, Coleman, Concho, Crocket, Irion, Kimble, McCulloch, Menard, Reagan, Runnels, Schleicher, Sterling, Sutton, Tom Green
mailto:cvcaa@cvc.wtxcoxmail.com		mailto:cvcaa@cvc.wtxcoxmail.com			
16 Dallas County Department of Health and Human Services	2377 N. Stemmons Fwy, Suite 600, Dallas, Texas 75207-2710 Phone: (214) 819-1858 Fax: (214) 819-6022	Zachary Thompson	Daniel Araiza (214) 819-2884	Margaret Keliher County Judge 411 Elm Street, 2nd Floor Dallas Texas 75202	Dallas
		mailto:ZThompson@dallascounty.org	mailto:daraiza@dallascounty.org		
17 Economic Opportunities Advancement Corporation of	500 Franklin Avenue Waco, Texas 76701-2111 Phone: (254) 753-0331 Fax: (254) 754-0046	Johnette Hicks	Tim Whitley	Darlene Cates C/O Agency	Bosque, Falls, Freestone, Hill, Limestone, McLennan
mailto:eoac@hotmail.com		mailto:hicks@centexbiz.rr.com	mailto:rslobojan@txucom.net		
18 El Paso Community Action Program, Project BRAVO, Inc.	P.O. Box 3445 El Paso, Texas 79923 Phone: (915) 562-4100 Fax: (915) 562-8952	Sofia Moreno	Mike Martinez	Dinna Spencer 500 E. San Antonio Street, El Paso Texas 79901	El Paso
mailto:bravofinance@earthlink.net		mailto:smoreno@projectbravo.org			

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19 Fort Worth, City of, Department of Housing	1000 Throckmorton Street Fort Worth, Texas 76102 Phone: (817) 392-7540 Fax: (817) 392-7328	Jerome E. Walker mailto:walkerje@ci.fort-worth.tx.us	Joe Cordova (817) 392-7554 mailto:joe.cordova@fortworthgov.org	Texas	Tarrant
20 Greater East Texas Community Action Program (GETCAP) 1(800) 621-5746	P.O. Box 631938 Nacogdoches, Texas 75963 Phone: (936) 564-2491 Fax: (936) 564-0302	Karen Swenson mailto:kswenson@sbcglobal.net	Carl Singleton (936) 564-2491 mailto:carlsingleton@sbcglobal.net	Robert Crow P.O. Box 631938 Nacogdoches Texas 75963	Angelina, Cherokee, Gregg, Houston, Nacogdoches, Polk, Rusk, San Jacinto, Trinity, Wood
21 Hill Country Community Action Association, Inc. mailto:hccaainc@centex.net	P.O. Box 846 San Saba, Texas 76877 Phone: (325) 372-5167 Fax: (325) 372-3526	Tama Shaw mailto:tshaw@hccaa.com	Patti Owen (Assistant) Ext 222 / Ext 282	Richard Cortese Commissioner P.O. Box 768 Belton Texas 76513	Bell, Burnet, Coryell, Erath, Hamilton, Lampasas, Llano, Mason, Milam, Mills, San Saba, Somervell, Williamson
22 Lubbock, City of, Community Development Department mailto:nhaney@mail.ci.lubbock.tx.u	P.O. Box 2000 Lubbock, Texas 79457 Phone: (806) 775-2309 Fax: (806) 775-3281	Nancy Haney	Brad Reed Lubbock, Texas 79401-3830	Karen Worley 4205 88th St. Lubbock Texas 79423	Lubbock
23 Maverick County Human Services Department mailto:mvcowx@sbcglobal.net	1609 Del Rio Blvd. Eagle Pass, Texas 78852 Phone: (830) 773-0045 Fax: (830) 773-2754	Romelia Cardona mailto:mvcowx@sbcglobal.net	Fernando Munoz mailto:mvcowx@sbcglobal.net	Rogelio Escobedo County Judge 500 Quarry Street Eagle Pass Texas 78852	Maverick

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24 Nueces County Community Action Agency	101 South Padre Island Drive Corpus Christi, Texas 78405 Phone: (361) 883-7201 Fax: (361) 883-9173	Joe A. Martinez mailto:jam@nccaatx.org	Alicia A. "Addie" Hurd Ext 33 mailto:ahurd@nccaatx.org	George Rosas 7417 Spitfire Corpus Christi Texas 78412	Nueces
25 Panhandle Community Services	P.O. Box 32150 Amarillo, Texas 79120-2150 Phone: (806) 372-2531 Fax: (806) 373-8143	Johnny Raymond mailto:j-raymond@pcsvcs.org	Margaret Wolfe Ext 220 mailto:ocsweather@cox-internet.com	Judge Donnie Allred Box 195 Vega Texas 79092	Armstrong, Briscoe, Carson, Castro, Childress, Collingsworth, Dallam, Deaf Smith, Donley, Gray, Hall, Hansford, Hartley, Hemphill, Hutchinson, Lipscomb, Moore, Ochiltree, Oldham, Parmer, Potter, Randall, Roberts, Sherman, Swisher, Wheeler
1(800) 676-4727					
26 Programs for Human Services, Inc.	P.O. Box 1607 Orange, Texas 77631-1607 Phone: (409) 886-0125 Fax: (409) 886-2849	Tish Foyle-Johnson	Connie Gray (409) 886-4338	Steve Neuman 5502 Bridge Forest Houston Texas 77088	Chambers, Galveston, Hardin, Jefferson, Liberty, Orange
1(866) 550-0282 mailto:phs@pnx.com					
27 Rolling Plains Management Corporation	P.O. Box 490 Crowell, Texas 79227 Phone: (940) 684-1571 Fax: (940) 684-1693	Felix Taylor	Mark Halsell mailto:rpmcea@srcaccess.net	John Shavor Judge Cottle County Courthouse Paducah Texas 79248	Archer, Baylor, Cottle, Clay, Foard, Hardeman, Jack, Montague, Wichita, Wilbarger, Wise, Young
1(800) 633-0852 mailto:rpmc@chipshot.net					
28 Sheltering Arms, Inc.	3838 Aberdeen Way Houston, Texas 77025 Phone: (713) 956-1888 Fax: (713) 956-2079	Robert E. Phillips	Arcadio Padilla (713) 685-6513, ext. 6528 or (713) 956-6528	Paul Waldner President and General Man One Riverway, Suite 1150 Houston Texas 77056	Harris

PY 2005 Weatherization Assistance Program

Master List of Subrecipients

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

POST OFFICE BOX 13941; AUSTIN, TX 78711-3941

Energy Assistance 512-475-3951

Current as of 4/27/2006

Subrecipient	Agency Address	Chief Executive	Contact Person	Board Chair	Counties Served
29 South Plains Community Action Association, Inc.	P.O. Box 610 Levelland, Texas 79336 Phone: (806) 894-6104 Fax: (806) 894-5349	W. D. Powell, Jr. mailto:community.services@spcaa.org	Henry Tarrango (806) 894-4560 mailto:henrytarrango.commserv@nts-online.net	Jim Walker 2033 Rice Levelland Texas 79336	Bailey, Cochran, Garza, Hockley, Lamb, Lynn, Terry, Yoakum
30 Texoma Council of Governments	1117 Gallagher Drive, Suite 300 Sherman, Texas 75090 Phone: (903) 893-2161 Fax: (903) 813-3511 1(800) 677-8264	Francis Pelley mailto:fpelley@texoma.co.gov	Mark Bullard (903) 813-3526 mailto:mbullard@texoma.co.gov	Johnny Waldrip Board Chair C/O agency	Bowie, Camp, Cass, Cooke, Delta, Fannin, Franklin, Grayson, Hopkins, Lamar, Marion, Morris, Rains, Red River, Titus
31 Travis County Health and Human Services Department	P.O. Box 1748 Austin, Texas 78767 Phone: (512) 854-4100 Fax: (512) 854-4123	Sherry Fleming mailto:sherry.fleming@co.travis.tx.us	Robert Peterson (512) 479-8355 5021 E.Cesar Chavez Austin, Texas 78702 mailto:bob.petersen@co.travis.tx.us	Sam Biscoe County Judge 314 W. 11th St., Suite 250 Austin Texas 78701	Travis
32 Tri-County Community Action, Inc.	P.O. Drawer 1748 Center, Texas 75935 Phone: (936) 598-6315 Fax: (936) 598-7272	Lenola Wyatt-Tutt mailto:lenolatutt@sbcglobal.net	Beth Stroope Ext. 23 mailto:bethstroope@sbcglobal.net	Leroy Hughes Board Chair P.O. Box 299 San Augustine Texas 75972	Harrison, Jasper, Newton, Panola, Sabine, San Augustine, Shelby, Tyler, Upshur
33 Webb County Community Action Agency	1110 Washington St, Suite 203 Laredo, Texas 78040-4443 Phone: (956) 523-4182 Fax: (956) 523-5016	Mike Kazen mailto:mkazen@webbcountytx.gov	Veronica Verduzco (956) 523-4174	Sylvia Palumbo c/o agency Texas	Webb

PY 2005 Weatherization Assistance Program

Master List of Subrecipients

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

POST OFFICE BOX 13941; AUSTIN, TX 78711-3941

Energy Assistance 512-475-3951

Current as of 4/27/2006

Subrecipient	Agency Address	Chief Executive	Contact Person	Board Chair	Counties Served
34 West Texas Opportunities, Inc.	P.O. Box 1308 Lamesa, Texas 79331 Phone: (806) 872-8354 Fax: (806) 872-5816	Janet Everheart mailto:j.everheart.wto@gmail.com	Mark Shofner Ext. 221	Bill Meares 1815 County Rd #14 Lamesa Texas 79331	Andrews, Borden, Dawson, Ector, Fisher, Gaines, Glasscock, Howard, Martin, Midland, Mitchell, Nolan, Scurry, Upton

<mailto:wto@pics.net>

MULTIFAMILY FINANCE PRODUCTION DIVISION

BOARD ACTION REQUEST

May 4, 2006

Action Items

Presentation, Discussion and Possible Approval of the Housing Trust Fund's 2006 Funding Plan.

Required Action

Approve, Amend or Deny the Housing Trust Fund's 2006 Funding Plan (the "Plan").

Background

In an effort to better inform the public of the Texas Department of Housing and Community Affairs' (the "Department") funding initiatives for the Housing Trust Fund ("HTF"), the Department has developed this proposed funding plan. Readers should note that the figures used in this plan are approximations based on historical information and actual fund balances. The Department anticipates having approximately \$6.8 million dollars, which includes an addition of the Texas State Affordable Housing Corporation ("TSAHC") loan repayment in the amount of \$500,000, for FY 2006; however estimates for FY 2007 have not been finalized.

Sources

Staff anticipates having approximately \$6.8 million in combined revenues to support the 2006 funding year for HTF. Of this total, approximately \$3.2 million in General Revenues, approximately \$3.1 million in Local Revenues and \$500,000 in TSAHC loan repayment, are available for funding of new and existing programs. These totals include program income from the repayment of existing HTF loans, interest payments and funds from deobligated contracts.

The Department is required by statute to obligate General Revenue within one year of its appropriation by the legislature and has two more years to expend the available funds. Local Revenues are not required to be expended within 2 years; however the Department makes every effort to expend all funds on an annual basis. The Department did realize a savings of approximately \$1.1 million during the FY 2005 by utilizing bond program residual funds for the Texas Bootstrap Loan program. These funds are now available for reprogramming in FY 2006 and are already included in the total available funds of \$6.3 million. Additionally, the Department received a repayment of residual funding from the Texas State Affordable Housing Corporation in February 2006. These funds have been added to Local Revenues for FY 2006.

After the Board discussion concerning the repayment of the Texas State Affordable Housing Corporation loan to the Department and how the funds could be used in the Department's hurricane relief efforts, the Interim Executive Director reassigned the funds to the HTF available balance.

Sources	FY 2006	FY 2007
General Revenue		
Appropriated Funds	\$2,600,000	\$2,500,000
Program Income	\$600,000	\$600,000
Local Revenue	\$3,100,000	Unknown
TSAHC	\$500,000	
Total	\$6.8 million	\$3,100,000

Funded Programs:

Texas Bootstrap Program:

Historically, the Department has used HTF to meet its legislative requirement to provide \$3 million per year to the Texas Bootstrap Housing Assistance program. The Department has already met this requirement for FY 2006 and 2007 by releasing and awarding funding for both fiscal years in January 2006. An additional \$600,000 in funding was available through bond program residual funds and deobligations to past Bootstrap awards. HTF has traditionally been used for this program due to the flexible nature of the funds and program requirements. The Department's Office of Colonia Initiatives manages the Texas Bootstrap Housing Assistance program. On September 16, 2005, the Board approved \$3 million of the 2006 HTF funds, and \$3 million for 2007, also for this purpose.

Disaster Relief:

On September 16, 2005 the Board authorized the use of \$1.8 million in Housing Trust Funds to be used for the purpose of responding to the housing needs of persons impacted by the Hurricanes. The Department has released a Notice of Funding Availability (NOFA) to utilize these funds under the Texas Bootstrap Housing Assistance program in Counties affected by Hurricane Rita. The program has awarded more than \$1.2 million, to date. The program has one remaining application and will require an additional \$100,000 to fund the full request.

Committed Sources	FY 2006	FY 2007
Texas Bootstrap	\$3,000,000	\$3,000,000
Hurricane Relief	\$1,800,000	
Remaining Balance	\$2,000,000	

New Proposals:

After the deduction of the above noted programs, the Department has approximately \$2 million for 2006 in HTF funding available for new or existing programs. Staff has identified three potential uses for these funds and presents the following options to the Board for consideration.

Texas Disaster Relief Bootstrap Program:

The Bootstrap program targeted for Hurricane Rita needs \$92,800 in additional funds to enable it to provide funding to all the applicants.

Multifamily Portfolio Uninsured Hurricane Damage Program:

The Department has received feedback over the past six months that there is a need for funds to repair damage, in the multifamily portfolio, caused by Hurricane Rita and for which the damage was not covered by insurance. The Department recommends that \$1 million in the HTF program funds be utilized for this purpose. The development would need to prove the damage and show the insurance settlement for the damages paid as well as meet other documentation requirements. The Department staff would create guidelines for submittal of requests and how the issuance of funds would be allocated, as well as establish a deadline by which application must be submitted. Notice will be provided to all owners in the existing multifamily portfolio, located in counties impacted by Hurricane Rita, to notify them of this funding assistance.

Predevelopment Loan Program:

The Department could utilize HTF for the Predevelopment Loan Program. If this option is approved, the Department will no longer use a third party administrator for this program in an effort to eliminate duplicative reviews and to improve direct contact with borrowers. The Department estimates it could release an open cycle NOFA and Application for the Program in June 2006, if the Board approves the Plan.

The Predevelopment Loan Program would continue to provide funding to nonprofit organizations for housing development costs that the Department determines to be customary and reasonable and would create affordable housing units in the future. The costs would include but would not be limited to third party reports (ESAs, Market Studies, etc...), legal fees, architectural fees, engineering fees, site control, and title clearance. The program would include a prohibition of the applicant to be eligible for any Department funds or programs for five years if applicant does not repay the funds. Additional program requirements would include:

- Award maximum of \$50,000 per development
- Applicants limited to no more than \$100,000 in total outstanding predevelopment debt
- Mandatory repayment condition for any future Department funding for the applicant and/or ownership entities
- Open application cycle (first-come, first-served)

CDFI Support Program:

Under this program the Department would announce a pilot competitive application cycle to present one award of \$500,000 to an eligible Community Development Financial Institution (CDFI), to securitize revenue bonds and/or other forms of investment in affordable housing loan programs. The program would be limited to an entity that has received a CDFI certification from the U.S. Department of Treasury and has a successful track record of financing affordable housing development. Currently, there are 33 certified CDFIs operating in Texas. Applicants will be required to show a minimum of a 4 to 1 ratio for leveraging loan fund balances. Additional program requirements may include:

- Maximum award \$500,000 to one applicant.
- Applicant evaluated, at a minimum, on successful lending history, financial strength, support from state and local officials, and value of leveraging.
- CDFI award structured as 5 year, 0% interest loan.
- Performance measures for unit production and affordability.
- Loan repayments will return to the Housing Trust Fund.
- Commitment letter for leveraged funding required with application package.
- Proposed deadline for applications August 31, 2006.
- Department would maintain funds in trust accounts until drawn.
- Staff will present a Notice of Funding Availability for Board approval prior to publication.

Recommendation:

Staff recommends that the Board approve the allocation of \$2,000,000 in uncommitted HTF balances to the following programs:

Activity	Amount for FY 2006
Bootstrap Disaster Relief Program	\$92,800
Predevelopment Loan Program	\$400,000
CDFI Support Pilot	\$500,000
Multifamily Portfolio Hurricane Uninsured Damage Program	\$1,007,200
Sub-Total New Initiatives	\$2,000,000

- Due to the detrimental effects of Hurricane Rita on the State of Texas, assisting the developments in the Department's portfolio in repairing the damaged units is of great importance in ensuring the viability of the portfolio, minimizing asset risks and ensuring a safe environment for low income tenants.
- All of the proposed programs provide an opportunity for funds to be repaid, which helps with the Department's goal of building a revolving fund that supports future affordable housing developments. Furthermore, the CDFI program would allow the Department to earn interest on loan balances by maintaining them within the State's trust account system.
- The proposed programs will help ensure that the Department meets its legislative performance measures for the 2006 & 2007 biennium. Currently, the Department is not meeting its performance measures under the HTF program due to the reprogramming of funds to Hurricane Relief activities. The \$4.8 million of funds currently committed are for use in single family development or rehabilitation activities. These proposals will be for multifamily rental development and rehabilitation.
- All of the proposed programs offer the Department an opportunity to commit and expend funding in an efficient and expedient manner.
- The Predevelopment Loan program is undergoing a significant overhaul of its underwriting and selection process. These changes will reduce the rate of default and improve performance of the program.
- The CDFI Support Program provides the Department with an opportunity to increase public and private investment in affordable housing by leveraging our financial resources.

MULTIFAMILY FINANCE PRODUCTION DIVISION

BOARD ACTION REQUEST

May 4, 2006

Action Items

Presentation, Discussion and Possible Approval of an extension amendment to a Housing Trust Fund Predevelopment Loan for Pineywoods HOME Team #8510200023.

Required Action

Approve or deny the amendment request to the Housing Trust Fund (HTF) Predevelopment Loan for Pineywoods HOME Team #8510200023.

Background

On January 23, 2002 the Department executed a predevelopment loan agreement with Pineywoods HOME Team (Pineywoods) in the amount of \$50,000. The purpose of the loan was to assist Pineywoods with the acquisition of land and development of affordable multifamily rental housing in Longview, Gregg County, Texas. Pineywoods has submitted applications for the proposed development for 9% Housing Tax Credit (HTC), each of the past three years however the applications were not competitive and did not receive awards. Pineywoods currently has an application pending in the 2006 9% HTC Competitive Cycle for the proposed development and two applications pending for the Rita Hurricane Housing Tax Program.

Pineywoods originally requested forgiveness for the loan due to the proposed developments failed attempts to receive funding. Pineywoods is requesting an amendment to their loan agreement in hope that their current application will be successful.

Recommendations

Staff recommends that the Board grant an amendment to extend the maturity date for Pineywoods HOME Team for the predevelopment loan #8510200023. The amendment will extend the maturity date of the loan until September 1, 2006, after which point the Department will begin charging 18% interest, or the maximum interest allowed under state law, whichever is less, on the outstanding principal balance of the loan.

SINGLE FAMILY FINANCE PRODUCTION DIVISION

**BOARD ACTION REQUEST
MAY 4, 2006**

Action Item

Request approval of two 2006 Disaster Relief Program award recommendations under the HOME Owner Occupied Housing Assistance Program. \$1,040,000.00 of de-obligated HOME funds will be utilized.

Required Action

Approval of Disaster Relief Program award recommendations.

Background

On October 27, 2005, high winds, hail, rain, and tornadoes hit the south Texas counties of Jim Wells and Duval. TDHCA's Disaster Relief Program Officer assisted in the Preliminary Damage Assessments (PDA's) conducted by the Governor's Division of Emergency Management (GDEM). Although the area was not declared a State disaster area, on November 9, 2005 TDHCA received a letter from Governor Rick Perry recognizing that a disaster had occurred and requested that the Department make available any and all assistance to the citizens of Duval and Jim Wells Counties for which the counties may be eligible under emergency conditions. On December 13, 2005, the Department notified Duval and Jim Wells Counties of the Department's Single Family Disaster Relief Program, explaining the eligible housing program, and offered technical assistance for completing and submitting an application. The following two applications were received and processed and are recommended for funding under the 2005 HOME Program rules:

Application No.	Applicant Name	Project Requested	Funds	Admin. Requested	Funds	Units
2006-0001 DR	Jim Wells County	\$ 500,000.00		\$ 20,000.00		9
2006-0015 DR	Duval County	\$ 500,000.00		\$ 20,000.00		18
Total		\$1,000,000.00		\$ 40,000.00		27

Recommendation

Staff recommends the two Disaster Relief applications be awarded. The awards are in accordance with the TDHCA De-obligation Policy adopted by the Board on January 17, 2002. Staff also requests and recommends approval of 4% of project funds for program administration.

**THIS ITEM HAS BEEN PULLED
FROM THE AGENDA**

MULTIFAMILY FINANCE PRODUCTION DIVISION

BOARD ACTION REQUEST

May 4, 2006

Action Item

Presentation, Discussion and Possible Approval of an Appeal for the Amberwood Apartments.

Requested Action

Approve, Amend or Deny the Appeal.

Background

On February 16, 2006, an application for the acquisition and rehabilitation of the Amberwood Apartments was submitted to the Texas Department of Housing and Community Affairs (the "Department"). During the review process it was found that some of the buildings were located in the 100 year floodplain which is prohibited in 10 TAC §50.6(a) of the Qualified Allocation Plan and Rules (QAP) for the receipt of Housing Tax Credits (HTC) for rehabilitation. On March 30, 2006, staff terminated the application according to 10 TAC §50.6(a) and notified the applicant. On April 5, 2006, the applicant appealed to the Executive Director under 10 TAC §50.17(b) of the QAP and requested an appeal to the Department's Board if the Executive Director denied the appeal. On April 12, 2006, the Acting Executive Director denied the appeal and notified the applicant that the appeal would be presented to the Governing Board at the May 4, 2006 meeting.

Summary

In accordance with 10 TAC §50.6(a) of the 2006 Qualified Allocation Plan and Rules ("QAP"), "any Development proposing New Construction located within the 100 year floodplain as identified by the Federal Emergency Management Agency (FEMA) Flood Insurance Rate Maps must develop the site so that all finished ground floor elevations are at least one foot above the flood plain and parking and drive areas are no lower than six inches below the floodplain, subject to more stringent local requirements. If no FEMA Flood Insurance Rate Maps are available for the proposed Development, flood zone documentation must be provided from the local government with jurisdiction identifying the 100 year floodplain. **No buildings or roads that are part of a Development proposing Rehabilitation, with the exception of developments with federal funding assistance from HUD or TX USDA-RHS, will be permitted in the 100 year floodplain unless they already meet the requirements established in this subsection for New Construction**", the rehabilitation of the Amberwood Apartments is ineligible to receive Housing Tax Credits.

Thirteen of the twenty-three building are located in the 100 year shallow flooding area. According to the applicant, the FEMA map for this parcel has not been updated since 1982. A floodplain study from the applicant's engineer that was completed in 1993 concludes that the existing drainage structures have sufficient capacity to convey the 100 year recurrence interval storm event without flooding the buildings. It is also the opinion of the engineer, that the complex is no longer subject to flooding due to remediation measures which have been undertaken in the community. The applicant will pursue a Letter of Map Amendment (LOMA) from FEMA and identify and purchase flood insurance for the buildings and content's of the buildings within the stated floodplain should the Board grant the appeal.

Recommendation

The Executive Director denied the original appeal. Staff recommends the Board make an exception to 10 TAC §50.6(a) and grant the appeal conditioned on the LOMA being granted by FEMA on or before the closing of the bond transaction.



April 12, 2006

WWW.TDHCA.STATE.TX.US

PacifiCap Properties Group
Attention: Amy Dickerson
420 SW Washington, Suite 400
Portland, OR 97204

.....
RICK PERRY
Governor

Re: Amberwood Apartments – TDHCA #060408

BOARD MEMBERS
Elizabeth Anderson, Chair
Shadrick Bogany
C. Kent Conine
Dionicio Vidal (Sonny) Flores
Vidal Gonzalez
Mayor Alberto Salinas

Dear Ms. Dickerson:

On April 5, 2006, you submitted a formal written appeal of a termination to the Texas Department of Housing and Community Affairs (the "Department") for the above-referenced development.

WILLIAM DALLY
Acting Executive Director

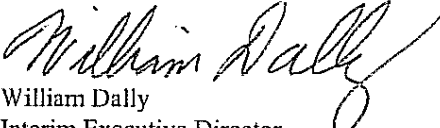
In accordance with 10 TAC §50.6(a) of the 2006 Qualified Allocation Plan and Rules ("QAP"), "any Development proposing New Construction located within the 100 year floodplain as identified by the Federal Emergency Management Agency (FEMA) Flood Insurance Rate Maps must develop the site so that all finished ground floor elevations are at least one foot above the flood plain and parking and drive areas are no lower than six inches below the floodplain, subject to more stringent local requirements. If no FEMA Flood Insurance Rate Maps are available for the proposed Development, flood zone documentation must be provided from the local government with jurisdiction identifying the 100 year floodplain. No buildings or roads that are part of a Development proposing Rehabilitation, with the exception of developments with federal funding assistance from HUD or TX USDA-RHS, will be permitted in the 100 year floodplain unless they already meet the requirements established in this subsection for New Construction", the rehabilitation of the Amberwood Apartments is ineligible to receive Housing Tax Credits.

Therefore, please be informed that pursuant to the Appeals Policy located in 10 TAC, §50.17(b) your appeal is denied.

Your request to appeal to the Department's Board, in the event the appeal is denied by the Acting Executive Director, has been noted and the appeal will be presented to the Board at the May 4, 2006 meeting in McAllen, Texas. You are encouraged to attend the Board meeting to present any additional information or to respond to any Board inquiries or questions.

If you have any questions, please do not hesitate to contact Robbye Meyer at (512) 475-2213.

Sincerely,


William Dally
Interim Executive Director



April 5, 2006

Brooke Boston
 Interim Deputy Executive Director
 Texas Department of Housing and Community Affairs
 221 East 11th
 P.O. Box 13941
 Austin, Texas 78711-3941

Re: Amberwood Apartments TDHCA # 060408

development

Dear Ms. Boston:

On March 30, 2006, PacifiCap Properties Group received a letter terminating the Amberwood Apartments tax credit application. On behalf of Amberwood PacifiCap Limited Partnership, we are appealing the decision to terminate the Amberwood Apartments tax credit application through the TDHCA appeals process in section 50.17 (b) of the 2006 Housing Tax Credit Program Qualified Action Plan and Rules.

construction

Amberwood Apartments is a rehabilitation project. Thirteen of the twenty three buildings currently do not meet the standards set forth in section 50.6 (a). The thirteen buildings are in zone AH (Areas of 100 year shallow flooding where depths are between one and three feet; base flood elevations are shown; but no flood hazard factors are determined). The buildings in zone AH range from .8 feet above the flood plain reference mark to 2.63 feet below the reference mark. The remaining buildings are located in flood zone B. Flood zone B is not a 100 year flood zone.

management

The FEMA map for this parcel has not been updated since 1982 while several other parcels have been updated as recently as February 2006. It is our understanding that many of the FEMA maps in the El Paso area are slated to be revised, however, we are unable to obtain a schedule for those revisions. We have received a flood plain study from the engineers for the subject property that was completed in 1993 (the project was formerly known as Village Green Apartments). The report concludes that the existing drainage structures have sufficient capacity to convey the 100 year recurrence interval storm event, without flooding the buildings within the apartment complex. It also states in the engineering company's opinion, "that the Village Green Apartment complex is no longer subject to flooding from a 100 year recurrence interval storm event and should not be included in within the 100 year floodplain area due to the remediation measures which have been undertaken by the community."

Per the 2006 TDHCA Real Estate Analysis Rules and Guidelines, Section 1.32 (g) (1), (A) The Applicant must pursue and receive a Letter of Map Amendment (LOMA) or Letter of Map Revision (LOMR-F); or (B) The Applicant must identify the cost of flood insurance for the buildings and for the tenant's contents for buildings within the 100 year floodplain.

PacifiCap is asking for an exception to be made in the case of the thirteen buildings in zone AH in order to preserve affordable housing in the City of El Paso. It is our belief that had the current owner followed through with the information included in 1993, a different designation would have been given to the site. If successful with our appeal, PacifiCap will follow the TDHCA Real Estate Analysis Rules and Guidelines above and will apply for a LOMA or a LOMR-F whichever is deemed appropriate by FEMA. Applications for LOMA/LOMR-F take time to process through FFMA

During that time, the property will pay for renters flood insurance as outlined above until the LOMA/LOMR-F determination is obtained removing the structures from the Special Flood Hazard Area. We have determined the approximate cost of providing that coverage for the buildings located in the AH 100 year flood plain zone to be approximately \$36,500.

We have also attached a LOMA that was obtained by a property contained in the same FEMA map that shows the structures on that site having been removed from the Special Flood Hazard Area.

Thank you for considering our request, should you have any questions, please contact me at (503) 288-6210 ext. 26 or adickerson@pacificap.com.

If the Interim Executive Director does not grant this appeal, we request that the appeal be heard by the Board at the soonest possible board meeting so that we can meet our current Purchase and Sale and bond requirements.

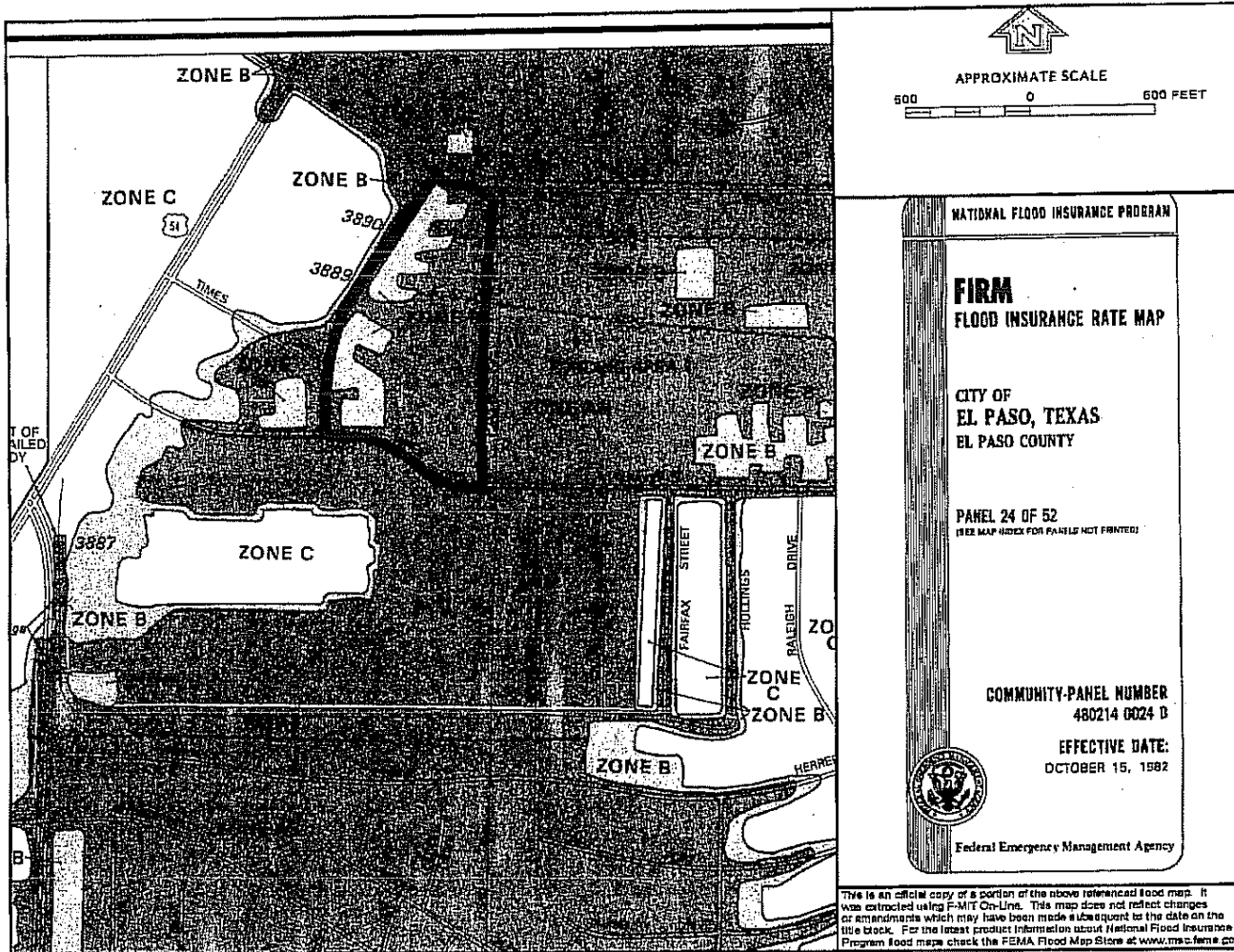
We look forward to working with you.

Sincerely,



Amy Dickerson
VP Portfolio Development

c: Robbye Meyer



03/16/2006 13:58 9157784504

KISTENMACHER ENGRNG

PAGE 02/05

VILLAGE GREEN APARTMENTS

EL PASO, TEXAS

FLOODPLAIN STUDY

FOR

**R & S ASSOCIATES
3400 EAST BAYAUD, SUITE 200
DENVER, COLORADO 80202**

SEPTEMBER 1, 1993

BY

**KISTENMACHER ENGINEERING COMPANY, INC.
1420 GERONIMO DRIVE, SUITE A-2
EL PASO, TEXAS 79925**

VILLAGE GREEN APARTMENTS**EL PASO, TEXAS****FLOODPLAIN STUDY**

GENERAL: The Village Green Apartments are located in the northeastern portion of El Paso, Texas. The project encompasses 22 buildings located on approximately 11 acres of land. The site is bounded by Sanders Avenue on the north, Shoppers Road on the west, Wren Avenue on the south, and a concrete drainage channel on the east.

The Northgate Subdivision, in which the Village Green Apartments are located, was developed in the early 1880's. Our firm, Kistenmacher Engineering Company, Inc., was responsible for the design and planning of the Northgate Subdivision. Since that time, the firm has continued its involvement in this area with designs being provided for the Northgate (Northpark) Shopping Center and K-Mart Store sites, both of which are located in the immediate vicinity of the Village Green Apartments.

This apartment project was constructed in the mid-1980's and has been continuously occupied since that date. The apartment complex is two-story with single level units. No basements exist within the property. The complex was constructed prior to the adoption of a floodplain management ordinance by the City of El Paso, and prior to preparation of floodplain maps for the community. No reports of minor or major flooding problems have been noted since the construction of the apartments was completed.

TOPOGRAPHY: This site is located on the eastern outwash slopes of the Franklin Mountains, the south end of the Rocky Mountains, which extend through the City of El Paso in an approximate north-south direction.

The site itself is relatively flat, sloping in the southeasterly direction at a rate of approximately one-half to one percent. The site, while flat, appears to drain relatively well, with no large areas of standing water following a rainfall event. Additionally, none of the surrounding properties are subject to large areas of standing water.

RAINFALL/RUNOFF: The climate of El Paso is semi-arid in nature. The average annual precipitation is approximately 8.4 inches. The majority of this precipitation occurs as rainfall during the summer months, when large thunderstorms can develop in the area. These storms can produce short, intense rainfalls, thus resulting in flash flooding of low lying and Rio Grande River valley areas within the city. The Village Green Apartments are located approximately 150-200 feet above the elevation of the Rio Grande River valley areas and should not be subject to this type of flash flooding.

Floodplain Study
September 10, 1993
Page Two

Due to the project's location, on the outwash slopes of the Franklin Mountains, significant amounts of runoff used to traverse the site. The U.S. Army Corps of Engineers, realizing the flooding potential in this area, began design and construction of a series of large flood control dams along the toe of the Franklin Mountains. These projects began in the 1980's and were finally completed in the 1990's. The projects which directly impact the Village Green Apartments are the Northgate Dam, the Northgate Interceptor Channel, the Northgate Outlet Channel, the Range Dam, the Range Dam Outlet Channel, and the Electric Ditch Diversion Channel. These projects are all completed, and they have served to virtually eliminate the runoff which used to enter the site from the west.

These flood control structures have served to eliminate virtually all drainage problems which were previously associated with this area. The primary rainfall runoff which still reaches this area originates to the northwest of the complex. It is conveyed along the easterly boundary of the property in a large concrete channel, which was constructed after the apartments were built.

The drainage channel exits the property on the southern edge and then traverses the aforementioned Northgate Shopping Center. No flooding of structures has been associated with this channel on either the shopping center site, the Village Green Apartment site, or the school site immediately east of and adjacent to the Village Green Apartments.

HISTORICAL AND RECORD INFORMATION: In the process of preparing this report, the following documentation has been reviewed and examined:

1. El Paso Local Protection Project by the Albuquerque District Corps of Engineers - Design Memorandums 1, 3, and 5, Supplement Number 1 to Design Memorandum Number 1, and Supplement Number 1 to Design Memorandum Number 3.
2. Flood Insurance Rate Study for the City of El Paso, Texas by the Federal Emergency Management Agency (1988 Edition) - Volumes 1 and 3.
3. Flood Insurance Rate Map for the City of El Paso, Texas by the Federal Emergency Management Agency (1982) - Panel Numbers 0019, 0020, and 0024.
4. United States Department of the Interior Geological Survey 7.5 Minute Topographic Series Map - North Franklin Mountains, Texas.

Floodplain Study
September 1, 1993
Page Three

Additionally, historical flooding records for the City of El Paso were reviewed. The urban area contributing runoff to the drainage channel adjacent to the Village Green Apartments was travelled and examined. The mountainous areas contributing runoff to this drainage channel were mapped and reviewed.

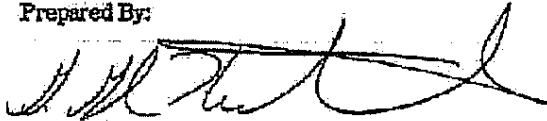
None of the references examined indicate any specific flooding problems within the area encompassing the Village Green Apartments. The largest number of flooding events on record pertain to the Rio Grande River valley areas of the City of El Paso, which do not encompass the Village Green Apartments and is approximately 7.0 miles from the site and 150 - 200 feet below the elevation of the subject property.

FLOODING POTENTIAL: A review of the latest report by the Federal Emergency Management Agency (FEMA) indicates a drainage area of approximately 4.60 square miles contributes runoff to the aforementioned drainage channel. Based on City of El Paso design criteria for a 100-year recurrence interval storm (1.8 inches per hour over the entire watershed), a runoff quantity of 1950 cubic feet per second can be expected to be conveyed by this drainage channel. The capacity of this drainage channel, as established by standard engineering methods, is 1400 cubic feet per second. As such, the entire 100-year recurrence interval storm would be conveyed within this drainage channel, without flooding the property.

CONCLUSIONS: The existing drainage structures have sufficient capacity to convey the 100-year recurrence interval storm event, without flooding the buildings within the apartment complex. No reports of flooding of this complex have been made either prior to or since the completion of the Corps of Engineers flood control dams. These dams, as well as the drainage channel, provide adequate protection for the apartment complex for the 100-year recurrence interval storm event.

Based on the information available, as well as that information reviewed, it is our opinion that the Village Green Apartment complex is no longer subject to flooding from a 100-year recurrence interval storm event and should not be included within the 100-year floodplain area due to the remediation measures which have been undertaken by the community.

Prepared By:



G. Glen Kistenmacher
Registered Professional Engineer
Texas No. 65021



Attachment: Resume of Kistenmacher Engineering Company, Inc.

KISTENMACHER ENGINEERING CO., INC.
 1420 GERONIMO DRIVE, SUITE A-2
 PHONE (915) 778-4476 FAX (915) 7784504

AMBERWOOD APARTMENTS

FLOOD ZONE ANALYSIS
 FIRM MAP 480214 0024B

MARCH 22, 2006

BUILDING	FLOOD ZONE	FINISH FLOOR ELEVATION	BASE FLOOD ELEVATION
A	AH	3887.78	3888.5-3892
B	AH	3886.30	3888.5
C	AH	3885.84	3888.25
D	AH	3886.22	3888.5
E	AH	3886.76	3888.6
F	AH	3887.52	3888.8
G	AH	3887.81	3889
H	AH	3887.84	3889.5
I	AH	3886.31	3888.25
J	AH	3885.77	3888.4
K	AH	3886.21	3888.5
L	AH	3886.30	3888.6
M	B	3886.74	
N	B	3886.63	
O	B	3888.10	
P	B	3888.06	
Q	B	3887.26	
R	B	3888.33	
S	B	3888.48	
T	B	3888.81	
U	B	3888.89	
V	B	3888.79	
W	AH	3887.11	3888.8

Page 1 of 2	Date: April 14, 2005	Case No.: 05-06-0994X	LOMA
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Federal Emergency Management Agency
Washington, D.C. 20472

**LETTER OF MAP AMENDMENT
DETERMINATION DOCUMENT (REMOVAL)**

COMMUNITY AND MAP PANEL INFORMATION	LEGAL PROPERTY DESCRIPTION										
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">COMMUNITY</td> <td>CITY OF EL PASO, EL PASO COUNTY, TEXAS</td> </tr> <tr> <td></td> <td>COMMUNITY NO.: 480214</td> </tr> <tr> <td>AFFECTED MAP PANEL</td> <td>NUMBER: 4802140024B</td> </tr> <tr> <td></td> <td>NAME: CITY OF EL PASO, EL PASO COUNTY, TEXAS</td> </tr> <tr> <td></td> <td>DATE: 10/15/1982</td> </tr> </table>	COMMUNITY	CITY OF EL PASO, EL PASO COUNTY, TEXAS		COMMUNITY NO.: 480214	AFFECTED MAP PANEL	NUMBER: 4802140024B		NAME: CITY OF EL PASO, EL PASO COUNTY, TEXAS		DATE: 10/15/1982	Lot 1685, Block 71, Mountain View Addition, as described in Builder's & Mechanic's Lien Contract and Deed of Trust recorded as Document No. 20030047495 in Book 20034558, Pages 0634 through 0639, in the Office of the Recorder, El Paso County, Texas
COMMUNITY	CITY OF EL PASO, EL PASO COUNTY, TEXAS										
	COMMUNITY NO.: 480214										
AFFECTED MAP PANEL	NUMBER: 4802140024B										
	NAME: CITY OF EL PASO, EL PASO COUNTY, TEXAS										
	DATE: 10/15/1982										

FLOODING SOURCE: FLOW PATH NO. 18	APPROXIMATE LATITUDE & LONGITUDE OF PROPERTY: 38.668, -108.421 SOURCE OF LAT & LONG: PRECISION MAPPING 7.0 DATUM: NAD 83
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DETERMINATION

LOT	BLOCK/SECTION	SUBDIVISION	STREET	OUTCOME WHAT IS REMOVED FROM THE SFHA	FLOOD ZONE	1% ANNUAL CHANCE FLOOD ELEVATION (NGVD 29)	LOWEST ADJACENT GRADE ELEVATION (NGVD 29)	LOWEST LOT ELEVATION (NGVD 29)
1685	71	Mountain View	9012 Mount Olympus Drive	Structure	X (shaded)	3885.7 feet	3886.1 feet	—

Special Flood Hazard Area (SFHA) - The SFHA is an area that would be inundated by the flood having a 1-percent chance of being equaled or exceeded in any given year (base flood).

ADDITIONAL CONSIDERATIONS (Please refer to the appropriate section on Attachment 1 for the additional considerations listed below.)

**PORTIONS REMAIN IN THE SFHA
SUPERSEDES PREVIOUS DETERMINATION**

This document provides the Federal Emergency Management Agency's determination regarding a request for a Letter of Map Amendment for the property described above. Using the information submitted and the effective National Flood Insurance Program (NFIP) map, we have determined that the structure(s) on the property(ies) is/are not located in the SFHA, an area inundated by the flood having a 1-percent chance of being equaled or exceeded in any given year (base flood). This document amends the effective NFIP map to remove the subject property from the SFHA located on the effective NFIP map; therefore, the Federal mandatory flood insurance requirement does not apply. However, the lender has the option to continue the flood insurance requirement to protect its financial risk on the loan. A Preferred Risk Policy (PRP) is available for buildings located outside the SFHA. Information about the PRP and how one can apply is enclosed.

This determination is based on the flood data presently available. The enclosed documents provide additional information regarding this determination. If you have any questions about this document, please contact the FEMA Map Assistance Center toll free at (877) 338-2827 (877-FEMA MAP) or by letter addressed to the Federal Emergency Management Agency, 3801 Eisenhower Avenue, Suite 600, Alexandria, VA 22304-8439.

Doug Belmonto, P.E., CFM, Chief
Hazard Identification Section, Mitigation Division
Emergency Preparedness and Response Directorate Version 1.3.3

1028299.1LOMA-SL061530894

Page 2 of 2	Date: April 14, 2005	Case No.: 05-06-0984X	LOMA
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Federal Emergency Management Agency
Washington, D.C. 20472

**LETTER OF MAP AMENDMENT
DETERMINATION DOCUMENT (REMOVAL)**
ATTACHMENT 1 (ADDITIONAL CONSIDERATIONS)

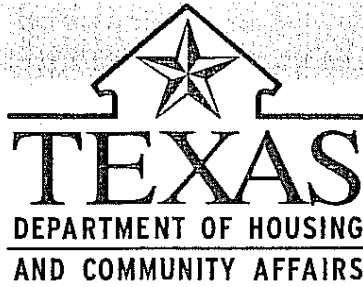
PORTIONS OF THE PROPERTY REMAIN IN THE SFHA (This Additional Consideration applies to the preceding 1 Property.)
Portions of this property, but not the subject of the Determination/Comment document, may remain in the Special Flood Hazard Area. Therefore, any future construction or substantial improvement on the property remains subject to Federal, State/Commonwealth, and local regulations for floodplain management.

SUPERSEDES OUR PREVIOUS DETERMINATION (This additional consideration applies to all properties in the LOMA DETERMINATION DOCUMENT (REMOVAL))
This Determination Document supersedes our previous determination dated 1/14/2005, for the subject property.

This attachment provides additional information regarding this request. If you have any questions about this attachment, please contact the FEMA Map Assistance Center toll free at (877) 338-2627 (877-FEMA MAP) or by letter addressed to the Federal Emergency Management Agency, 3801 Eisenhower Avenue, Suite 600, Alexandria, VA 22304-6438.

Doug Bellomo, P.E., CFM, Chief
Hazard Identification Section, Mitigation Division
Emergency Preparedness and Response Directorate Version 1.3.3

1029299:1LOMA-SL061530994



March 30, 2006

WWW.TDHCA.STATE.TX.US

PacifiCap Properties Group
Attention: Amy Dickerson
420 SW Washington, Suite 400
Portland, OR 97204

.....
RICK PERRY
Governor

EDWINA P. CARRINGTON
Executive Director

BOARD MEMBERS
Elizabeth Anderson, Chair
Shadrick Bogany
C. Kent Conine
Vidal Gonzalez
Patrick R. Gordon
Norberto Salinas

Re: Amberwood Apartments – TDHCA #060408

Dear Ms. Dickerson:

On February 16, 2006, you submitted an Application to the Texas Department of Housing and Community Affairs (the "Department") for the above-referenced development. During the application review process, the Department's staff found that some of the buildings in the development are located in the floodplain and the elevations are below floodplain level.

In accordance with 10 TAC §50.6(a) of the 2006 Qualified Allocation Plan and Rules ("QAP"), "any Development proposing New Construction located within the 100 year floodplain as identified by the Federal Emergency Management Agency (FEMA) Flood Insurance Rate Maps must develop the site so that all finished ground floor elevations are at least one foot above the flood plain and parking and drive areas are no lower than six inches below the floodplain, subject to more stringent local requirements. If no FEMA Flood Insurance Rate Maps are available for the proposed Development, flood zone documentation must be provided from the local government with jurisdiction identifying the 100 year floodplain. No buildings or roads that are part of a Development proposing Rehabilitation, with the exception of developments with federal funding assistance from HUD or TX USDA-RHS, will be permitted in the 100 year floodplain unless they already meet the requirements established in this subsection for New Construction", the rehabilitation of the Amberwood Apartments is ineligible to receive Housing Tax Credits.

Therefore, please be informed that pursuant to this section of the 2006 QAP, the Department has terminated this Application.

Please be aware that an Appeals Policy exists located in 10 TAC, §50.17(b). If you wish to appeal this Application termination decision, you must file your appeal with the Department no later than April 6, 2006.

If you have any questions, please do not hesitate to contact Robbye Meyer at (512) 475-2213.

Sincerely,

Brooke Boston
Interim Deputy Executive Director

Kistenmacher Engineering

Fax Cover This is a confidential message, intended solely for the person to whom it is addressed. If you receive this message in error, please forward it to the correct person, or mail it back to us. Thank you.

To Heather M. Boyd
Company PacifiCap Properties Group
Fax No. 206-350-4441
Phone No. 503-288-6210
From Glen Kistenmacher
Date March 16, 2006
Subject Amberwood Apartments
Pages 5, including cover

Attached is a report that we prepared in 1993, regarding the floodplain at the apartments.

Still checking on the remainder of the information. I'll call you later, as soon as I have some answers.

Suite A-2
1420 Geronimo Drive
El Paso, TX 79925
915-778-4476
915-778-4504 Fax
kistenmacher@earthlink.net

**VILLAGE GREEN APARTMENTS
EL PASO, TEXAS**

FLOODPLAIN STUDY

FOR

**R & S ASSOCIATES
3400 EAST BAYAUD, SUITE 200
DENVER, COLORADO 80209**

SEPTEMBER 1, 1993

BY

**KISTENMACHER ENGINEERING COMPANY, INC.
1420 GERONIMO DRIVE, SUITE A-2
EL PASO, TEXAS 79925**

VILLAGE GREEN APARTMENTS

EL PASO, TEXAS

FLOODPLAIN STUDY

GENERAL: The Village Green Apartments are located in the northeastern portion of El Paso, Texas. The project encompasses 22 buildings located on approximately 11 acres of land. The site is bounded by Sanders Avenue on the north, Shoppers Road on the west, Wren Avenue on the south, and a concrete drainage channel on the east.

The Northgate Subdivision, in which the Village Green Apartments are located, was developed in the early 1960's. Our firm, Kistenmacher Engineering Company, Inc., was responsible for the design and planning of the Northgate Subdivision. Since that time, the firm has continued its involvement in this area with designs being provided for the Northgate (Northpark) Shopping Center and K-Mart Store sites, both of which are located in the immediate vicinity of the Village Green Apartments.

This apartment project was constructed in the mid-1960's and has been continuously occupied since that date. The apartment complex is two-story with single level units. No basements exist within the property. The complex was constructed prior to the adoption of a floodplain management ordinance by the City of El Paso, and prior to preparation of floodplain maps for the community. No reports of minor or major flooding problems have been noted since the construction of the apartments was completed.

TOPOGRAPHY: This site is located on the eastern outwash slopes of the Franklin Mountains, the south end of the Rocky Mountains, which extend through the City of El Paso in an approximate north-south direction.

The site itself is relatively flat, sloping in the southeasterly direction at a rate of approximately one-half to one percent. The site, while flat, appears to drain relatively well, with no large areas of standing water following a rainfall event. Additionally, none of the surrounding properties are subject to large areas of standing water.

RAINFALL/RUNOFF: The climate of El Paso is semi-arid in nature. The average annual precipitation is approximately 8.4 inches. The majority of this precipitation occurs as rainfall during the summer months, when large thunderstorms can develop in the area. These storms can produce short, intense rainfalls, thus resulting in flash flooding of low lying and Rio Grande River valley areas within the city. The Village Green Apartments are located approximately 150-200 feet above the elevation of the Rio Grande River valley areas and should not be subject to this type of flash flooding.

Floodplain Study
September 10, 1993
Page Two

Due to the project's location, on the outwash slopes of the Franklin Mountains, significant amounts of runoff used to traverse the site. The U.S. Army Corps of Engineers, realizing the flooding potential in this area, began design and construction of a series of large flood control dams along the toe of the Franklin Mountains. These projects began in the 1960's and were finally completed in the 1980's. The projects which directly impact the Village Green Apartments are the Northgate Dam, the Northgate Interceptor Channel, the Northgate Outlet Channel, the Range Dam, the Range Dam Outlet Channel, and the Electric Ditch Diversion Channel. These projects are all completed, and they have served to virtually eliminate the runoff which used to enter the site from the west.

These flood control structures have served to eliminate virtually all drainage problems which were previously associated with this area. The primary rainfall runoff which still reaches this area originates to the northwest of the complex. It is conveyed along the easterly boundary of the property in a large concrete channel, which was constructed after the apartments were built.

The drainage channel exits the property on the southern edge and then traverses the aforementioned Northgate Shopping Center. No flooding of structures has been associated with this channel on either the shopping center site, the Village Green Apartment site, or the school site immediately east of and adjacent to the Village Green Apartments.

HISTORICAL AND RECORD INFORMATION: In the process of preparing this report, the following documentation has been reviewed and examined:

1. El Paso Local Protection Project by the Albuquerque District Corps of Engineers - Design Memorandums 1, 3, and 5, Supplement Number 1 to Design Memorandum Number 1, and Supplement Number 1 to Design Memorandum Number 3.
2. Flood Insurance Rate Study for the City of El Paso, Texas by the Federal Emergency Management Agency (1988 Edition) - Volumes 1 and 3.
3. Flood Insurance Rate Map for the City of El Paso, Texas by the Federal Emergency Management Agency (1982) - Panel Numbers 0019, 0020, and 0024.
4. United States Department of the Interior Geological Survey 7.5 Minute Topographic Series Map - North Franklin Mountains, Texas.

Floodplain Study
September 1, 1993
Page Three

Additionally, historical flooding records for the City of El Paso were reviewed. The urban area contributing runoff to the drainage channel adjacent to the Village Green Apartments was travelled and examined. The mountainous areas contributing runoff to this drainage channel were mapped and reviewed.

None of the references examined indicate any specific flooding problems within the area encompassing the Village Green Apartments. The largest number of flooding events on record pertain to the Rio Grande River valley areas of the City of El Paso, which do not encompass the Village Green Apartments and is approximately 7.0 miles from the site and 150 - 200 feet below the elevation of the subject property.

FLOODING POTENTIAL: A review of the latest report by the Federal Emergency Management Agency (FEMA) indicates a drainage area of approximately 4.60 square miles contributes runoff to the aforementioned drainage channel. Based on City of El Paso design criteria for a 100-year recurrence interval storm (1.3 inches per hour over the entire watershed), a runoff quantity of 1350 cubic feet per second can be expected to be conveyed by this drainage channel. The capacity of this drainage channel, as established by standard engineering methods, is 1400 cubic feet per second. As such, the entire 100-year recurrence interval storm would be conveyed within this drainage channel, without flooding the property.

CONCLUSIONS: The existing drainage structures have sufficient capacity to convey the 100-year recurrence interval storm event, without flooding the buildings within the apartment complex. No reports of flooding of this complex have been made either prior to or since the completion of the Corps of Engineers flood control dams. These dams, as well as the drainage channel, provide adequate protection for the apartment complex for the 100-year recurrence interval storm event.

Based on the information available, as well as that information reviewed, it is our opinion that the Village Green Apartment complex is no longer subject to flooding from a 100-year recurrence interval storm event and should not be included within the 100-year floodplain area due to the remediation measures which have been undertaken by the community.

Prepared By:



G. Glen Kistenmacher
Registered Professional Engineer
Texas No. 65021



Attachment: Resume of Kistenmacher Engineering Company, Inc.

Kistenmacher Engineering

Fax Cover This is a confidential message, intended solely for the person to whom it is addressed. If you receive this message in error, please forward it to the correct person, or mail it back to us. Thank you.

To Heather M. Boyd
Company PacifiCap Properties Group
Fax No. 206-350-4441
Phone No. 503-288-6210
From Glen Kistenmacher
Date March 16, 2006
Subject Amberwood Apartments
Pages 26, including cover

Attached are the elevation certificates for all of the buildings. It appears that some of the buildings were incorrectly shown in Zone AH (100-year floodplain), when in reality, they should have been shown in Zone B (100-year to 500-year floodplain). I'm not sure what the explanation is.

Suite A-2
1420 Geronimo Drive
El Paso, TX 79925
915-778-4476
915-778-4504 Fax
kistenmacher@earthlink.net

ELEVATION CERTIFICATE

FEDERAL EMERGENCY MANAGEMENT AGENCY
NATIONAL FLOOD INSURANCE PROGRAM

O.M.B. No 3067-0077
Expires May 31, 1993

ATTENTION: Use of this certificate does not provide a waiver of the flood insurance purchase requirement. This form is used only to provide elevation information necessary to ensure compliance with applicable community floodplain management ordinances, to determine the proper insurance premium rate, and/or to support a request for a Letter of Map Amendment or Revision (LOMA or LOMR). Instructions for completing this form can be found on the following pages.

SECTION A PROPERTY INFORMATION		FOR INSURANCE COMPANY USE
BUILDING OWNER'S NAME Village Green Apartments		POLICY NUMBER
STREET ADDRESS (Including Apt., Unit, Suite and/or Bldg. Number) OR P.O. ROUTE AND BOX NUMBER 5249 Wren Avenue - Building "AM"		COMPANY NAIC NUMBER
OTHER DESCRIPTION (Lot and Block Numbers, etc.) Portion of Block 3, Northgate Subdivision		
CITY El Paso,	STATE Texas	ZIP CODE 79924

SECTION B FLOOD INSURANCE RATE MAP (FIRM) INFORMATION

Provide the following from the proper FIRM (See Instructions):

1. COMMUNITY NUMBER 480214	2. PANEL NUMBER 0024	3. SUFFIX B	4. DATE OF FIRM INDEX 10/15/82	5. FIRM ZONE AH	6. BASE FLOOD ELEVATION (in AO Zones, use depth) 3888.3
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7. Indicate the elevation datum system used on the FIRM for Base Flood Elevations (BFE): NGVD '29 Other (describe on back)
8. For Zones A or V, where no BFE is provided on the FIRM, and the community has established a BFE for this building site, indicate the community's BFE: feet NGVD (or other FIRM datum--see Section B, Item 7).

SECTION C BUILDING ELEVATION INFORMATION

- Using the Elevation Certificate Instructions, indicate the diagram number from the diagrams found on Pages 5 and 6 that best describes the subject building's reference level 1.
- (a) FIRM Zones A1-A30, AE, AH, and A (with BFE). The top of the reference level floor from the selected diagram is at an elevation of 3 | 3 | 8 | 8 | 6 | . | 1 | feet NGVD (or other FIRM datum--see Section B, Item 7).
(b) FIRM Zones V1-V30, VE, and V (with BFE). The bottom of the lowest horizontal structural member of the reference level from the selected diagram, is at an elevation of feet NGVD (or other FIRM datum--see Section B, Item 7).
(c) FIRM Zone A (without BFE). The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building.
(d) FIRM Zone AO. The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building. If no flood depth number is available, is the building's lowest floor (reference level) elevated in accordance with the community's floodplain management ordinance? Yes No Unknown
- Indicate the elevation datum system used in determining the above reference level elevations: NGVD '29 Other (describe under Comments on Page 2). (NOTE: If the elevation datum used in measuring the elevations is different than that used on the FIRM [see Section B, Item 7], then convert the elevations to the datum system used on the FIRM and show the conversion equation under Comments on Page 2.)
- Elevation reference mark used appears on FIRM: Yes No (See Instructions on Page 4)
- The reference level elevation is based on: actual construction construction drawings
(NOTE: Use of construction drawings is only valid if the building does not yet have the reference level floor in place, in which case this certificate will only be valid for the building during the course of construction. A post-construction Elevation Certificate will be required once construction is complete.)
- The elevation of the lowest grade immediately adjacent to the building is: 1 | 3 | 8 | 8 | 5 | . | 7 | feet NGVD (or other FIRM datum--see Section B, Item 7).

SECTION D COMMUNITY INFORMATION

- If the community official responsible for verifying building elevations specifies that the reference level indicated in Section C, Item 1 is not the "lowest floor" as defined in the community's floodplain management ordinance, the elevation of the building's "lowest floor" as defined by the ordinance is: feet NGVD (or other FIRM datum--see Section B, Item 7).
- Date of the start of construction or substantial improvement _____

ELEVATION CERTIFICATE

FEDERAL EMERGENCY MANAGEMENT AGENCY
NATIONAL FLOOD INSURANCE PROGRAM

O.M.B. No 3067-0077
Expires May 31, 1993

ATTENTION: Use of this certificate does not provide a waiver of the flood insurance purchase requirement. This form is used only to provide elevation information necessary to ensure compliance with applicable community floodplain management ordinances, to determine the proper insurance premium rate, and/or to support a request for a Letter of Map Amendment or Revision (LOMA or LOMR). Instructions for completing this form can be found on the following pages.

SECTION A PROPERTY INFORMATION		FOR INSURANCE COMPANY USE
BUILDING OWNER'S NAME Village Green Apartments		POLICY NUMBER
STREET ADDRESS (Including Apt., Unit, Suite and/or Bldg. Number) OR P.O. ROUTE AND BOX NUMBER 5249 Wren Avenue - Building "B"		COMPANY NAIC NUMBER
OTHER DESCRIPTION (Lot and Block Numbers, etc.) Portion of Block 3, Northgate Subdivision		
CITY El Paso	STATE Texas	ZIP CODE 79924

SECTION B FLOOD INSURANCE RATE MAP (FIRM) INFORMATION

Provide the following from the proper FIRM (See Instructions):

1. COMMUNITY NUMBER 480214	2. PANEL NUMBER 0024	3. SUFFIX B	4. DATE OF FIRM INDEX 10/15/82	5. FIRM ZONE AH	6. BASE FLOOD ELEVATION (In AO Zones, use depth) 3888.3
-------------------------------	-------------------------	----------------	-----------------------------------	--------------------	---

7. Indicate the elevation datum system used on the FIRM for Base Flood Elevations (BFE): NGVD '29 Other (describe on back)
8. For Zones A or V, where no BFE is provided on the FIRM, and the community has established a BFE for this building site, indicate the community's BFE: feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION C BUILDING ELEVATION INFORMATION

1. Using the Elevation Certificate Instructions, indicate the diagram number from the diagrams found on Pages 5 and 6 that best describes the subject building's reference level 1.
- 2(a). FIRM Zones A1-A30, AE, AH, and A (with BFE). The top of the reference level floor from the selected diagram is at an elevation of 3885.5 feet NGVD (or other FIRM datum—see Section B, Item 7).
- (b). FIRM Zones V1-V30, VE, and V (with BFE). The bottom of the lowest horizontal structural member of the reference level from the selected diagram, is at an elevation of feet NGVD (or other FIRM datum—see Section B, Item 7).
- (c). FIRM Zone A (without BFE). The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building.
- (d). FIRM Zone AO. The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building. If no flood depth number is available, is the building's lowest floor (reference level) elevated in accordance with the community's floodplain management ordinance? Yes No Unknown
3. Indicate the elevation datum system used in determining the above reference level elevations: NGVD '29 Other (describe under Comments on Page 2). (NOTE: If the elevation datum used in measuring the elevations is different than that used on the FIRM [see Section B, Item 7], then convert the elevations to the datum system used on the FIRM and show the conversion equation under Comments on Page 2.)
4. Elevation reference mark used appears on FIRM: Yes No (See Instructions on Page 4)
5. The reference level elevation is based on: actual construction construction drawings
(NOTE: Use of construction drawings is only valid if the building does not yet have the reference level floor in place, in which case this certificate will only be valid for the building during the course of construction. A post-construction Elevation Certificate will be required once construction is complete.)
6. The elevation of the lowest grade immediately adjacent to the building is: 3885.5 feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION D COMMUNITY INFORMATION

1. If the community official responsible for verifying building elevations specifies that the reference level indicated in Section C, Item 1 is not the "lowest floor" as defined in the community's floodplain management ordinance, the elevation of the building's "lowest floor" as defined by the ordinance is: feet NGVD (or other FIRM datum—see Section B, Item 7).
2. Date of the start of construction or substantial improvement _____.

ELEVATION CERTIFICATE
FEDERAL EMERGENCY MANAGEMENT AGENCY
NATIONAL FLOOD INSURANCE PROGRAM

O.M.B. No 3067-0077
Expires May 31, 1993

ATTENTION: Use of this certificate does not provide a waiver of the flood insurance purchase requirement. This form is used only to provide elevation information necessary to ensure compliance with applicable community floodplain management ordinances, to determine the proper insurance premium rate, and/or to support a request for a Letter of Map Amendment or Revision (LOMA or LOMR). Instructions for completing this form can be found on the following pages.

SECTION A PROPERTY INFORMATION
BUILDING OWNER'S NAME: Village Green Apartments
STREET ADDRESS: 5249 Wren Avenue - Building "C"
CITY: El Paso STATE: Texas ZIP CODE: 79924

SECTION B FLOOD INSURANCE RATE MAP (FIRM) INFORMATION

Provide the following from the proper FIRM (See Instructions):

Table with 6 columns: 1. COMMUNITY NUMBER (480214), 2. PANEL NUMBER (0024), 3. SUFFIX (B), 4. DATE OF FIRM INDEX (10/15/82), 5. FIRM ZONE (AH), 6. BASE FLOOD ELEVATION (3888.2)

- 7. Indicate the elevation datum system used on the FIRM for Base Flood Elevations (BFE): [] NGVD '29 [] Other (describe on back)
8. For Zones A or V, where no BFE is provided on the FIRM, and the community has established a BFE for this building site, indicate the community's BFE: [] feet NGVD (or other FIRM datum--see Section B, Item 7).

SECTION C BUILDING ELEVATION INFORMATION

- 1. Using the Elevation Certificate Instructions, indicate the diagram number from the diagrams found on Pages 5 and 6 that best describes the subject building's reference level: 1
2(a). FIRM Zones A1-A30, AE, AH, and A (with BFE). The top of the reference level floor from the selected diagram is at an elevation of [] feet NGVD (or other FIRM datum--see Section B, Item 7).
(b). FIRM Zones V1-V30, VE, and V (with BFE). The bottom of the lowest horizontal structural member of the reference level from the selected diagram, is at an elevation of [] feet NGVD (or other FIRM datum--see Section B, Item 7).
(c). FIRM Zone A (without BFE). The floor used as the reference level from the selected diagram is [] feet above [] or below [] (check one) the highest grade adjacent to the building.
(d). FIRM Zone AO. The floor used as the reference level from the selected diagram is [] feet above [] or below [] (check one) the highest grade adjacent to the building. If no flood depth number is available, is the building's lowest floor (reference level) elevated in accordance with the community's floodplain management ordinance? [] Yes [] No [] Unknown
3. Indicate the elevation datum system used in determining the above reference level elevations: [] NGVD '29 [] Other (describe under Comments on Page 2).
4. Elevation reference mark used appears on FIRM: [] Yes [X] No (See Instructions on Page 4)
5. The reference level elevation is based on: [X] actual construction [] construction drawings
6. The elevation of the lowest grade immediately adjacent to the building is: [] feet NGVD (or other FIRM datum--see Section B, Item 7).

SECTION D COMMUNITY INFORMATION

- 1. If the community official responsible for verifying building elevations specifies that the reference level indicated in Section C, Item 1 is not the "lowest floor" as defined in the community's floodplain management ordinance, the elevation of the building's "lowest floor" as defined by the ordinance is: [] feet NGVD (or other FIRM datum--see Section B, Item 7).
2. Date of the start of construction or substantial improvement: []

ELEVATION CERTIFICATE

FEDERAL EMERGENCY MANAGEMENT AGENCY NATIONAL FLOOD INSURANCE PROGRAM

*O.M.B. No 3067-0077
Expires May 31, 1993*

ATTENTION: Use of this certificate does not provide a waiver of the flood insurance purchase requirement. This form is used only to provide elevation information necessary to ensure compliance with applicable community floodplain management ordinances, to determine the proper insurance premium rate, and/or to support a request for a Letter of Map Amendment or Revision (LOMA or LOMR). Instructions for completing this form can be found on the following pages.

SECTION A PROPERTY INFORMATION		FOR INSURANCE COMPANY USE
BUILDING OWNER'S NAME Village Green Apartments		POLICY NUMBER
STREET ADDRESS (Including Apt., Unit, Suite and/or Bldg. Number) OR P.O. ROUTE AND BOX NUMBER 5249 Wren Avenue - Building "E"		COMPANY NAIC NUMBER
OTHER DESCRIPTION (Lot and Block Numbers, etc.) Portion of Block 3, Northgate Subdivision		
CITY El Paso	STATE Texas	ZIP CODE 79924

SECTION B FLOOD INSURANCE RATE MAP (FIRM) INFORMATION

Provide the following from the proper FIRM (See Instructions):

1. COMMUNITY NUMBER 480214	2. PANEL NUMBER 0024	3. SUFFIX B	4. DATE OF FIRM INDEX 10/15/82	5. FIRM ZONE AH	6. BASE FLOOD ELEVATION (in AO Zones, use depth) 3888.3
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7. Indicate the elevation datum system used on the FIRM for Base Flood Elevations (BFE): NGVD '29 Other (describe on back)
8. For Zones A or V, where no BFE is provided on the FIRM, and the community has established a BFE for this building site, indicate the community's BFE: feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION C BUILDING ELEVATION INFORMATION

1. Using the Elevation Certificate Instructions, indicate the diagram number from the diagrams found on Pages 5 and 6 that best describes the subject building's reference level 1.
- 2(a). FIRM Zones A1-A30, AE, AH, and A (with BFE). The top of the reference level floor from the selected diagram is at an elevation of feet NGVD (or other FIRM datum—see Section B, Item 7).
- (b). FIRM Zones V1-V30, VE, and V (with BFE). The bottom of the lowest horizontal structural member of the reference level from the selected diagram, is at an elevation of feet NGVD (or other FIRM datum—see Section B, Item 7).
- (c). FIRM Zone A (without BFE). The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building.
- (d). FIRM Zone AO. The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building. If no flood depth number is available, is the building's lowest floor (reference level) elevated in accordance with the community's floodplain management ordinance? Yes No Unknown
3. Indicate the elevation datum system used in determining the above reference level elevations: NGVD '29 Other (describe under Comments on Page 2). (NOTE: If the elevation datum used in measuring the elevations is different than that used on the FIRM [see Section B, Item 7], then convert the elevations to the datum system used on the FIRM and show the conversion equation under Comments on Page 2.)
4. Elevation reference mark used appears on FIRM: Yes No (See Instructions on Page 4)
5. The reference level elevation is based on: actual construction construction drawings
(NOTE: Use of construction drawings is only valid if the building does not yet have the reference level floor in place, in which case this certificate will only be valid for the building during the course of construction. A post-construction Elevation Certificate will be required once construction is complete.)
6. The elevation of the lowest grade immediately adjacent to the building is: feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION D COMMUNITY INFORMATION

1. If the community official responsible for verifying building elevations specifies that the reference level indicated in Section C, Item 1 is not the "lowest floor" as defined in the community's floodplain management ordinance, the elevation of the building's "lowest floor" as defined by the ordinance is: feet NGVD (or other FIRM datum—see Section B, Item 7).
2. Date of the start of construction or substantial improvement _____

ELEVATION CERTIFICATE

FEDERAL EMERGENCY MANAGEMENT AGENCY NATIONAL FLOOD INSURANCE PROGRAM

O.M.B. No 3067-0077
Expires May 31, 1993

ATTENTION: Use of this certificate does not provide a waiver of the flood insurance purchase requirement. This form is used only to provide elevation information necessary to ensure compliance with applicable community floodplain management ordinances, to determine the proper insurance premium rate, and/or to support a request for a Letter of Map Amendment or Revision (LOMA or LOMR). Instructions for completing this form can be found on the following pages.

SECTION A PROPERTY INFORMATION		FOR INSURANCE COMPANY USE
BUILDING OWNER'S NAME Village Green Apartments		POLICY NUMBER
STREET ADDRESS (Including Apt., Unit, Suite and/or Bldg. Number) OR P.O. ROUTE AND BOX NUMBER 5249 Wren Avenue - Building "F"		COMPANY NAIC NUMBER
OTHER DESCRIPTION (Lot and Block Numbers, etc.) Portion of Block 3, Northgate Subdivision		
CITY El Paso	STATE Texas	ZIP CODE 79924

SECTION B FLOOD INSURANCE RATE MAP (FIRM) INFORMATION

Provide the following from the proper FIRM (See Instructions):

1. COMMUNITY NUMBER	2. PANEL NUMBER	3. SUFFIX	4. DATE OF FIRM INDEX	5. FIRM ZONE	6. BASE FLOOD ELEVATION (in AO Zones, use depth)
480214	0024	B	10/15/82	AH	3888.5

7. Indicate the elevation datum system used on the FIRM for Base Flood Elevations (BFE): NGVD '29 Other (describe on back)
8. For Zones A or V, where no BFE is provided on the FIRM, and the community has established a BFE for this building site, indicate the community's BFE: feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION C BUILDING ELEVATION INFORMATION

- Using the Elevation Certificate Instructions, indicate the diagram number from the diagrams found on Pages 5 and 6 that best describes the subject building's reference level 1.
- (a). FIRM Zones A1-A30, AE, AH, and A (with BFE). The top of the reference level floor from the selected diagram is at an elevation of 3885.5 feet NGVD (or other FIRM datum—see Section B, Item 7).
(b). FIRM Zones V1-V30, VE, and V (with BFE). The bottom of the lowest horizontal structural member of the reference level from the selected diagram, is at an elevation of feet NGVD (or other FIRM datum—see Section B, Item 7).
(c). FIRM Zone A (without BFE). The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building.
(d). FIRM Zone AO. The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building. If no flood depth number is available, is the building's lowest floor (reference level) elevated in accordance with the community's floodplain management ordinance? Yes No Unknown
- Indicate the elevation datum system used in determining the above reference level elevations: NGVD '29 Other (describe under Comments on Page 2). (NOTE: If the elevation datum used in measuring the elevations is different than that used on the FIRM [see Section B, Item 7], then convert the elevations to the datum system used on the FIRM and show the conversion equation under Comments on Page 2.)
- Elevation reference mark used appears on FIRM: Yes No (See Instructions on Page 4)
- The reference level elevation is based on: actual construction construction drawings
(NOTE: Use of construction drawings is only valid if the building does not yet have the reference level floor in place, in which case this certificate will only be valid for the building during the course of construction. A post-construction Elevation Certificate will be required once construction is complete.)
- The elevation of the lowest grade immediately adjacent to the building is: 3885.1 feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION D COMMUNITY INFORMATION

- If the community official responsible for verifying building elevations specifies that the reference level indicated in Section C, Item 1 is not the "lowest floor" as defined in the community's floodplain management ordinance, the elevation of the building's "lowest floor" as defined by the ordinance is: feet NGVD (or other FIRM datum—see Section B, Item 7).
- Date of the start of construction or substantial improvement _____.

ELEVATION CERTIFICATE

FEDERAL EMERGENCY MANAGEMENT AGENCY NATIONAL FLOOD INSURANCE PROGRAM

O.M.B. No 3067-0077
Expires May 31, 1993

ATTENTION: Use of this certificate does not provide a waiver of the flood insurance purchase requirement. This form is used only to provide elevation information necessary to ensure compliance with applicable community floodplain management ordinances, to determine the proper insurance premium rate, and/or to support a request for a Letter of Map Amendment or Revision (LOMA or LOMR). Instructions for completing this form can be found on the following pages.

SECTION A PROPERTY INFORMATION		FOR INSURANCE COMPANY USE
BUILDING OWNER'S NAME Village Green Apartments		POLICY NUMBER
STREET ADDRESS (Including Apt., Unit, Suite and/or Bldg. Number) OR P.O. ROUTE AND BOX NUMBER 5249 Wren Avenue - Building "G"		COMPANY NAIC NUMBER
OTHER DESCRIPTION (Lot and Block Numbers, etc.) Portion of Block 3, Northgate Subdivision		
CITY El Paso	STATE Texas	ZIP CODE 79924

SECTION B FLOOD INSURANCE RATE MAP (FIRM) INFORMATION

Provide the following from the proper FIRM (See Instructions):

1. COMMUNITY NUMBER	2. PANEL NUMBER	3. SUFFIX	4. DATE OF FIRM INDEX	5. FIRM ZONE	6. BASE FLOOD ELEVATION (in AO Zones, use depth)
480214	0024	B	10/15/82	AH	3888.3

7. Indicate the elevation datum system used on the FIRM for Base Flood Elevations (BFE): NGVD '29 Other (describe on back)
8. For Zones A or V, where no BFE is provided on the FIRM, and the community has established a BFE for this building site, indicate the community's BFE: feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION C BUILDING ELEVATION INFORMATION

1. Using the Elevation Certificate Instructions, indicate the diagram number from the diagrams found on Pages 5 and 6 that best describes the subject building's reference level 1.
- 2(a). FIRM Zones A1-A30, AE, AH, and A (with BFE). The top of the reference level floor from the selected diagram is at an elevation of 38.51 feet NGVD (or other FIRM datum—see Section B, Item 7).
- (b). FIRM Zones V1-V30, VE, and V (with BFE). The bottom of the lowest horizontal structural member of the reference level from the selected diagram, is at an elevation of feet NGVD (or other FIRM datum—see Section B, Item 7).
- (c). FIRM Zone A (without BFE). The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building:
- (d). FIRM Zone AO. The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building. If no flood depth number is available, is the building's lowest floor (reference level) elevated in accordance with the community's floodplain management ordinance? Yes No Unknown
3. Indicate the elevation datum system used in determining the above reference level elevations: NGVD '29 Other (describe under Comments on Page 2). (NOTE: If the elevation datum used in measuring the elevations is different than that used on the FIRM [see Section B, Item 7], then convert the elevations to the datum system used on the FIRM and show the conversion equation under Comments on Page 2.)
4. Elevation reference mark used appears on FIRM: Yes No (See Instructions on Page 4)
5. The reference level elevation is based on: actual construction construction drawings
(NOTE: Use of construction drawings is only valid if the building does not yet have the reference level floor in place, in which case this certificate will only be valid for the building during the course of construction. A post-construction Elevation Certificate will be required once construction is complete.)
6. The elevation of the lowest grade immediately adjacent to the building is: 38.47 feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION D COMMUNITY INFORMATION

1. If the community official responsible for verifying building elevations specifies that the reference level indicated in Section C, Item 1 is not the "lowest floor" as defined in the community's floodplain management ordinance, the elevation of the building's "lowest floor" as defined by the ordinance is: feet NGVD (or other FIRM datum—see Section B, Item 7).
2. Date of the start of construction or substantial improvement _____

ELEVATION CERTIFICATE

FEDERAL EMERGENCY MANAGEMENT AGENCY
NATIONAL FLOOD INSURANCE PROGRAM

O.M.B. No 3067-0077
Expires May 31, 1993

ATTENTION: Use of this certificate does not provide a waiver of the flood insurance purchase requirement. This form is used only to provide elevation information necessary to ensure compliance with applicable community floodplain management ordinances, to determine the proper insurance premium rate, and/or to support a request for a Letter of Map Amendment or Revision (LOMA or LOMR). Instructions for completing this form can be found on the following pages.

SECTION A PROPERTY INFORMATION		FOR INSURANCE COMPANY USE
BUILDING OWNER'S NAME Village Green Apartments		POLICY NUMBER
STREET ADDRESS (Including Apt., Unit, Suite and/or Bldg. Number) OR P.O. ROUTE AND BOX NUMBER 5249 Wren Avenue - Building "B"		COMPANY NAIC NUMBER
OTHER DESCRIPTION (Lot and Block Numbers, etc.) Portion of Block 3, Northgate Subdivision		
CITY El Paso	STATE Texas	ZIP CODE 79924

SECTION B FLOOD INSURANCE RATE MAP (FIRM) INFORMATION

Provide the following from the proper FIRM (See Instructions):

1. COMMUNITY NUMBER 480214	2. PANEL NUMBER 0024	3. SUFFIX B	4. DATE OF FIRM INDEX 10/15/82	5. FIRM ZONE AH	6. BASE FLOOD ELEVATION (in AO Zones, use depth) 3888.5
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7. Indicate the elevation datum system used on the FIRM for Base Flood Elevations (BFE): NGVD '29 Other (describe on back)
8. For Zones A or V, where no BFE is provided on the FIRM, and the community has established a BFE for this building site, indicate the community's BFE: feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION C BUILDING ELEVATION INFORMATION

1. Using the Elevation Certificate Instructions, indicate the diagram number from the diagrams found on Pages 5 and 6 that best describes the subject building's reference level 1.
- 2(a). FIRM Zones A1-A30, AE, AH, and A (with BFE). The top of the reference level floor from the selected diagram is at an elevation of 3181.5 feet NGVD (or other FIRM datum—see Section B, Item 7).
- (b). FIRM Zones V1-V30, VE, and V (with BFE). The bottom of the lowest horizontal structural member of the reference level from the selected diagram, is at an elevation of feet NGVD (or other FIRM datum—see Section B, Item 7).
- (c). FIRM Zone A (without BFE). The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building.
- (d). FIRM Zone AO. The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building. If no flood depth number is available, is the building's lowest floor (reference level) elevated in accordance with the community's floodplain management ordinance? Yes No Unknown
3. Indicate the elevation datum system used in determining the above reference level elevations: NGVD '29 Other (describe under Comments on Page 2). (NOTE: If the elevation datum used in measuring the elevations is different than that used on the FIRM [see Section B, Item 7], then convert the elevations to the datum system used on the FIRM and show the conversion equation under Comments on Page 2.)
4. Elevation reference mark used appears on FIRM: Yes No (See Instructions on Page 4)
5. The reference level elevation is based on: actual construction construction drawings
(NOTE: Use of construction drawings is only valid if the building does not yet have the reference level floor in place, in which case this certificate will only be valid for the building during the course of construction. A post-construction Elevation Certificate will be required once construction is complete.)
6. The elevation of the lowest grade immediately adjacent to the building is: 3181.5 feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION D COMMUNITY INFORMATION

1. If the community official responsible for verifying building elevations specifies that the reference level indicated in Section C, Item 1 is not the "lowest floor" as defined in the community's floodplain management ordinance, the elevation of the building's "lowest floor" as defined by the ordinance is: feet NGVD (or other FIRM datum—see Section B, Item 7).
2. Date of the start of construction or substantial improvement _____

ELEVATION CERTIFICATE

FEDERAL EMERGENCY MANAGEMENT AGENCY NATIONAL FLOOD INSURANCE PROGRAM

O.M.B. No 3067-0077
Expires May 31, 1993

ATTENTION: Use of this certificate does not provide a waiver of the flood insurance purchase requirement. This form is used only to provide elevation information necessary to ensure compliance with applicable community floodplain management ordinances, to determine the proper insurance premium rate, and/or to support a request for a Letter of Map Amendment or Revision (LOMA or LOMR). Instructions for completing this form can be found on the following pages.

SECTION A PROPERTY INFORMATION		FOR INSURANCE COMPANY USE
BUILDING OWNER'S NAME Village Green Apartments		POLICY NUMBER
STREET ADDRESS (Including Apt., Unit, Suite and/or Bldg. Number) OR P.O. ROUTE AND BOX NUMBER 5249 Wren Avenue - Building "I"		COMPANY NAIC NUMBER
OTHER DESCRIPTION (Lot and Block Numbers, etc.) Portion of Block 3, Northgate Subdivision		
CITY El Paso	STATE Texas	ZIP CODE 79924

SECTION B FLOOD INSURANCE RATE MAP (FIRM) INFORMATION

Provide the following from the proper FIRM (See Instructions):

1. COMMUNITY NUMBER	2. PANEL NUMBER	3. SUFFIX	4. DATE OF FIRM INDEX	5. FIRM ZONE	6. BASE FLOOD ELEVATION (in AO Zones, use depth)
480214	0024	B	10/15/82	AH	3888.8

7. Indicate the elevation datum system used on the FIRM for Base Flood Elevations (BFE): NGVD '29 Other (describe on back)
8. For Zones A or V, where no BFE is provided on the FIRM, and the community has established a BFE for this building site, indicate the community's BFE: feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION C BUILDING ELEVATION INFORMATION

- Using the Elevation Certificate Instructions, indicate the diagram number from the diagrams found on Pages 5 and 6 that best describes the subject building's reference level 1.
- FIRM Zones A1-A30, AE, AH, and A (with BFE). The top of the reference level floor from the selected diagram is at an elevation of 13|8|8|6|3 feet NGVD (or other FIRM datum—see Section B, Item 7).
 - FIRM Zones V1-V30, VE, and V (with BFE). The bottom of the lowest horizontal structural member of the reference level from the selected diagram, is at an elevation of feet NGVD (or other FIRM datum—see Section B, Item 7).
 - FIRM Zone A (without BFE). The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building.
 - FIRM Zone AO. The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building. If no flood depth number is available, is the building's lowest floor (reference level) elevated in accordance with the community's floodplain management ordinance? Yes No Unknown
- Indicate the elevation datum system used in determining the above reference level elevations: NGVD '29 Other (describe under Comments on Page 2). (NOTE: If the elevation datum used in measuring the elevations is different than that used on the FIRM [see Section B, Item 7], then convert the elevations to the datum system used on the FIRM and show the conversion equation under Comments on Page 2.)
- Elevation reference mark used appears on FIRM: Yes No (See Instructions on Page 4)
- The reference level elevation is based on: actual construction construction drawings
(NOTE: Use of construction drawings is only valid if the building does not yet have the reference level floor in place, in which case this certificate will only be valid for the building during the course of construction. A post-construction Elevation Certificate will be required once construction is complete.)
- The elevation of the lowest grade immediately adjacent to the building is: 13|8|8|5|8 feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION D COMMUNITY INFORMATION

- If the community official responsible for verifying building elevations specifies that the reference level indicated in Section C, Item 1 is not the "lowest floor" as defined in the community's floodplain management ordinance, the elevation of the building's "lowest floor" as defined by the ordinance is: feet NGVD (or other FIRM datum—see Section B, Item 7).
- Date of the start of construction or substantial improvement _____

ELEVATION CERTIFICATE

FEDERAL EMERGENCY MANAGEMENT AGENCY NATIONAL FLOOD INSURANCE PROGRAM

O.M.B. No 3067-0077
Expires May 31, 1993

ATTENTION: Use of this certificate does not provide a waiver of the flood insurance purchase requirement. This form is used only to provide elevation information necessary to ensure compliance with applicable community floodplain management ordinances, to determine the proper insurance premium rate, and/or to support a request for a Letter of Map Amendment or Revision (LOMA or LOMR). Instructions for completing this form can be found on the following pages.

SECTION A PROPERTY INFORMATION			FOR INSURANCE COMPANY USE
BUILDING OWNER'S NAME Village Green Apartments			POLICY NUMBER
STREET ADDRESS (Including Apt., Unit, Suite and/or Bldg. Number) OR P.O. ROUTE AND BOX NUMBER 5249 Wren Avenue - Building "M"			COMPANY NAIC NUMBER
OTHER DESCRIPTION (Lot and Block Numbers, etc.) Portion of Block 3, Northgate Subdivision			
CITY El Paso	STATE Texas	ZIP CODE 79924	

SECTION B FLOOD INSURANCE RATE MAP (FIRM) INFORMATION

Provide the following from the proper FIRM (See Instructions):

1. COMMUNITY NUMBER	2. PANEL NUMBER	3. SUFFIX	4. DATE OF FIRM INDEX	5. FIRM ZONE	6. BASE FLOOD ELEVATION (in AO Zones, use depth)
480214	0024	B	10/15/82	AH	3889.5

7. Indicate the elevation datum system used on the FIRM for Base Flood Elevations (BFE): NGVD '29 Other (describe on back)
8. For Zones A or V, where no BFE is provided on the FIRM, and the community has established a BFE for this building site, indicate the community's BFE: feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION C BUILDING ELEVATION INFORMATION

1. Using the Elevation Certificate Instructions, indicate the diagram number from the diagrams found on Pages 5 and 6 that best describes the subject building's reference level 1.
- 2(a). FIRM Zones A1-A30, AE, AH, and A (with BFE). The top of the reference level floor from the selected diagram is at an elevation of 3|8|8|7 feet NGVD (or other FIRM datum—see Section B, Item 7).
- (b). FIRM Zones V1-V30, VE, and V (with BFE). The bottom of the lowest horizontal structural member of the reference level from the selected diagram, is at an elevation of feet NGVD (or other FIRM datum—see Section B, Item 7).
- (c). FIRM Zone A (without BFE). The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building.
- (d). FIRM Zone AO. The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building. If no flood depth number is available, is the building's lowest floor (reference level) elevated in accordance with the community's floodplain management ordinance? Yes No Unknown
3. Indicate the elevation datum system used in determining the above reference level elevations: NGVD '29 Other (describe under Comments on Page 2). (NOTE: If the elevation datum used in measuring the elevations is different than that used on the FIRM [see Section B, Item 7], then convert the elevations to the datum system used on the FIRM and show the conversion equation under Comments on Page 2.)
4. Elevation reference mark used appears on FIRM: Yes No (See Instructions on Page 4)
5. The reference level elevation is based on: actual construction construction drawings
(NOTE: Use of construction drawings is only valid if the building does not yet have the reference level floor in place, in which case this certificate will only be valid for the building during the course of construction. A post-construction Elevation Certificate will be required once construction is complete.)
6. The elevation of the lowest grade immediately adjacent to the building is: 3|8|8|6|7 feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION D COMMUNITY INFORMATION

1. If the community official responsible for verifying building elevations specifies that the reference level indicated in Section C, Item 1 is not the "lowest floor" as defined in the community's floodplain management ordinance, the elevation of the building's "lowest floor" as defined by the ordinance is: feet NGVD (or other FIRM datum—see Section B, Item 7).
2. Date of the start of construction or substantial improvement _____.

ELEVATION CERTIFICATE

FEDERAL EMERGENCY MANAGEMENT AGENCY
NATIONAL FLOOD INSURANCE PROGRAM

O.M.B. No 3067-0077
Expires May 31, 1993

ATTENTION: Use of this certificate does not provide a waiver of the flood insurance purchase requirement. This form is used only to provide elevation information necessary to ensure compliance with applicable community floodplain management ordinances, to determine the proper insurance premium rate, and/or to support a request for a Letter of Map Amendment or Revision (LOMA or LOMR). Instructions for completing this form can be found on the following pages.

SECTION A PROPERTY INFORMATION		FOR INSURANCE COMPANY USE
BUILDING OWNER'S NAME Village Green Apartments		POLICY NUMBER
STREET ADDRESS (Including Apt., Unit, Suite and/or Bldg. Number) OR P.O. ROUTE AND BOX NUMBER 5249 Wren Avenue - Building "N"		COMPANY NAIC NUMBER
OTHER DESCRIPTION (Lot and Block Numbers, etc.) Portion of Block 3, Northgate Subdivision		
CITY El Paso	STATE Texas	ZIP CODE 79924

SECTION B FLOOD INSURANCE RATE MAP (FIRM) INFORMATION

Provide the following from the proper FIRM (See Instructions):

1. COMMUNITY NUMBER	2. PANEL NUMBER	3. SUFFIX	4. DATE OF FIRM INDEX	5. FIRM ZONE	6. BASE FLOOD ELEVATION (in AO Zones, use depth)
480214	0024	B	10/15/82	AH	3889.0

7. Indicate the elevation datum system used on the FIRM for Base Flood Elevations (BFE): NGVD '29 Other (describe on back)
8. For Zones A or V, where no BFE is provided on the FIRM, and the community has established a BFE for this building site, indicate the community's BFE: feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION C BUILDING ELEVATION INFORMATION

1. Using the Elevation Certificate Instructions, indicate the diagram number from the diagrams found on Pages 5 and 6 that best describes the subject building's reference level: 1.
- 2(a). FIRM Zones A1-A30, AE, AH, and A (with BFE). The top of the reference level floor from the selected diagram is at an elevation of 3887 feet NGVD (or other FIRM datum—see Section B, Item 7).
- (b). FIRM Zones V1-V30, VE, and V (with BFE). The bottom of the lowest horizontal structural member of the reference level from the selected diagram, is at an elevation of feet NGVD (or other FIRM datum—see Section B, Item 7).
- (c). FIRM Zone A (without BFE). The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building.
- (d). FIRM Zone AO. The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building. If no flood depth number is available, is the building's lowest floor (reference level) elevated in accordance with the community's floodplain management ordinance? Yes No Unknown
3. Indicate the elevation datum system used in determining the above reference level elevations: NGVD '29 Other (describe under Comments on Page 2). (NOTE: If the elevation datum used in measuring the elevations is different than that used on the FIRM [see Section B, Item 7], then convert the elevations to the datum system used on the FIRM and show the conversion equation under Comments on Page 2.)
4. Elevation reference mark used appears on FIRM: Yes No (See Instructions on Page 4)
5. The reference level elevation is based on: actual construction construction drawings
(NOTE: Use of construction drawings is only valid if the building does not yet have the reference level floor in place, in which case this certificate will only be valid for the building during the course of construction. A post-construction Elevation Certificate will be required once construction is complete.)
6. The elevation of the lowest grade immediately adjacent to the building is: 3886 feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION D COMMUNITY INFORMATION

1. If the community official responsible for verifying building elevations specifies that the reference level indicated in Section C, Item 1 is not the "lowest floor" as defined in the community's floodplain management ordinance, the elevation of the building's "lowest floor" as defined by the ordinance is: feet NGVD (or other FIRM datum—see Section B, Item 7).
2. Date of the start of construction or substantial improvement _____

ELEVATION CERTIFICATE

FEDERAL EMERGENCY MANAGEMENT AGENCY
NATIONAL FLOOD INSURANCE PROGRAM

O.M.B. No 3067-0077
Expires May 31, 1993

ATTENTION: Use of this certificate does not provide a waiver of the flood insurance purchase requirement. This form is used only to provide elevation information necessary to ensure compliance with applicable community floodplain management ordinances, to determine the proper insurance premium rate, and/or to support a request for a Letter of Map Amendment or Revision (LOMA or LOMR). Instructions for completing this form can be found on the following pages.

SECTION A PROPERTY INFORMATION		FOR INSURANCE COMPANY USE
BUILDING OWNER'S NAME Village Green Apartments		POLICY NUMBER
STREET ADDRESS (Including Apt., Unit, Suite and/or Bldg. Number) OR P.O. ROUTE AND BOX NUMBER 5249 Wren Avenue - Building "0"		COMPANY NAIC NUMBER
OTHER DESCRIPTION (Lot and Block Numbers, etc.) Portion of Block 3, Northgate Subdivision		
CITY El Paso	STATE Texas	ZIP CODE 79924

SECTION B FLOOD INSURANCE RATE MAP (FIRM) INFORMATION

Provide the following from the proper FIRM (See Instructions):

1. COMMUNITY NUMBER	2. PANEL NUMBER	3. SUFFIX	4. DATE OF FIRM INDEX	5. FIRM ZONE	6. BASE FLOOD ELEVATION (In AO Zones, use depth)
480214	0024	B	10/15/82	AH	3893.0

7. Indicate the elevation datum system used on the FIRM for Base Flood Elevations (BFE): NGVD '29 Other (describe on back)
8. For Zones A or V, where no BFE is provided on the FIRM, and the community has established a BFE for this building site, indicate the community's BFE: feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION C BUILDING ELEVATION INFORMATION

1. Using the Elevation Certificate Instructions, indicate the diagram number from the diagrams found on Pages 5 and 6 that best describes the subject building's reference level 1.
- 2(a). FIRM Zones A1-A30, AE, AH, and A (with BFE). The top of the reference level floor from the selected diagram is at an elevation of 3|8|8|8|1 feet NGVD (or other FIRM datum—see Section B, Item 7).
- (b). FIRM Zones V1-V30, VE, and V (with BFE). The bottom of the lowest horizontal structural member of the reference level from the selected diagram, is at an elevation of feet NGVD (or other FIRM datum—see Section B, Item 7).
- (c). FIRM Zone A (without BFE). The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building.
- (d). FIRM Zone AO. The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building. If no flood depth number is available, is the building's lowest floor (reference level) elevated in accordance with the community's floodplain management ordinance? Yes No Unknown
3. Indicate the elevation datum system used in determining the above reference level elevations: NGVD '29 Other (describe under Comments on Page 2). (NOTE: If the elevation datum used in measuring the elevations is different than that used on the FIRM [see Section B, Item 7], then convert the elevations to the datum system used on the FIRM and show the conversion equation under Comments on Page 2.)
4. Elevation reference mark used appears on FIRM: Yes No (See Instructions on Page 4)
5. The reference level elevation is based on: actual construction construction drawings
(NOTE: Use of construction drawings is only valid if the building does not yet have the reference level floor in place, in which case this certificate will only be valid for the building during the course of construction. A post-construction Elevation Certificate will be required once construction is complete.)
6. The elevation of the lowest grade immediately adjacent to the building is: 3|8|8|7|7 feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION D COMMUNITY INFORMATION

1. If the community official responsible for verifying building elevations specifies that the reference level indicated in Section C, Item 1 is not the "lowest floor" as defined in the community's floodplain management ordinance, the elevation of the building's "lowest floor" as defined by the ordinance is: feet NGVD (or other FIRM datum—see Section B, Item 7).
2. Date of the start of construction or substantial improvement _____

ELEVATION CERTIFICATEO.M.B. No 3067-0077
Expires May 31, 1993**FEDERAL EMERGENCY MANAGEMENT AGENCY
NATIONAL FLOOD INSURANCE PROGRAM**

ATTENTION: Use of this certificate does not provide a waiver of the flood insurance purchase requirement. This form is used only to provide elevation information necessary to ensure compliance with applicable community floodplain management ordinances, to determine the proper insurance premium rate, and/or to support a request for a Letter of Map Amendment or Revision (LOMA or LOMR). Instructions for completing this form can be found on the following pages.

SECTION A PROPERTY INFORMATION		FOR INSURANCE COMPANY USE
BUILDING OWNER'S NAME Village Green Apartments		POLICY NUMBER
STREET ADDRESS (Including Apt., Unit, Suite and/or Bldg. Number) OR P.O. ROUTE AND BOX NUMBER 5249 Wren Avenue - Building "Q"		COMPANY NAIC NUMBER
OTHER DESCRIPTION (Lot and Block Numbers, etc.) Portion of Block 3, Northgate Subdivision		
CITY El Paso	STATE Texas	ZIP CODE 79924

SECTION B FLOOD INSURANCE RATE MAP (FIRM) INFORMATION

Provide the following from the proper FIRM (See Instructions):

1. COMMUNITY NUMBER	2. PANEL NUMBER	3. SUFFIX	4. DATE OF FIRM INDEX	5. FIRM ZONE	6. BASE FLOOD ELEVATION (in AO Zones, use depth)
480214	0024	B	10/15/82	AH	3890.0

7. Indicate the elevation datum system used on the FIRM for Base Flood Elevations (BFE): NGVD '29 Other (describe on back)
8. For Zones A or V, where no BFE is provided on the FIRM, and the community has established a BFE for this building site, indicate the community's BFE: feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION C BUILDING ELEVATION INFORMATION

1. Using the Elevation Certificate Instructions, indicate the diagram number from the diagrams found on Pages 5 and 6 that best describes the subject building's reference level 1.
- 2(a). FIRM Zones A1-A30, AE, AH, and A (with BFE). The top of the reference level floor from the selected diagram is at an elevation of 3888 feet NGVD (or other FIRM datum—see Section B, Item 7).
- (b). FIRM Zones V1-V30, VE, and V (with BFE). The bottom of the lowest horizontal structural member of the reference level from the selected diagram, is at an elevation of feet NGVD (or other FIRM datum—see Section B, Item 7).
- (c). FIRM Zone A (without BFE). The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building.
- (d). FIRM Zone AO. The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building. If no flood depth number is available, is the building's lowest floor (reference level) elevated in accordance with the community's floodplain management ordinance? Yes No Unknown
3. Indicate the elevation datum system used in determining the above reference level elevations: NGVD '29 Other (describe under Comments on Page 2). (NOTE: If the elevation datum used in measuring the elevations is different than that used on the FIRM [see Section B, Item 7], then convert the elevations to the datum system used on the FIRM and show the conversion equation under Comments on Page 2.)
4. Elevation reference mark used appears on FIRM: Yes No (See Instructions on Page 4)
5. The reference level elevation is based on: actual construction construction drawings
(NOTE: Use of construction drawings is only valid if the building does not yet have the reference level floor in place, in which case this certificate will only be valid for the building during the course of construction. A post-construction Elevation Certificate will be required once construction is complete.)
6. The elevation of the lowest grade immediately adjacent to the building is: 3887 feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION D COMMUNITY INFORMATION

1. If the community official responsible for verifying building elevations specifies that the reference level indicated in Section C, Item 1 is not the "lowest floor" as defined in the community's floodplain management ordinance, the elevation of the building's "lowest floor" as defined by the ordinance is: feet NGVD (or other FIRM datum—see Section B, Item 7).
2. Date of the start of construction or substantial improvement _____

ELEVATION CERTIFICATE

**FEDERAL EMERGENCY MANAGEMENT AGENCY
NATIONAL FLOOD INSURANCE PROGRAM**

*O.M.B. No 3067-0077
Expires May 31, 1993*

ATTENTION: Use of this certificate does not provide a waiver of the flood insurance purchase requirement. This form is used only to provide elevation information necessary to ensure compliance with applicable community floodplain management ordinances, to determine the proper insurance premium rate, and/or to support a request for a Letter of Map Amendment or Revision (LOMA or LOMR). Instructions for completing this form can be found on the following pages.

SECTION A PROPERTY INFORMATION		FOR INSURANCE COMPANY USE
BUILDING OWNER'S NAME Village Green Apartments		POLICY NUMBER
STREET ADDRESS (Including Apt., Unit, Suite and/or Bldg. Number) OR P.O. ROUTE AND BOX NUMBER 5249 Wren Avenue - Building "R"		COMPANY NAIC NUMBER
OTHER DESCRIPTION (Lot and Block Numbers, etc.) Portion of Block 3, Northgate Subdivision		
CITY El Paso	STATE Texas	ZIP CODE 79924

SECTION B FLOOD INSURANCE RATE MAP (FIRM) INFORMATION

Provide the following from the proper FIRM (See Instructions):

1. COMMUNITY NUMBER	2. PANEL NUMBER	3. SUFFIX	4. DATE OF FIRM INDEX	5. FIRM ZONE	6. BASE FLOOD ELEVATION (in AO Zones, use depth)
480214	0024	B	10/15/82	AH	3889.5

7. Indicate the elevation datum system used on the FIRM for Base Flood Elevations (BFE): NGVD '29 Other (describe on back)
8. For Zones A or V, where no BFE is provided on the FIRM, and the community has established a BFE for this building site, indicate the community's BFE: feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION C BUILDING ELEVATION INFORMATION

- Using the Elevation Certificate Instructions, indicate the diagram number from the diagrams found on Pages 5 and 6 that best describes the subject building's reference level: 1.
- (a). FIRM Zones A1-A30, AE, AH, and A (with BFE). The top of the reference level floor from the selected diagram is at an elevation of 13887.8 feet NGVD (or other FIRM datum—see Section B, Item 7).
 (b). FIRM Zones V1-V30, VE, and V (with BFE). The bottom of the lowest horizontal structural member of the reference level from the selected diagram, is at an elevation of feet NGVD (or other FIRM datum—see Section B, Item 7).
 (c). FIRM Zone A (without BFE). The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building.
 (d). FIRM Zone AO. The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building. If no flood depth number is available, is the building's lowest floor (reference level) elevated in accordance with the community's floodplain management ordinance? Yes No Unknown
- Indicate the elevation datum system used in determining the above reference level elevations: NGVD '29 Other (describe under Comments on Page 2). (NOTE: If the elevation datum used in measuring the elevations is different than that used on the FIRM [see Section B, Item 7], then convert the elevations to the datum system used on the FIRM and show the conversion equation under Comments on Page 2.)
- Elevation reference mark used appears on FIRM: Yes No (See Instructions on Page 4)
- The reference level elevation is based on: actual construction construction drawings
 (NOTE: Use of construction drawings is only valid if the building does not yet have the reference level floor in place, in which case this certificate will only be valid for the building during the course of construction. A post-construction Elevation Certificate will be required once construction is complete.)
- The elevation of the lowest grade immediately adjacent to the building is: 13887.4 feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION D COMMUNITY INFORMATION

- If the community official responsible for verifying building elevations specifies that the reference level indicated in Section C, Item 1 is not the "lowest floor" as defined in the community's floodplain management ordinance, the elevation of the building's "lowest floor" as defined by the ordinance is: feet NGVD (or other FIRM datum—see Section B, Item 7).
- Date of the start of construction or substantial improvement:

ELEVATION CERTIFICATE

FEDERAL EMERGENCY MANAGEMENT AGENCY NATIONAL FLOOD INSURANCE PROGRAM

*O.M.B. No 3067-0077
Expires May 31, 1993*

ATTENTION: Use of this certificate does not provide a waiver of the flood insurance purchase requirement. This form is used only to provide elevation information necessary to ensure compliance with applicable community floodplain management ordinances, to determine the proper insurance premium rate, and/or to support a request for a Letter of Map Amendment or Revision (LOMA or LOMR). Instructions for completing this form can be found on the following pages.

SECTION A PROPERTY INFORMATION		FOR INSURANCE COMPANY USE
BUILDING OWNER'S NAME Village Green Apartments		POLICY NUMBER
STREET ADDRESS (Including Apt., Unit, Suite and/or Bldg. Number) OR P.O. ROUTE AND BOX NUMBER 5249 Wren Avenue - Building "T"		COMPANY NAIC NUMBER
OTHER DESCRIPTION (Lot and Block Numbers, etc.) Portion of Block 3, Northgate Subdivision		
CITY El Paso	STATE Texas	ZIP CODE 79924

SECTION B FLOOD INSURANCE RATE MAP (FIRM) INFORMATION

Provide the following from the proper FIRM (See Instructions):

1. COMMUNITY NUMBER	2. PANEL NUMBER	3. SUFFIX	4. DATE OF FIRM INDEX	5. FIRM ZONE	6. BASE FLOOD ELEVATION <small>(in AO Zones, use depth)</small>
480214	0024	B	10/15/82	AH	3888.7

7. Indicate the elevation datum system used on the FIRM for Base Flood Elevations (BFE): NGVD '29 Other (describe on back)
8. For Zones A or V, where no BFE is provided on the FIRM, and the community has established a BFE for this building site, indicate the community's BFE: feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION C BUILDING ELEVATION INFORMATION

- Using the Elevation Certificate Instructions, indicate the diagram number from the diagrams found on Pages 5 and 6 that best describes the subject building's reference level 1.
- (a). FIRM Zones A1-A30, AE, AH, and A (with BFE). The top of the reference level floor from the selected diagram is at an elevation of feet NGVD (or other FIRM datum—see Section B, Item 7).
 (b). FIRM Zones V1-V30, VE, and V (with BFE). The bottom of the lowest horizontal structural member of the reference level from the selected diagram, is at an elevation of feet NGVD (or other FIRM datum—see Section B, Item 7).
 (c). FIRM Zone A (without BFE). The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building.
 (d). FIRM Zone AO. The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building. If no flood depth number is available, is the building's lowest floor (reference level) elevated in accordance with the community's floodplain management ordinance? Yes No Unknown
- Indicate the elevation datum system used in determining the above reference level elevations: NGVD '29 Other (describe under Comments on Page 2). (NOTE: If the elevation datum used in measuring the elevations is different than that used on the FIRM [see Section B, Item 7], then convert the elevations to the datum system used on the FIRM and show the conversion equation under Comments on Page 2.)
- Elevation reference mark used appears on FIRM: Yes No (See Instructions on Page 4)
- The reference level elevation is based on: actual construction construction drawings
 (NOTE: Use of construction drawings is only valid if the building does not yet have the reference level floor in place, in which case this certificate will only be valid for the building during the course of construction. A post-construction Elevation Certificate will be required once construction is complete.)
- The elevation of the lowest grade immediately adjacent to the building is: feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION D COMMUNITY INFORMATION

- If the community official responsible for verifying building elevations specifies that the reference level indicated in Section C, Item 1 is not the "lowest floor" as defined in the community's floodplain management ordinance, the elevation of the building's "lowest floor" as defined by the ordinance is: feet NGVD (or other FIRM datum—see Section B, Item 7).
- Date of the start of construction or substantial improvement _____

ELEVATION CERTIFICATE

FEDERAL EMERGENCY MANAGEMENT AGENCY
NATIONAL FLOOD INSURANCE PROGRAM

O.M.B. No 3067-0077
Expires May 31, 1993

ATTENTION: Use of this certificate does not provide a waiver of the flood insurance purchase requirement. This form is used only to provide elevation information necessary to ensure compliance with applicable community floodplain management ordinances, to determine the proper insurance premium rate, and/or to support a request for a Letter of Map Amendment or Revision (LOMA or LOMR). Instructions for completing this form can be found on the following pages.

SECTION A PROPERTY INFORMATION		FOR INSURANCE COMPANY USE
BUILDING OWNER'S NAME Village Green Apartments		POLICY NUMBER
STREET ADDRESS (Including Apt., Unit, Suite and/or Bldg. Number) OR P.O. ROUTE AND BOX NUMBER 5249 Wren Avenue - Building "U"		COMPANY NAIC NUMBER
OTHER DESCRIPTION (Lot and Block Numbers, etc.) Portion of Block 3, Northgate Subdivision		
CITY El Paso	STATE Texas	ZIP CODE 79924

SECTION B FLOOD INSURANCE RATE MAP (FIRM) INFORMATION

Provide the following from the proper FIRM (See Instructions):

1. COMMUNITY NUMBER 480214	2. PANEL NUMBER 0024	3. SUFFIX B	4. DATE OF FIRM INDEX 10/15/82	5. FIRM ZONE AH	6. BASE FLOOD ELEVATION (in AO Zones, use depth) 3888.7
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7. Indicate the elevation datum system used on the FIRM for Base Flood Elevations (BFE): NGVD '29 Other (describe on back)
8. For Zones A or V, where no BFE is provided on the FIRM, and the community has established a BFE for this building site, indicate the community's BFE: feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION C BUILDING ELEVATION INFORMATION

1. Using the Elevation Certificate Instructions, indicate the diagram number from the diagrams found on Pages 5 and 6 that best describes the subject building's reference level 1.
- 2(a). FIRM Zones A1-A30, AE, AH, and A (with BFE). The top of the reference level floor from the selected diagram is at an elevation of 13887.2 feet NGVD (or other FIRM datum—see Section B, Item 7).
- (b). FIRM Zones V1-V30, VE, and V (with BFE). The bottom of the lowest horizontal structural member of the reference level from the selected diagram, is at an elevation of feet NGVD (or other FIRM datum—see Section B, Item 7).
- (c). FIRM Zone A (without BFE). The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building.
- (d). FIRM Zone AO. The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building. If no flood depth number is available, is the building's lowest floor (reference level) elevated in accordance with the community's floodplain management ordinance? Yes No Unknown
3. Indicate the elevation datum system used in determining the above reference level elevations: NGVD '29 Other (describe under Comments on Page 2). (NOTE: If the elevation datum used in measuring the elevations is different than that used on the FIRM [see Section B, Item 7], then convert the elevations to the datum system used on the FIRM and show the conversion equation under Comments on Page 2.)
4. Elevation reference mark used appears on FIRM: Yes No (See Instructions on Page 4)
5. The reference level elevation is based on: actual construction construction drawings
(NOTE: Use of construction drawings is only valid if the building does not yet have the reference level floor in place, in which case this certificate will only be valid for the building during the course of construction. A post-construction Elevation Certificate will be required once construction is complete.)
6. The elevation of the lowest grade immediately adjacent to the building is: 13886.8 feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION D COMMUNITY INFORMATION

1. If the community official responsible for verifying building elevations specifies that the reference level indicated in Section C, Item 1 is not the "lowest floor" as defined in the community's floodplain management ordinance, the elevation of the building's "lowest floor" as defined by the ordinance is: feet NGVD (or other FIRM datum—see Section B, Item 7).
2. Date of the start of construction or substantial improvement _____

ELEVATION CERTIFICATE

FEDERAL EMERGENCY MANAGEMENT AGENCY NATIONAL FLOOD INSURANCE PROGRAM

O.M.B. No 3067-0077
Expires May 31, 1993

ATTENTION: Use of this certificate does not provide a waiver of the flood insurance purchase requirement. This form is used only to provide elevation information necessary to ensure compliance with applicable community floodplain management ordinances, to determine the proper insurance premium rate, and/or to support a request for a Letter of Map Amendment or Revision (LOMA or LOMR). Instructions for completing this form can be found on the following pages.

SECTION A PROPERTY INFORMATION		FOR INSURANCE COMPANY USE
BUILDING OWNER'S NAME Village Green Apartments		POLICY NUMBER
STREET ADDRESS (Including Apt., Unit, Suite and/or Bldg. Number) OR P.O. ROUTE AND BOX NUMBER 5249 Wren Avenue - Building "V"		COMPANY NAIC NUMBER
OTHER DESCRIPTION (Lot and Block Numbers, etc.) Portion of Block 3, Northgate Subdivision		
CITY El Paso	STATE Texas	ZIP CODE 79924

SECTION B FLOOD INSURANCE RATE MAP (FIRM) INFORMATION

Provide the following from the proper FIRM (See Instructions):

1. COMMUNITY NUMBER	2. PANEL NUMBER	3. SUFFIX	4. DATE OF FIRM INDEX	5. FIRM ZONE	6. BASE FLOOD ELEVATION (in AO Zones, use depth)
480214	0024	B	10/15/82	AH	3888.5

7. Indicate the elevation datum system used on the FIRM for Base Flood Elevations (BFE): NGVD '29 Other (describe on back)
8. For Zones A or V, where no BFE is provided on the FIRM, and the community has established a BFE for this building site, indicate the community's BFE: feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION C BUILDING ELEVATION INFORMATION

1. Using the Elevation Certificate Instructions, indicate the diagram number from the diagrams found on Pages 5 and 6 that best describes the subject building's reference level 1.
- 2(a). FIRM Zones A1-A30, AE, AH, and A (with BFE). The top of the reference level floor from the selected diagram is at an elevation of feet NGVD (or other FIRM datum—see Section B, Item 7).
 - (b). FIRM Zones V1-V30, VE, and V (with BFE). The bottom of the lowest horizontal structural member of the reference level from the selected diagram, is at an elevation of feet NGVD (or other FIRM datum—see Section B, Item 7).
 - (c). FIRM Zone A (without BFE). The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building.
 - (d). FIRM Zone AO. The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building. If no flood depth number is available, is the building's lowest floor (reference level) elevated in accordance with the community's floodplain management ordinance? Yes No Unknown
3. Indicate the elevation datum system used in determining the above reference level elevations: NGVD '29 Other (describe under Comments on Page 2). (NOTE: If the elevation datum used in measuring the elevations is different than that used on the FIRM [see Section B, Item 7], then convert the elevations to the datum system used on the FIRM and show the conversion equation under Comments on Page 2.)
4. Elevation reference mark used appears on FIRM: Yes No (See Instructions on Page 4)
5. The reference level elevation is based on: actual construction construction drawings
(NOTE: Use of construction drawings is only valid if the building does not yet have the reference level floor in place, in which case this certificate will only be valid for the building during the course of construction. A post-construction Elevation Certificate will be required once construction is complete.)
6. The elevation of the lowest grade immediately adjacent to the building is: feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION D COMMUNITY INFORMATION

1. If the community official responsible for verifying building elevations specifies that the reference level indicated in Section C, Item 1 is not the "lowest floor" as defined in the community's floodplain management ordinance, the elevation of the building's "lowest floor" as defined by the ordinance is: feet NGVD (or other FIRM datum—see Section B, Item 7).
2. Date of the start of construction or substantial improvement _____

ELEVATION CERTIFICATE

FEDERAL EMERGENCY MANAGEMENT AGENCY NATIONAL FLOOD INSURANCE PROGRAM

O.M.B. No 3067-0077
Expires May 31, 1993

ATTENTION: Use of this certificate does not provide a waiver of the flood insurance purchase requirement. This form is used only to provide elevation information necessary to ensure compliance with applicable community floodplain management ordinances, to determine the proper insurance premium rate, and/or to support a request for a Letter of Map Amendment or Revision (LOMA or LOMR). Instructions for completing this form can be found on the following pages.

SECTION A PROPERTY INFORMATION	FOR INSURANCE COMPANY USE
BUILDING OWNER'S NAME Village Green Apartments	POLICY NUMBER
STREET ADDRESS (Including Apt., Unit, Suite and/or Bldg. Number) OR P.O. ROUTE AND BOX NUMBER 5249 Wren Avenue - Building "W"	COMPANY NAIC NUMBER
OTHER DESCRIPTION (Lot and Block Numbers, etc.) Portion of Block 3, Northgate Subdivision	
CITY El Paso	STATE Texas
	ZIP CODE 79924

SECTION B FLOOD INSURANCE RATE MAP (FIRM) INFORMATION

Provide the following from the proper FIRM (See Instructions):

1. COMMUNITY NUMBER	2. PANEL NUMBER	3. SUFFIX	4. DATE OF FIRM INDEX	5. FIRM ZONE	6. BASE FLOOD ELEVATION (in AO Zones, use depth)
480214	0024	B	10/15/82	AH	3888.4

7. Indicate the elevation datum system used on the FIRM for Base Flood Elevations (BFE): NGVD '29 Other (describe on back)
8. For Zones A or V, where no BFE is provided on the FIRM, and the community has established a BFE for this building site, indicate the community's BFE: feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION C BUILDING ELEVATION INFORMATION

1. Using the Elevation Certificate Instructions, indicate the diagram number from the diagrams found on Pages 5 and 6 that best describes the subject building's reference level 1.
- 2(a). FIRM Zones A1-A30, AE, AH, and A (with BFE). The top of the reference level floor from the selected diagram is at an elevation of 3888.5 feet NGVD (or other FIRM datum—see Section B, Item 7).
- (b). FIRM Zones V1-V30, VE, and V (with BFE). The bottom of the lowest horizontal structural member of the reference level from the selected diagram, is at an elevation of feet NGVD (or other FIRM datum—see Section B, Item 7).
- (c). FIRM Zone A (without BFE). The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building.
- (d). FIRM Zone AO. The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building. If no flood depth number is available, is the building's lowest floor (reference level) elevated in accordance with the community's floodplain management ordinance? Yes No Unknown
3. Indicate the elevation datum system used in determining the above reference level elevations: NGVD '29 Other (describe under Comments on Page 2). (NOTE: If the elevation datum used in measuring the elevations is different than that used on the FIRM [see Section B, Item 7], then convert the elevations to the datum system used on the FIRM and show the conversion equation under Comments on Page 2.)
4. Elevation reference mark used appears on FIRM: Yes No (See Instructions on Page 4)
5. The reference level elevation is based on: actual construction construction drawings
(NOTE: Use of construction drawings is only valid if the building does not yet have the reference level floor in place, in which case this certificate will only be valid for the building during the course of construction. A post-construction Elevation Certificate will be required once construction is complete.)
6. The elevation of the lowest grade immediately adjacent to the building is: 3888.5 feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION D COMMUNITY INFORMATION

1. If the community official responsible for verifying building elevations specifies that the reference level indicated in Section C, Item 1 is not the "lowest floor" as defined in the community's floodplain management ordinance, the elevation of the building's "lowest floor" as defined by the ordinance is: feet NGVD (or other FIRM datum—see Section B, Item 7).
2. Date of the start of construction or substantial improvement _____

ELEVATION CERTIFICATE

FEDERAL EMERGENCY MANAGEMENT AGENCY
NATIONAL FLOOD INSURANCE PROGRAM

O.M.B. No 3067-0077
Expires May 31, 1993

ATTENTION: Use of this certificate does not provide a waiver of the flood insurance purchase requirement. This form is used only to provide elevation information necessary to ensure compliance with applicable community floodplain management ordinances, to determine the proper insurance premium rate, and/or to support a request for a Letter of Map Amendment or Revision (LOMA or LOMR). Instructions for completing this form can be found on the following pages.

SECTION A PROPERTY INFORMATION		FOR INSURANCE COMPANY USE
BUILDING OWNER'S NAME Village Green Apartments		POLICY NUMBER
STREET ADDRESS (Including Apt., Unit, Suite and/or Bldg. Number) OR P.O. ROUTE AND BOX NUMBER 5249 Wren Avenue - Building " Bath House "		COMPANY NAIC NUMBER
OTHER DESCRIPTION (Lot and Block Numbers, etc.) Portion of Block 3, Northgate Subdivision		
CITY El Paso	STATE Texas	ZIP CODE 79924

SECTION B FLOOD INSURANCE RATE MAP (FIRM) INFORMATION

Provide the following from the proper FIRM (See Instructions):

1. COMMUNITY NUMBER	2. PANEL NUMBER	3. SUFFIX	4. DATE OF FIRM INDEX	5. FIRM ZONE	6. BASE FLOOD ELEVATION (In AO Zones, use depth)
480214	0024	B	10/15/82	AH	3888.7

7. Indicate the elevation datum system used on the FIRM for Base Flood Elevations (BFE): NGVD '29 Other (describe on back)
8. For Zones A or V, where no BFE is provided on the FIRM, and the community has established a BFE for this building site, indicate the community's BFE: feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION C BUILDING ELEVATION INFORMATION

1. Using the Elevation Certificate Instructions, indicate the diagram number from the diagrams found on Pages 5 and 6 that best describes the subject building's reference level 1.
- 2(a). FIRM Zones A1-A30, AE, AH, and A (with BFE). The top of the reference level floor from the selected diagram is at an elevation of 13181816 13 feet NGVD (or other FIRM datum—see Section B, Item 7).
- (b). FIRM Zones V1-V30, VE, and V (with BFE). The bottom of the lowest horizontal structural member of the reference level from the selected diagram, is at an elevation of feet NGVD (or other FIRM datum—see Section B, Item 7).
- (c). FIRM Zone A (without BFE). The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building.
- (d). FIRM Zone AO. The floor used as the reference level from the selected diagram is feet above or below (check one) the highest grade adjacent to the building. If no flood depth number is available, is the building's lowest floor (reference level) elevated in accordance with the community's floodplain management ordinance? Yes No Unknown
3. Indicate the elevation datum system used in determining the above reference level elevations: NGVD '29 Other (describe under Comments on Page 2). (NOTE: If the elevation datum used in measuring the elevations is different than that used on the FIRM [see Section B, Item 7], then convert the elevations to the datum system used on the FIRM and show the conversion equation under Comments on Page 2.)
4. Elevation reference mark used appears on FIRM: Yes No (See Instructions on Page 4)
5. The reference level elevation is based on: actual construction construction drawings
(NOTE: Use of construction drawings is only valid if the building does not yet have the reference level floor in place, in which case this certificate will only be valid for the building during the course of construction. A post-construction Elevation Certificate will be required once construction is complete.)
6. The elevation of the lowest grade immediately adjacent to the building is: 13181816 11 feet NGVD (or other FIRM datum—see Section B, Item 7).

SECTION D COMMUNITY INFORMATION

1. If the community official responsible for verifying building elevations specifies that the reference level indicated in Section C, Item 1 is not the "lowest floor" as defined in the community's floodplain management ordinance, the elevation of the building's "lowest floor" as defined by the ordinance is: feet NGVD (or other FIRM datum—see Section B, Item 7).
2. Date of the start of construction or substantial improvement _____

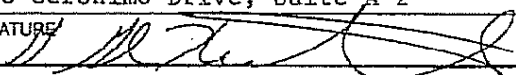
NGVD - National Ground Vertical Datum

SECTION E CERTIFICATION

This certification is to be signed by a land surveyor, engineer, or architect who is authorized by state or local law to certify elevation information when the elevation information for Zones A1-A30, AE, AH, A (with BFE), V1-V30, VE, and V (with BFE) is required. Community officials who are authorized by local law or ordinance to provide floodplain management information, may also sign the certification. In the case of Zones AO and A (without a FEMA or community issued BFE), a building official, a property owner, or an owner's representative may also sign the certification.

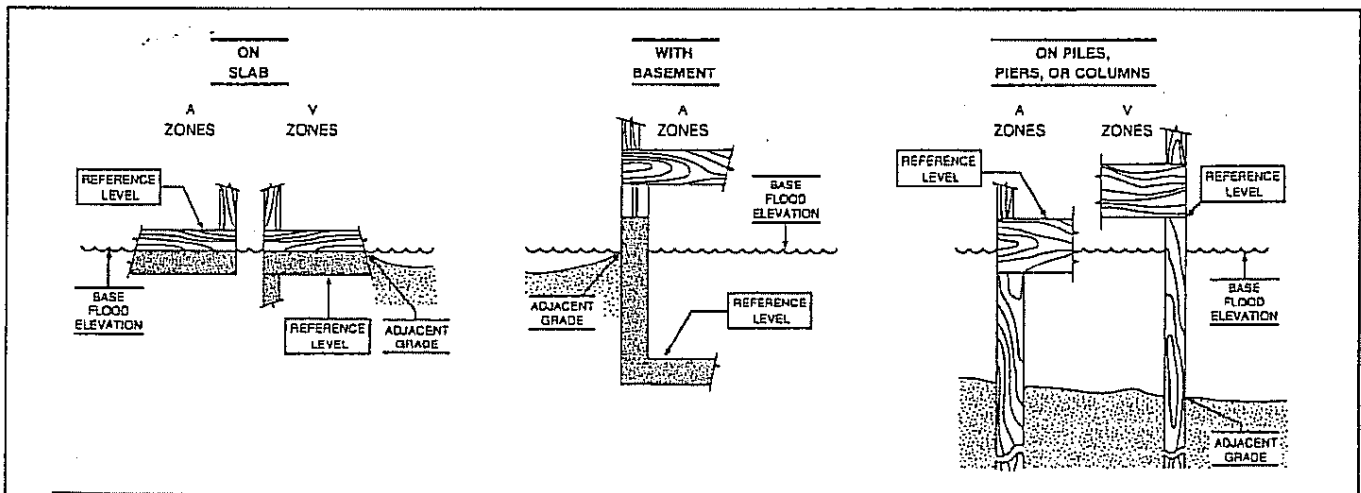
Reference level diagrams 6, 7 and 8 - Distinguishing Features-If the certifier is unable to certify to breakaway/non-breakaway wall, enclosure size, location of servicing equipment, area use, wall openings, or unfinished area Feature(s), then list the Feature(s) not included in the certification under Comments below. The diagram number, Section C, Item 1, must still be entered.

I certify that the information in Sections B and C on this certificate represents my best efforts to interpret the data available. I understand that any false statement may be punishable by fine or imprisonment under 18 U.S. Code, Section 1001.

CERTIFIER'S NAME		LICENSE NUMBER (or Affix Seal)	
G. Glen Kistenmacher, P.E.		Texas No. 65021	
TITLE		COMPANY NAME	
President		Kistenmacher Engineering Company, Inc.	
ADDRESS	CITY	STATE	ZIP
1420 Geronimo Drive, Suite A-2	El Paso	Texas	79925
SIGNATURE	DATE	PHONE	
	07/27/93	(915) 778-4476	

Copies should be made of this Certificate for: 1) community official, 2) insurance agent/company, and 3) building owner.

COMMENTS: _____



The diagrams above illustrate the points at which the elevations should be measured in A Zones and V Zones.

Elevations for all A Zones should be measured at the top of the reference level floor.

Elevations for all V Zones should be measured at the bottom of the lowest horizontal structural member.

MULTIFAMILY FINANCE PRODUCTION DIVISION
BOARD ACTION REQUEST
May 4, 2006

Action Item

Presentation, Discussion and Decision for an Appeal of ineligibility for a 2006 Hurricane Rita Housing Tax Credit (HTC) Application.

Requested Action

Approve, Amend or Deny the Appeal.

Background and Recommendations

I. Women's Shelter of East Texas # 060149

The applicant was notified on April 17, 2006 that the application submitted for Hurricane Rita tax credits was ineligible as proposed and that the application must be restructured to be eligible for Hurricane Rita Housing Tax Credits. The applicant is appealing this ineligibility determination.

The application is located in Angelina County and proposes to build 52 new construction tax credit units. Because Angelina County has only 25 units that sustained major damage by Hurricane Rita, the application is only eligible to build 25 tax credit units pursuant to the *Policy for Allocation of Tax Credits for Developments in Texas Counties Impacted by Hurricane Rita* which says, "(5) The total number of new construction units that can be allocated credits by the Department for any eligible county can not exceed the number of apartment units either destroyed or experiencing major damage for that county as reported by the Governor's Emergency Management Team calculations...". Therefore, the Department issued a deficiency requesting the applicant to restructure the application from 52 units to the maximum of 25 tax credit units.

The applicant at the time of posting had not yet responded to the deficiency notice and the request to meet the Policy Guidelines. The applicant did send correspondence with sufficient notice of an appeal of the denial that requested the Board consider:

1. An allocation of HTC based on the application submitted 3/1/06 for 52 units.
2. A forward commitment for the remaining 27 units in 2007.
3. A commitment for the credits to do 25 if financially feasible.

Note that the staff believes that the matter before you today is solely based on the denial of the application exceeding the 25 maximum unit rule discussed above. The deficiency notice was not part of this appeal. The remainder of the Rita related funds will be awarded under the existing policy based on the direction provided by the Board.

Relevant documentation related to this appeal is provided behind the Board Action Request.

Applicant:	Pineywoods Lufkin HOME Team, Ltd.
Site Location:	1835 Sayers
City/County:	Lufkin, Angelina
Regional Allocation Category:	Rural
Set-Aside:	Nonprofit
Population Served:	Family
Region:	5
Type of Development:	New Construction
Units:	52
Credits Requested:	\$666,488

Staff Recommendation: Staff is unable to recommend a variance from the policy.

-----Original Message-----

From: Drew Knowles [mailto:drew@clardy-law.com]

Sent: Wednesday, April 26, 2006 3:14 PM

To: Jennifer.joyce@tdhca.state.tx.us

Cc: ddowler@pineywoodshometeam.com

Subject: Board Appeal Lufkin

Ms. Joyce,

Please consider this my request for Board appeal of the Women's Shelter of East Texas LHTC application Lufkin, Angelina County, Texas. We respectfully request the following:

1. An allocation of LIHTC's based on the application submitted 3/1/06 for 52 units.
2. A forward commitment for the remaining 27 units in 2007
3. A commitment for the credits to do 25 if financially feasible.

Thanks

Doug Dowler

MULTIFAMILY FINANCE PRODUCTION DIVISION
BOARD ACTION REQUEST
May 4, 2006

Action Item

Presentation, Discussion and Decision for an Appeal of disqualification of a 2006 Hurricane Rita Housing Tax Credit (HTC) Application.

Requested Action

Approve, Amend or Deny the Appeal.

Background and Recommendations

I. Pineywoods Orange Development # 060148

This Applicant was originally sent a notice of the recommended credit amount on April 19, 2006. The recommended amount was \$538,534, which is \$24,096 less than the applicant's credit request of \$562,630. The applicant is appealing the credit recommendation based on the fact that the local City of Orange HOME funds were excluded from eligible basis.

The applicant asserts that even if the HOME funds go to the general partner at a rate below Applicable Federal Rate (AFR), the general partner can loan them to the partnership at AFR and avoid a reduction in eligible basis. Because the applicant intends to structure the HOME funds so that they are loaned to the partnership at AFR, the applicant asserts that the transaction can be structured so that these funds remain in eligible basis and do not impact the nine percent credits.

However, while it may be possible to structure the HOME funds as a Loan at the AFR to the partnership even though they are being provided as a grant to the general partner, considering them as fully repayable debt would negatively affect the long term feasibility and/or affect the gap analysis of the transaction. Based upon the operating income and expenses provided in the application and the Department's income and expense growth rates of 3% and 4% respectively, the 30-year proforma would reflect infeasibility by year 20 without the adjustments proposed by the underwriter.

Moreover, the proforma provided in the application did not include sufficient debt service to support the HOME funds as a truly repayable loan at AFR therefore considering it as properly structured to maintain the 9% credit is questionable. Based upon the underwriter's operating estimate reported in the underwriting report, the proposed first lien and the HOME funds at AFR could be repaid at the rates indicated in the application but that would provide a DCR of 1.67 or significantly higher than the 1.30 Department standard in 10 TAC 1.32 (d)(4). This would allow an additional first lien debt of \$261,000, still providing an acceptable 1.30 DCR. Based upon the underwriter's initial analysis, the resulting gap in syndication needed would be \$4,566,434 and the resulting credit amount would be \$533,416. The underwriter attempted to provide a compromise solution that maintained long term feasibility but also depends upon the potential

softness of the HOME funds and thus removed them from basis but provided a potentially higher credit amount than the standard gap analysis.

Relevant documentation related to this appeal is provided behind the Board Action Request. It should be noted that the applicant has not indicated a specific credit request increase in this appeal.

Applicant:	Pineywoods Old Town Ltd.
Site Location:	Multiple Sites
City/County:	Orange
Regional Allocation Category:	Rural
Set-Aside:	None
Population Served:	Family
Region:	5
Type of Development:	New Construction
Units:	50
Credits Requested:	\$538,534

Staff Recommendation: The Executive Director denied the original appeal. Staff is recommending that the Board also deny the appeal to increase the credit recommendation.

-----Original Message-----

From: Tom Gouris

Sent: Tuesday, April 25, 2006 7:05 PM

To: 'Jennifer Joyce'; Robbye Meyer; 'Brooke Boston'; Bill Dally; Kevin Hamby

Subject: FW: Pineywoods Orange Development, No. 06148

I would recommend denying the appeal with the meat of the proposed response as follows:

While it *may* be possible to structure the HOME funds as a Loan at the Applicable Federal Rate (AFR) to the partnership even though they are being provided as a grant to the general partner, considering them as fully repayable debt would negatively affect the long term feasibility and/or affect the gap analysis of the transaction. Based upon the operating income and expenses provided in the application and the Department's income and expense growth rates of 3% and 4% respectively, the 30-year proforma would reflect infeasibility by year 20 without the adjustments proposed by the underwriter. Moreover, the proforma provided in the application did not include sufficient debt service to support the HOME funds as a truly repayable loan at AFR therefore considering it as property structured to maintain the 9% credit is questionable. Based upon the underwriter's operating estimate reported in the underwriting report, the proposed first lien and the HOME funds at AFR could be repaid at the rates indicated in the application but that would provide a DCR of 1.67 or significantly higher than the 1.30 Department standard in 10TAC 1.32 (d)(4). This would allow an additional first lien debt of \$261,000, still providing an acceptable 1.30 DCR. Based upon the underwriter's initial analysis therefore, the resulting gap in syndication needed would be \$4,566,434 and the resulting credit amount would be \$533,416. The underwriter attempted to provide a compromise solution that maintained long term feasibility but also depends upon the potential softness of the HOME funds and thus removed them from basis but provided a potentially higher credit amount than the standard gap analysis.

Tom Gouris

Director of Real Estate Analysis

Texas Department of Housing and Community Affairs

(512) 475-1470

-----Original Message-----

From: Bast, Cynthia L. [mailto:cbast@lockeliddell.com]

Sent: Tuesday, April 25, 2006 4:34 PM

To: tgouris@tdhca.state.tx.us

Cc: ddowler@pineywoodshometeam.com

Subject: Pineywoods Orange Development, No. 06148

We represent the applicant for the above-referenced application. The applicant wishes to appeal the recommended credit amount, based on the fact that the HOME funds were excluded from eligible basis. Even if the HOME funds go to the general partner at a rate below AFR, the general partner can loan them to the partnership at AFR and avoid a reduction in eligible basis. Note the following from the *Low-Income Housing Tax Credit Handbook* by Novogradac & Company LLP:

"... careful structuring of loan documents *may allow* building owners to maintain eligibility for the 130 percent eligible basis increase . . and still have the 9 percent credit apply to the project. A loan must be both *federal* and *below-market* in order to result in a building being considered federally subsidized. A below-

market loan is one whose interest rate is less than the Applicable Federal Rate (AFR) . . . "

Because the applicant intends to structure the HOME funds so that they are loaned to the partnership at AFR, we believe that the transaction can be structured so that these funds remain in eligible basis and do not impact the nine percent credits.

Please reconsider the Department's credit amount, based upon this information. In the event the Executive Director does not grant the appeal, our client wishes to have this item placed on the agenda of the next available Board meeting.

Thank you, and feel free to contact me with any questions.

Cynthia L. Bast
Locke Liddell & Sapp LLP
100 Congress Avenue, Suite 300
Austin, Texas 78701
512-305-4707 (direct)
512-391-4707 (direct fax)
cbast@lockeliddell.com

MULTIFAMILY FINANCE PRODUCTION DIVISION

BOARD ACTION REQUEST

May 4, 2006

Action Items

Presentation, Discussion and Possible Approval of Policy for Addressing Cost Increases for Housing Tax Credit Applications Awarded Competitive Housing Tax Credits in 2004 and 2005 as Related to Hurricane Rita.

Required Action

Approve, Amend or Deny staff's recommendation.

Background

The Texas Department of Housing and Community Affairs (the "Department") has received numerous calls and inquiries relating to increased construction costs and supply costs due to the impact of Hurricanes Katrina and Rita last September. While limited documentation has been submitted at this time, the Department has reason to believe that the existing 2004 and 2005 9% HTC awards may be affected by this and is committed to identifying a source to handle such cost impacts if substantiated. The 2004 application cost increases will not be substantiated until after placement in service and cost certification which does not occur until early 2007 at the soonest. Commensurately, the 2005 application cost increases will not be substantiated until 2008. Due to the fact there is a national ceiling for each year's allocation, once a 9% HTC award is made, it can not be increased from the same year's allocation pool.

Recommendation

Staff therefore recommends the use of the 2007 and 2008 National Pool to potentially assist with the increased costs for the awards in 2004 and 2005, respectively and/or the use of credits recaptured during the cost certification process in 2007 and 2008 respectively. The policy will be based of the following conditions:

- The cost increases will be reviewed as part of the required cost certification.
- The Applicant will have to substantiate that the increased costs were due to the impact of the hurricanes by showing the increases occurred after the hurricanes (i.e. bids before the hurricanes and bids after the hurricanes).
- The allocation of additional credits would be on a first come / first served basis, as the cost certifications are confirmed as satisfying all requirements.
- The staff will present the increases to the Board for consent of increased credits.
- By approving the recommendation for the use of the National Pool, the Board will give the development community a source of funds they can rely on to assist with the

increased costs and also put them on notice that the National Pool credits would not be available to be added to the ceiling for the 2007 and 2008 program years.

MULTIFAMILY FINANCE PRODUCTION DIVISION

BOARD ACTION REQUEST

May 4, 2006

Action Items

Presentation, Discussion and Ratification of the applications approved by the Executive Director for a portion of the Hurricane Rita Housing Tax Credits in accordance with the Hurricane Rita Housing Tax Credit Application Policy and the 2006 Qualified Allocation Plan and Rules.

Required Action

Ratify the list of recommended applications for Hurricane Rita Housing Tax Credits from the additional 2006 Housing Tax Credit Ceiling of \$3.5 million.

Background and Recommendations

In December 2005, Congress passed HB4440 which gave Texas an additional \$3.5 million of Housing Tax Credit Ceiling to assist with the rebuilding of the Hurricane disaster areas along the gulf coast. The Department's Board made the decision to set-aside the \$3.5 million for the specific counties of the Gulf Coast Opportunity Zone (GO Zone). The Board approved the Hurricane Rita Housing Tax Credit Application Policy (Rita Policy) on January 18, 2006 to allocate the additional \$3.5 million of credit ceiling the State received for the GO Zone. On April 25, 2006, the multifamily staff presented partial award recommendations for approval to the Executive Director and the Executive Award Review Advisory Committee (EARAC). The Executive Director approved three award recommendations from EARAC. The recommendations are attached in this presentation. Staff requests the ratification of the Board for the awards.

I. Application Submissions

There were fourteen Applications submitted reflecting a total request for credits of \$9,573,519.

II. Development Evaluation

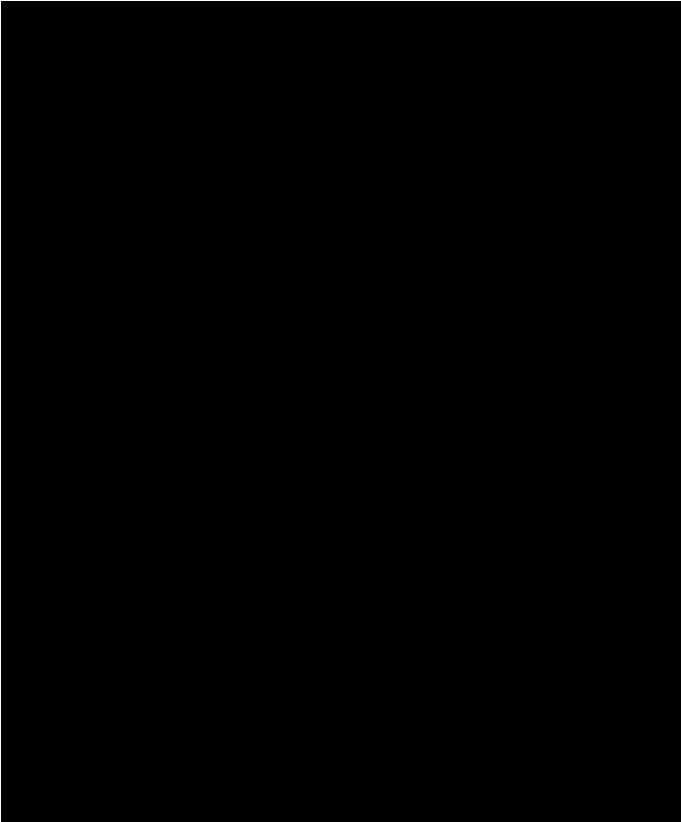
Central to the Hurricane Rita Housing Tax Credit Awards was the Department's commitment to ensuring fairness and consistency in evaluating all of the applications, and ensuring adherence to all required guidelines of the Rita Policy and the 2006 Qualified Allocation Plan and Rules. The Portfolio Management and Compliance Division reviewed all recommended applications for instances of material non-compliance, except where noted. The allocating agencies of other states were contacted to request comments on the applicants' previous participation in their programs.

In accordance with the Rita Policy, staff identified the highest scoring new construction and highest scoring rehabilitation development in descending county order until all credits were allocated.

County order was based on the total number of apartment units destroyed or with major damage in each county as identified in the table below. Therefore, the county with the most damage (Jefferson County) was the first county considered. For that first county, the highest scoring rehabilitation property and the highest scoring new construction property was identified. If a county only had new construction submissions, only one new construction submission – the highest scoring - was identified.

Those designated Applications were then reviewed for threshold and financial feasibility. This process for each county was continued until all credits were recommended for an allocation.

Prioritization Order of Counties



At this time, all applications recommended for an award have been reviewed by the Multifamily Division for threshold, reviewed by the Real Estate Analysis Division for financial feasibility and reviewed by Portfolio Management and Compliance for compliance. Based on these reviews, there are three applications, all in Jefferson County, which were approved by the Executive Director totaling \$1,755,535 of the \$3,500,000 available, leaving a balance of \$1,744,465 for the Hurricane Rita Tax Credit Program.

Using the process for selection referenced above, there are three additional applications that based on score and county designation would suggest an award, but still have pending deficiencies or pending appeals. If those deficiencies or appeal items are satisfactorily resolved in a timely manner and a financial analysis completed, EARAC may subsequently recommend to the Executive Director that awards be made. These applications are Pineywoods Orange Development located in Orange County,

The Women's Shelter of East Texas located in Angelina County and Pear Orchard located in Jefferson County. The current credits requested for these applications total \$1,789,612, which do not all reflect credit amounts adjusted yet by the Real Estate Analysis Division.

If any one or all of these applications does not satisfy its outstanding requirements or is withdrawn, the next highest scoring applications for an allocation would be Twelve Oaks Apartments (Orange County), Briarbend Village at Sienna Trails (Jefferson County) and Cypresswood Crossing (Orange County), respectively.

III. Reports

The first report attached indicates all of the applications submitted for the Hurricane Rita Housing Tax Credit Program.

The second report attached indicates the three applications approved by the Executive Director on April 26, 2006 in accordance with the Hurricane Rita Housing Tax Credit Application Policy.

Following the two reports are the Board Summary and Real Estate Analysis reports for each application approved for an award by the Executive Director.

IV. Staff Recommendation

Staff recommends that the Board ratify the Executive Director's approval of April 26, 2006 of the three applications for totaling \$1,755,535.

**2006 9% HTC Hurricane Award Status May 4, 2006
Sorted by County, Award Status and Final Score**

State Ceiling to be Allocated: \$3,500,000

File #	Region	Development Name	Address	City	County	Construction Type	LI Units	Total Units	Target Population	Credit Rec	Owner Contact	Final Score	Comment
County: Jefferson													
060186	5 A	Sunset Way Apts	Central Mall Dr. and Oakmont Dr.	Port Arthur	Jefferson	New Construction	96	96	Family	\$825,066	Rick Deyoe	177	High Scoring New Construction
060238	5 A	One Southwood Crossing Apts	N Side of I-73 between 9th Ave and Hwy 347	Port Arthur	Jefferson	New Construction	84	84	Family	\$540,416	Ike Akbari	175	High Scoring New Construction
060202	5 A	Beaumont Downtown Lofts	527 Forsythe St. and 620 Pearl St.	Beaumont	Jefferson	Rehab Construction	36	36	Family	\$390,053	Jim Sari	173	High Scoring Rehabilitation
3	Total Applications in County						216	216		\$1,755,535			
060241	5 N	Sienna Trails Townhomes	Center Lot at Sienna Trails and North Concord	Beaumont	Jefferson	New Construction	36	36	Family	\$413,807	Mark Musemeche	174	Not Competitive In County
060240	5 N	Briarbend Village at Sienna Trails	Northeast corner of Sienna Trails and North Concord	Beaumont	Jefferson	New Construction	35	35	Family	\$477,947	Mark Musemeche	174	Not Competitive In County
060239	5 N	Timber Creek at Sienna Trails	Southeast Corner of Sienna Trails and North Concord	Beaumont	Jefferson	New Construction	36	36	Family	\$493,376	Mark Musemeche	174	Not Competitive In County
060199	5 N	Legacy Senior Housing of Port Arthur	3400 Block - Lake Arthur Dr.	Port Arthur	Jefferson	New Construction	120	126	Elderly	\$961,150	Hugh Harrison	168	Not Competitive In County
060065	5 N	Stone Hearst II	1650 E. Lucas Dr.	Beaumont	Jefferson	New Construction	97	100	Family	\$850,000	Ronette Hodges	163	Not Competitive In County
060018	5 N	The Fairgrounds at Concord	2901 Gulf Street	Beaumont	Jefferson	New Construction	114	114	Family	\$1,200,000	Robert L. Reyna	163	Not Competitive In County
060242	5 N	Pear Orchard Apts	4365 South Fourth Street	Beaumont	Jefferson	Rehab Construction	150	150	Family	\$662,559	Jorge Newbery	123	Outstanding Threshold Deficiencies
7	Total Applications in County						588	597		\$5,058,839			
10	Total Applications in County						804	813		\$6,814,374			
County: Orange													
060148	5 N	Pineywoods Orange Development	Scattered Sites	Orange	Orange	New Construction	50	50	Family	\$538,534	Doug Dowler	181	Pending Appeal
060092	5 N	Twelve Oaks Apts	2405 Hwy. 12	Vidor	Orange	New Construction	70	70	Family	\$498,816	Ike Akbari	168	Not Competitive In County
060105	5 N	Cypresswood Crossing	Hwy. 87 @ Hwy. 105	Orange	Orange	New Construction	76	76	Family	\$689,500	Ike Akbari	162	Not Competitive In County
3	Total Applications in County						196	196		\$1,726,850			
3	Total Applications in County						196	196		\$1,726,850			
County: Angelina													
060149	5 N	The Women's Shelter of East Texas	1835 Sayers	Lufkin	Angelina	New Construction	52	52	Family	\$588,519	Doug Dowler	169	Pending Appeal
1	Total Applications in County						52	52		\$588,519			
1	Total Applications in County						52	52		\$588,519			
14	Total Applications						1,052	1,061		\$9,129,743			

**2006 9% HTC Hurricane Rita Award Ratifications May 4, 2006
Sorted by County and Final Score**

State Ceiling to be Allocated: \$3,500,000

File #	Region	Development Name	Address	City	County	Construction Type	LI Units	Total Units	Target Population	Credit Rec	Owner Contact	Final Score	Comment
County: Jefferson													
060186	5 A	Sunset Way Apts	Central Mall Dr. and Oakmont Dr.	Port Arthur	Jefferson	New Construction	96	96	Family	\$825,066	Rick Deyoe	177	High Scoring New Construction
060238	5 A	One Southwood Crossing Apts	N Side of I-73 between 9th Ave and Hwy 347	Port Arthur	Jefferson	New Construction	84	84	Family	\$540,416	Ike Akbari	175	High Scoring New Construction
060202	5 A	Beaumont Downtown Lofts	527 Forsythe St. and 620 Pearl St.	Beaumont	Jefferson	Rehab Construction	36	36	Family	\$390,053	Jim Sari	173	High Scoring Rehabilitation
3 Total Applications							216	216		\$1,755,535			



MULTIFAMILY FINANCE PRODUCTION DIVISION

May 4, 2006

Development Information, Public Input and Board Summary

Sunset Way Apts, TDHCA Number 060186

BASIC DEVELOPMENT INFORMATION

Site Address: Central Mall Dr. and Oakmont Dr. Development #: 060186
 City: Port Arthur Region: 5 Population Served: Family
 County: Jefferson Zip Code: 77642 Allocation: Urban/Exurban
 HTC Set Asides: At-Risk Nonprofit USDA Rural Rescue Purpose/Activity: NC
 HOME Set Asides: CHDO Preservation General
 Bond Issuer:

HTC Purpose/Activity: NC=New Construction, ACQ=Acquisition, R=Rehabilitation, NC/ACQ=New Construction and Acquisition, NC/R=New Construction and Rehabilitation, ACQ/R=Acquisition and Rehabilitation

OWNER AND DEVELOPMENT TEAM

Owner: Sunset Way, Ltd.
 Rick Deyoe - Phone: (512) 306-9206
 Developer: Sunset Way Development, LLC
 Housing General Contractor: Safari Construction Inc.
 Architect: Northfield Design Associates
 Market Analyst: O'Connor & Associates
 Syndicator: TBD
 Supportive Services: Texas Inter-faith Housing Corporation
 Consultant:

UNIT/BUILDING INFORMATION

<u>30%</u>	<u>40%</u>	<u>50%</u>	<u>60%</u>	<u>Eff</u>	<u>1 BR</u>	<u>2 BR</u>	<u>3 BR</u>	<u>4 BR</u>	<u>5 BR</u>	Total Restricted Units:	96	
10	0	0	86	0	24	40	32	0	0	Market Rate Units:	0	
Type of Building: <input checked="" type="checkbox"/> 5 units or more per building											Owner/Employee Units:	0
<input type="checkbox"/> Duplex <input type="checkbox"/> Detached Residence											Total Development Units:	96
<input type="checkbox"/> Triplex <input type="checkbox"/> Single Room Occupancy											Total Development Cost:	\$9,784,220
<input type="checkbox"/> Fourplex <input type="checkbox"/> Transitional											Number of Residential Buildings:	6
<input type="checkbox"/> Townhome												

Note: If Development Cost = \$0, an Underwriting Report has not been completed.

FUNDING INFORMATION

	<u>Applicant Request</u>	<u>Department Analysis</u>	<u>Amort</u>	<u>Term</u>	<u>Rate</u>
9% Housing Tax Credits-Credit Ceiling:	\$0	\$0	0	0	0.00%
4% Housing Tax Credits with Bonds:	\$0	\$0	0	0	0.00%
TDHCA Bond Allocation Amount:	\$0	\$0	0	0	0.00%
HOME Activity Fund Loan Amount:	\$0	\$0	0	0	0.00%
HOME CHDO Operating Grant Amount:	\$0	\$0	0	0	0.00%
Hurricane Rita Housing Tax Credits:	\$825,066	\$825,066	0	0	0.00%
Housing Trust Fund Loan Amount:	\$0	\$0	0	0	0.00%



MULTIFAMILY FINANCE PRODUCTION DIVISION

May 4, 2006

Development Information, Public Input and Board Summary

Sunset Way Apts, TDHCA Number 060186

PUBLIC COMMENT SUMMARY

Guide: "O" = Oppose, "S" = Support, "N" = Neutral, "NC" or Blank = No comment

State/Federal Officials with Jurisdiction:

TX Senator: Janek, District 17

S Points: 7

US Representative: Poe, District 2,

TX Representative: Ritter, District 21

S Points: 7

US Senator: NC

Local Officials and Other Public Officials:

Mayor/Judge: NC

Resolution of Support from Local Government

Thomas J. Henderson, Councilmember, City of Port Arthur, N

Individuals/Businesses: In Support: 0

In Opposition: 0

Neighborhood Input:

N/A,

Letter Score: ___ S or O:

General Summary of Comment:

CONDITIONS OF COMMITMENT

Receipt, review, and acceptance of an acceptable site inspection from TDHCA staff.

Should the terms and rates of the proposed debt or syndication change, the transaction should be re evaluated and an adjustment to the credit amount/allocation amount may be warranted.



MULTIFAMILY FINANCE PRODUCTION DIVISION

May 4, 2006

Development Information, Public Input and Board Summary

Sunset Way Apts, TDHCA Number 060186

RECOMMENDATION BY THE EXECUTIVE AWARD AND REVIEW ADVISORY COMMITTEE IS BASED ON:

9% HTC Hurricane Rita: Score: **177** Meeting a Required Set-Aside Credit Amount: \$825,066

Recommendation: Recommend approval of a Housing Tax Credit allocation not to exceed \$825,046 annually for ten years, subject to conditions.

HOME Activity Funds Loan: Loan Amount: \$0

HOME CHDO Operating Expense Grant Grant Amount: \$0

Recommendation:

Housing Trust Fund Loan: Meeting a Required Set-Aside Loan Amount: \$0

Recommendation:

4% Housing Tax Credits with Bond Issuance: Credit Amount: \$0

Recommendation:

Private Activity Bond Issuance with TDHCA: Bond Amount: \$0

Recommendation:

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

DATE: April 14, 2006

PROGRAM: 9% HTC

FILE NUMBER: 060186

DEVELOPMENT NAME

Sunset Way Apartments

APPLICANT

Name: Sunset Way, Ltd. **Contact:** Rick J. Deyoe
Address: 912 S. Capital of Texas Hwy, Suite 200
City: Austin **State:** TX **Zip:** 78746
Phone: (512) 306-9206 **Fax:** (512) 306-9010 **Email:** rdeyoe@realtexdevelopmant.com

KEY PARTICIPANTS

Name: Sunset Way I, LLC **Title:** .01% Managing General Partner of Applicant
Name: Sunset Way Development, LLC **Title:** Developer
Name: Realtex Development Corporation **Title:** 93% Owner of Developer
Name: Rick J. Deyoe **Title:** 95% Owner of MGP
Name: John O. Boyd **Title:** 5% Owner of MGP

PROPERTY LOCATION

Location: Central Mall Drive & Oakmont Drive
City: Port Arthur **Zip:** 77642
County: Jefferson **Region:** 5 **QCT** **DDA**

REQUEST

<u>Program</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Amortization</u>	<u>Term</u>
HTC	\$887,753	N/A	N/A	N/A
Proposed Use of Funds:	<u>New construction</u>	Type:	<u>Multifamily</u>	
Target Population:	<u>Family</u>	Other:	<u>Urban/Exurban</u>	

RECOMMENDATION

RECOMMEND APPROVAL OF A HOUSING TAX CREDIT ALLOCATION NOT TO EXCEED \$825,046 ANNUALLY FOR TEN YEARS, SUBJECT TO CONDITIONS.

CONDITIONS

1. Receipt, review, and acceptance of an acceptable site inspection from TDHCA staff.
2. Should the terms and rates of the proposed debt or syndication change, the transaction should be re-evaluated and an adjustment to the credit amount may be warranted.

REVIEW of PREVIOUS UNDERWRITING REPORTS

No previous reports.

DEVELOPMENT SPECIFICATIONS

IMPROVEMENTS

Total Units: 96 **# Res Bldgs** 6 **# Non-Res Bldgs** 2 **Age:** N/A yrs
Net Rentable SF: 92,848 **Av Un SF:** 967 **Common Area SF:** 2,886 **Gross Bldg SF:** 95,734

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ARCHITECTURAL REVIEW

The building and unit plans are comparable to other modern apartment developments. They appear to provide acceptable access and storage. The elevations reflect attractive buildings.

STRUCTURAL MATERIALS

The structures will be constructed on a concrete slab. According to the plans provided in the application the exterior will be 20% cement fiber and 80% stucco. The interior wall surfaces will be drywall and the roofs will be finished with composite shingles.

UNIT FEATURES

The interior flooring will be carpet and resilient covering. Threshold criteria for the 2006 QAP requires all development units to include: mini blinds or window coverings for all windows, a dishwasher, a disposal, a refrigerator, an oven/range, an exhaust/vent fan in bathrooms, and a ceiling fan in each living area and bedroom. New construction units must also include three networks: one for phone service, one for data service, and one for TV service. In addition, each unit will include: laundry connections, a ceiling fixture in each room, individual heating and air conditioning unit, and individual water heater.

ONSITE AMENITIES

In order to meet threshold criteria for total units of 77 or more, the Applicant has elected to provide a barbecue or picnic table for every 50 units, community laundry room, controlled access gates, an equipped business center or computer learning center, full perimeter fencing, a furnished community room, a furnished fitness center, a gazebo with sitting area, public telephones, a swimming pool, and a volleyball court.

Uncovered Parking: 157 spaces **Carports:** 36 spaces **Garages:** 0 spaces

PROPOSAL and DEVELOPMENT PLAN DESCRIPTION

Description: Sunset Way is a 15-unit per acre new construction development located in southwest Port Arthur. The development is comprised of six evenly distributed walk-up residential buildings as follows:

<u>No. of Buildings</u>	<u>No. of Floors</u>	<u>Eff</u>	<u>1BR</u>	<u>2BR</u>	<u>3BR</u>	<u>4BR</u>
3	2	0	8	0	8	0
1	2	0	0	8	8	0
2	2	0	0	16	0	0

The development includes a 2,886-square foot community buildings and a separate 530-square foot maintenance building

SITE ISSUES

SITE DESCRIPTION

Total Size: <u>6.4 acres</u>	Scattered sites?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Flood Zone: <u>Zone B</u>	Within 100-year floodplain?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Current Zoning: <u>PD-2</u>	Needs to be re-zoned?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A

SITE and NEIGHBORHOOD CHARACTERISTICS

Location: Port Arthur is located in southeast Texas, approximately 95 miles east from Houston in Jefferson County. The site is located on the north line of Turtle Creek Drive and the south line of Central Mall Drive, with additional frontage on the west line of Oakmont Drive.

Adjacent Land Uses:

- **Northwest:** Central Mall Drive immediately adjacent and vacant land and Central Mall retail beyond;
- **Northeast:** Oakmont Drive immediately adjacent and multifamily beyond;
- **Southeast:** Turtle Creek Drive immediately adjacent and multifamily beyond; and
- **Southwest:** vacant land immediately adjacent and multifamily beyond.

Site Access: The subject property is accessible from the Port Arthur CBD by proceeding north on Proctor to Highway 69 to Turtle Creek Drive, then northeast on Turtle Creek Drive approximately one half mile to the subject site.

Public Transportation: The availability of public transportation was not identified in the application

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

materials.

Shopping & Services: The site is within several miles of single-tenant and small neighborhood retail centers as well as Central Mall, the largest shopping center in the neighborhood. Schools, churches, and hospitals and health care facilities are located within a short driving distance from the site.

TDHCA SITE INSPECTION

Inspector: Manufactured Housing Staff **Date:** __/__/__
Overall Assessment: Excellent Acceptable Questionable Poor Unacceptable
Comments: Report not yet received – condition of approval.

HIGHLIGHTS of SOILS & HAZARDOUS MATERIALS REPORT(S)

A Phase I Environmental Site Assessment report dated January 24, 2006 was prepared by Kleinfelder and contained the following findings and recommendations:

Recommendations: “Based on the site and area conditions observed, as well as a review of regulatory documents, no evidence of recognized environmental conditions was identified for the subject site. No further environmental assessment is recommended.” (p. 2)

INCOME SET-ASIDE

The Applicant has elected the 40% at 60% or less of area median gross income (AMGI) set-aside. All 96 of the units (100% of the total) will be reserved for low-income tenants. Ten of the units (10.4%) will be reserved for households earning 30% or less of AMI and 86 units (89.6%) will be reserved for households earning 60% or less of AMI.

MAXIMUM ELIGIBLE INCOMES						
	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons
60% of AMI	\$21,240	\$24,300	\$27,300	\$30,360	\$32,760	\$35,220

MARKET HIGHLIGHTS

A market feasibility study dated January 30, 2006 was prepared by O’Connor & Associates (“Market Analyst”) and included the following findings:

Definition of Primary Market Area (PMA): “The subject’s primary market is defined as that area within Zip Codes 77619, 77627, 77642, and 77651.” (p. 10). The physical boundaries are Naches River to the north, Galveston Bay to the south and east, and Highway 69 and Holmes Road to the west. This area encompasses approximately 49.4 square miles and is equivalent to a circle with a radius of four miles.

Population: The estimated 2005 population of the PMA was 88,014 and is expected to decrease by 1% to approximately 87,347 by 2010. Within the primary market area there were estimated to be 33,782 households in 2005.

Total Market Demand: The Market Analyst utilized a household size-appropriate adjustment rate of 95.94% (p. 70). The Analyst’s income band of \$8,160 to \$34,020 (p. 65) results in a renter-income eligible adjustment rate of 17.20% (p. 70). The Market Analyst indicates a turnover rate of 65% based on interviews with area apartment managers; turnover at these properties has typically ranged from 40% to 100% annually. IREM does not report turnover for the Beaumont/Port Arthur MSA. (p. 66).

In addition, the number of Section 8 vouchers available was determined by contacting the local housing authority with jurisdiction over the subject’s location, which in this case was the City of Port Arthur. The number of income-qualified households was determined by calculating the number of households in the PMA earning below the minimum income required to rent at the subject property, which equated to 8.00% of the households earning below \$8,160. (p. 68)

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

MARKET DEMAND SUMMARY				
Type of Demand	Market Analyst		Underwriter	
	Units of Demand	% of Total Demand	Units of Demand	% of Total Demand
Household Growth	-17	0%	-8	0%
Resident Turnover	3,606	98%	1,584	94%
Other Sources: Section 8 Vouchers	175	2%	80	6%
TOTAL DEMAND	3,686	100%	1,656	100%

p. 70

Inclusive Capture Rate: The Market Analyst originally calculated an inclusive capture rate of 9.12% based upon 3,686 units of demand and 336 unstabilized affordable housing in the PMA (including the subject) (p. 71). After reconsideration the Market Analyst determined that there were 300 unstabilized affordable housing units in the PMA including the proposed Phase II of Southwood Crossing; therefore, adjusted the inclusive capture rate to 8.14%. The Underwriter calculated an inclusive capture rate of approximately 18.12% based upon a revised demand estimate for 1,656 affordable units. Both are acceptable overall inclusive capture rates.

Market Rent Comparables: The Market Analyst surveyed five comparable apartment projects totaling 581 units in the market area. (p. 47)

RENT ANALYSIS (net tenant-paid rents)					
Unit Type (% AMI)	Proposed	Program Max	Differential	Est. Market	Differential
1-Bedroom (30%)	\$229	\$239	-\$10	\$725	-\$496
1-Bedroom (60%)	\$503	\$523	-\$20	\$725	-\$222
2-Bedroom (30%)	\$273	\$285	-\$12	\$945	-\$672
2-Bedroom (60%)	\$603	\$625	-\$22	\$945	-\$342
3-Bedroom (30%)	\$309	\$323	-\$14	\$1,075	-\$766
3-Bedroom (60%)	\$690	\$717	-\$27	\$1,075	-\$385

(NOTE: Differentials are amount of difference between proposed rents and program limits and average market rents, e.g., proposed rent =\$500, program max =\$600, differential = -\$100)

Primary Market Occupancy Rates: “The occupancy of the comparable rentals included in this study was 100% (of rentable units). The average occupancy for apartments in the subject’s primary market area was reported at 94.40% in the most recent Apartment MarketData survey (November 2005).” (p. 42)

Absorption Projections: “Absorption in the subject’s primary market area over the past twelve months ending December 2005 was minimal due to the lack of new construction and the high average occupancy.” (p. 42) Considering the strong absorption history of similar properties and the lack of available quality affordable units in this market, we project that the subject property will lease an average of 10-25 units per month until achieving stabilized occupancy. We anticipate that the subject property will achieve stabilized occupancy with in four to eight months following completion.” (p. 78)

Unstabilized, Under Construction, and Planned Development: “Based on our research, there are no market rate and one affordable housing project (Southwood Crossing) which is approved, under construction, or non-stabilized in the primary market area. There is also one proposed Family HTC project (Southwood Crossing I). Thus, based on our analysis, there are 300 units (including the subject) that are under construction, approved, non-stabilized, or proposed in the subject’s primary market area, 300 of which will be rent restricted (including the subject).” (p. 78)

Market Study Analysis/Conclusions: The Underwriter found the market study provided sufficient information on which to base a funding recommendation

OPERATING PROFORMA ANALYSIS

Income: At the time of application, the 2006 rent limits had not been released and thus the Applicant used 2005 rent limits in setting rents. Based on the Applicant’s intention to charge maximum program rents, the Underwriter used the 2006 maximum rents in this analysis, which results in an increase of \$25.4K in potential

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gross rent. Tenants will be required to pay electric, natural gas, water, and sewer costs. The Applicant's estimate of secondary income included rental income for carports. The Applicant's total per unit secondary income of \$21.25 exceeds the underwriting guideline of \$15 per unit per month. As a result of these differences the Applicant's effective gross income estimate is \$16.8 less than the Underwriter's estimate.

Expenses: The Applicant's total annual operating expense projection at \$4,153 per unit is the same as the Underwriter's estimate of \$4,153, derived from the TDHCA database. The Applicant's budget shows one line item estimates, however, that deviate significantly when compared to the database averages, particularly payroll (\$13.2K higher).

Conclusion: The Applicant's gross income and expenses are within 5% of the Underwriter's, but net operating income (NOI) estimate is not within 5% of the Underwriter's estimate. Therefore, the Underwriter's NOI will be used to evaluate debt service capacity. The proforma and estimated debt service results in a debt coverage ratio (DCR) within the current underwriting maximum guideline of 1.30.

ACQUISITION VALUATION INFORMATION

ASSESSED VALUE

Land: (6.4) acres	\$667,050	Assessment for the Year of:	2005
Tax Rate:	3.217912	Valuation by:	Jefferson County Appraisal District

EVIDENCE of SITE or PROPERTY CONTROL

Type of Site Control:	Earnest money contract (6.4 acres)		
Contract Expiration:	9/30/2006 and two one-month extensions	Valid through Board Date?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Acquisition Cost:	\$871,200	Other:	Earnest Money: \$12,000
Seller:	Mickey Phelan B Land, L.P.	Related to Development Team?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

CONSTRUCTION COST ESTIMATE EVALUATION

Acquisition Value: The site cost of \$136,125 per acre or \$9,075 per unit is assumed to be reasonable since the acquisition is an arm's-length transaction.

Sitework Cost: The Applicant's claimed sitework costs of \$7,369 per unit are within current Department guidelines. Therefore, further third party substantiation is not required.

Direct Construction Cost: The Applicant's direct construction cost estimate is \$496K or 11% higher than the Underwriter's Marshall & Swift *Residential Cost Handbook*-derived estimate.

Fees: The Applicant's contractor's and developer's fees for general requirements, general and administrative expenses, and profit are all within the maximums allowed by TDHCA guidelines based on the Applicant's costs, though all exceed the maximums when compared to the Underwriter's direct costs.

Conclusion: The Applicant's total development cost is not within 5% of the Underwriter's estimate; therefore, the Underwriter's cost schedule will be used to determine the development's need for permanent funds and to calculate eligible basis. An eligible basis of \$7,811,992 supports annual tax credits of \$829,712. This figure will be compared to the Applicant's request and the tax credits calculated based on the gap in need for permanent funds to determine the recommended allocation.

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FINANCING STRUCTURE			
INTERIM TO PERMANENT FINANCING			
Source:	PNC Multi-Family Capital		Contact: Nicole Flores
Principal:	\$2,276,874	Interest Rate: 7.75%, fixed, lender's estimate	Amort: 360 months
Documentation:	<input checked="" type="checkbox"/> Signed <input type="checkbox"/> Term Sheet <input type="checkbox"/> LOI <input type="checkbox"/> Firm Commitment <input checked="" type="checkbox"/> Conditional Commitment <input type="checkbox"/> Application		
Comments:	_____		

TAX CREDIT SYNDICATION			
Source:	PNC Multi-Family Capital		Contact: Nicole Flores
Proceeds:	\$8,077,748	Net Syndication Rate: 91%	Anticipated HTC: \$887,753/year
Documentation:	<input checked="" type="checkbox"/> Signed <input type="checkbox"/> Term Sheet <input type="checkbox"/> LOI <input type="checkbox"/> Firm Commitment <input checked="" type="checkbox"/> Conditional Commitment <input type="checkbox"/> Application		
Comments:	_____		

OTHER	
Amount: \$79,653	Source: Deferred Developer Fee

FINANCING STRUCTURE ANALYSIS

Interim to Permanent Financing: The interest during construction for the Construction Loan shall be Prime floating as determined by the Lender. The Term Loan shall have a pre-committed fixed rate of interest per annum as established at the Construction Loan closing by Lender. The underwritten term debt interest rate is 7.75%, subject to adjustment in the even market conditions change prior to closing. This rate is on the high end of current interest rates and any reduction would allow additional debt serviceable at a 1.30 DCR and could reduce the gap of funds filled with tax credit syndication. It is the Lender's assessment that the Property will be financially feasible for a period of thirty years.

Other Financings: The Applicant also included a loan from the City of Port Arthur in the amount of \$336,096. However, this loan is only structured for use as a predevelopment loan and is required to be repaid in 12 months and therefore was not considered part of the permanent financing for the Development.

HTC Syndication: The tax credit syndication commitment is consistent with the terms reflected in the sources and uses of funds listed in the application. The Syndication rate is at the low end of rates currently seen in the market and any increase could reduce the need for tax credits from a gap based method.

Deferred Developer's Fees: The Applicant's proposed deferred developer's fees of \$79,653 amount to 7% of the total fees.

Financing Conclusions: As stated above, the Underwriter's costs are used to size the funding need due to the Applicant's costs being more than 5% higher. The Underwriter's total development cost estimate less the permanent loan indicates the need for \$7,507,346 in gap funds. Based on the submitted syndication terms, a tax credit allocation of \$825,066 annually would be required to fill this gap in financing. Based on the Underwriter's analysis there will be no need to defer the developer fee.

DEVELOPMENT TEAM
IDENTITIES of INTEREST
<ul style="list-style-type: none"> The Applicant and Developer are related entities. These are common relationships for HTC-funded developments.

APPLICANT'S/PRINCIPALS' FINANCIAL HIGHLIGHTS, BACKGROUND, and EXPERIENCE

Financial Highlights:

- The Applicant and General Partner are single-purpose entities created for the purpose of receiving assistance from TDHCA and therefore have no material financial statements.
- The 93% owner of the Developer, Realtex Development Corporation, submitted an unaudited financial statement as of December 31, 2005 reporting total assets of \$5.9M and consisting of \$886K in cash, \$651 in receivables, and \$4.4M in other assets. Liabilities totaled \$1.6M, resulting in a net worth of \$4.4M.

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- The principal of the General Partner, Rick Deyoe, submitted an unaudited financial statement as of January 31, 2006 and is anticipated to be guarantor of the development.
Background & Experience: Multifamily Production Finance Staff have verified that the Department's experience requirements have been met and Portfolio Management and Compliance staff will ensure that the proposed owners have an acceptable record of previous participation.

SUMMARY OF SALIENT RISKS AND ISSUES

- The Applicant's operating proforma is more than 5% outside of the Underwriter's verifiable range.
- The Applicant's direct construction costs differ from the Underwriter's *Marshall and Swift*-based estimate by more than 5%.
- The Applicant's total development costs differ from the Underwriter's cost estimate by more than 5%.
- The significant financing structure changes being proposed have not been reviewed or accepted by the Applicant, lenders, and syndicators, and acceptable alternative structures may exist.

Underwriter:

Carl Hoover

Date: April 14, 2006

Director of Real Estate Analysis:

Tom Gouris

Date: April 14, 2006

MULTIFAMILY COMPARATIVE ANALYSIS

Sunset Way, Port Arthur, 9% HTC #060186

Type of Unit	Number	Bedrooms	No. of Baths	Size in SF	Gross Rent Lmt.	Rent Collected	Rent per Month	Rent per SF	Tnt-Pd Util	Trash Only
TC (30%)	4	1	1	709	\$285	\$239	\$956	\$0.34	\$46.00	\$15.00
TC (60%)	20	1	1	709	569	\$523	10,460	0.74	46.00	15.00
TC (30%)	4	2	2	963	342	\$285	1,140	0.30	57.00	15.00
TC (60%)	36	2	2	963	682	\$625	22,500	0.65	57.00	15.00
TC (30%)	2	3	2	1,166	395	\$323	646	0.28	72.00	15.00
TC (60%)	30	3	2	1,166	789	\$717	21,510	0.61	72.00	15.00
TOTAL:	96		AVERAGE:	967	\$655	\$596	\$57,212	\$0.62	\$59.25	\$15.00

INCOME				Total Net Rentable Sq Ft: 92,848		TDHCA	APPLICANT	Comptroller's Region 5		
POTENTIAL GROSS RENT						\$686,544	\$661,128	IREM Region		
Secondary Income		Per Unit Per Month:	\$15.00			17,280	24,480	\$21.25	Per Unit Per Month	
Other Support Income: (describe)						0		\$0.00	Per Unit Per Month	
POTENTIAL GROSS INCOME						\$703,824	\$685,608			
Vacancy & Collection Loss		% of Potential Gross Income:	-7.50%			(52,787)	(51,420)	-7.50%	of Potential Gross Rent	
Employee or Other Non-Rental Units or Concessions						0				
EFFECTIVE GROSS INCOME						\$651,037	\$634,188			
EXPENSES				% OF EGI	PER UNIT	PER SQ FT		PER SQ FT	PER UNIT	% OF EGI
General & Administrative		6.00%	\$407	0.42		\$39,076	\$35,400	\$0.38	\$369	5.58%
Management		5.00%	339	0.35		32,552	31,709	0.34	330	5.00%
Payroll & Payroll Tax		13.46%	913	0.94		87,619	100,800	1.09	1,050	15.89%
Repairs & Maintenance		5.55%	376	0.39		36,143	39,900	0.43	416	6.29%
Utilities		4.64%	315	0.33		30,233	23,940	0.26	249	3.77%
Water, Sewer, & Trash		4.64%	315	0.33		30,224	29,000	0.31	302	4.57%
Property Insurance		4.42%	300	0.31		28,754	31,000	0.33	323	4.89%
Property Tax	3.217912	11.86%	804	0.83		77,230	70,116	0.76	730	11.06%
Reserve for Replacements		2.95%	200	0.21		19,200	19,200	0.21	200	3.03%
Other: compl fees, supp serv		2.71%	184	0.19		17,664	17,664	0.19	184	2.79%
TOTAL EXPENSES		61.24%	\$4,153	\$4.29		\$398,694	\$398,729	\$4.29	\$4,153	62.87%
NET OPERATING INC		38.76%	\$2,629	\$2.72		\$252,343	\$235,459	\$2.54	\$2,453	37.13%
DEBT SERVICE										
PNC Bank		30.07%	\$2,039	\$2.11		\$195,742	\$195,742	\$2.11	\$2,039	30.86%
Additional Financing		0.00%	\$0	\$0.00		0	0	\$0.00	\$0	0.00%
Additional Financing		0.00%	\$0	\$0.00		0	0	\$0.00	\$0	0.00%
NET CASH FLOW		8.69%	\$590	\$0.61		\$56,602	\$39,717	\$0.43	\$414	6.26%
AGGREGATE DEBT COVERAGE RATIO						1.29	1.20			
RECOMMENDED DEBT COVERAGE RATIO						1.29				

CONSTRUCTION COST						TDHCA	APPLICANT	PER SQ FT	PER UNIT	% of TOTAL
Acquisition Cost (site or bldg)		8.90%	\$9,075	\$9.38		\$871,200	\$871,200	\$9.38	\$9,075	8.35%
Off-Sites		0.00%	0	0.00		0	0	0.00	0	0.00%
Sitework		7.23%	7,369	7.62		707,439	707,439	7.62	7,369	6.78%
Direct Construction		44.50%	45,357	46.90		4,354,234	4,850,082	52.24	50,522	46.48%
Contingency	4.46%	2.31%	2,350	2.43		225,634	225,634	2.43	2,350	2.16%
General Req'ts	6.00%	3.10%	3,164	3.27		303,700	333,451	3.59	3,473	3.20%
Contractor's G & A	2.00%	1.03%	1,055	1.09		101,233	111,150	1.20	1,158	1.07%
Contractor's Profit	6.00%	3.10%	3,164	3.27		303,700	333,451	3.59	3,473	3.20%
Indirect Construction		5.77%	5,885	6.09		565,000	565,000	6.09	5,885	5.41%
Ineligible Costs		9.21%	9,389	9.71		901,380	901,380	9.71	9,389	8.64%
Developer's G & A	5.15%	3.57%	3,641	3.76		349,508	434,298	4.68	4,524	4.16%
Developer's Profit	9.85%	6.84%	6,973	7.21		669,447	669,447	7.21	6,973	6.42%
Interim Financing		2.37%	2,418	2.50		232,095	232,095	2.50	2,418	2.22%
Reserves		2.04%	2,080	2.15		199,648	199,648	2.15	2,080	1.91%
TOTAL COST		100.00%	\$101,919	\$105.38		\$9,784,220	\$10,434,275	\$112.38	\$108,690	100.00%
Construction Cost Recap		61.28%	\$62,458	\$64.58		\$5,995,941	\$6,561,207	\$70.67	\$68,346	62.88%
						2006 QAP §50.9(i)(8) points awarded for costs less than \$0.00 per square foot				

SOURCES OF FUNDS						RECOMMENDED			
PNC Bank		23.27%	\$23,717	\$24.52		\$2,276,874	\$2,276,874	Developer Fee Available	
Additional Financing		0.00%	\$0	\$0.00		0	0	\$1,018,955	
HTC Syndication Proceeds		82.56%	\$84,143	\$87.00		8,077,748	8,077,748	% of Dev. Fee Deferred	
Deferred Developer Fees		0.81%	\$830	\$0.86		79,653	79,653	0%	
Additional (Excess) Funds Req'd		-6.64%	(\$6,771)	(\$7.00)		(650,055)	0	15-Yr Cumulative Cash Flow	
TOTAL SOURCES						\$9,784,220	\$10,434,275	\$9,784,220	\$1,216,729

MULTIFAMILY COMPARATIVE ANALYSIS(continued)

Sunset Way, Port Arthur, 9% HTC #060186

DIRECT CONSTRUCTION COST ESTIMATE

Residential Cost Handbook
Average Quality Multiple Residence Basis

CATEGORY	FACTOR	UNITS/SQ FT	PER SF	AMOUNT
Base Cost			\$48.87	\$4,537,830
Adjustments				
Exterior Wall Finish			\$0.00	\$0
Elderly/9-Ft. Ceilings			0.00	0
Roofing			0.00	0
Subfloor			(1.12)	(103,990)
Floor Cover			2.22	206,123
Porches/Balconies	\$19.79	12,285	2.62	243,059
Plumbing	\$680	216	1.58	146,880
Built-In Appliances	\$1,675	96	1.73	160,800
Stairs/Fireplaces	\$1,900	16	0.33	30,400
Under Roof Corridors	\$38.95	6400	2.69	249,304
Heating/Cooling			1.73	160,627
Garages/Carports		0	0.00	0
Comm &/or Aux Bldgs	\$67.85	2,886	2.11	195,822
Other:			0.00	0
SUBTOTAL			62.76	5,826,855
Current Cost Multiplier	1.03		1.88	174,806
Local Multiplier	0.89		(6.90)	(640,954)
TOTAL DIRECT CONSTRUCTION COSTS			\$57.74	\$5,360,707
Plans, specs, survy, bld prm	3.90%		(\$2.25)	(\$209,068)
Interim Construction Interest	3.38%		(1.95)	(180,924)
Contractor's OH & Profit	11.50%		(6.64)	(616,481)
NET DIRECT CONSTRUCTION COSTS			\$46.90	\$4,354,234

PAYMENT COMPUTATION

Primary	\$2,276,874	Amort	360
Int Rate	7.75%	DCR	1.29

Secondary	\$0	Amort	
Int Rate	0.00%	Subtotal DCR	1.29

Additional		Amort	
Int Rate		Aggregate DCR	1.29

RECOMMENDED FINANCING STRUCTURE:

Primary Debt Service	\$195,742
Secondary Debt Service	0
Additional Debt Service	0
NET CASH FLOW	\$56,602

Primary	\$2,276,874	Amort	360
Int Rate	7.75%	DCR	1.29

Secondary	\$0	Amort	0
Int Rate	0.00%	Subtotal DCR	1.29

Additional	\$0	Amort	0
Int Rate	0.00%	Aggregate DCR	1.29

OPERATING INCOME & EXPENSE PROFORMA: RECOMMENDED FINANCING STRUCTURE

INCOME at 3.00%	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 15	YEAR 20	YEAR 30
POTENTIAL GROSS RENT	\$686,544	\$707,140	\$728,355	\$750,205	\$772,711	\$895,784	\$1,038,459	\$1,203,859	\$1,617,886
Secondary Income	17,280	17,798	18,332	18,882	19,449	22,546	26,138	30,301	40,721
Other Support Income: (describ	0	0	0	0	0	0	0	0	0
POTENTIAL GROSS INCOME	703,824	724,939	746,687	769,087	792,160	918,331	1,064,597	1,234,160	1,658,607
Vacancy & Collection Loss	(52,787)	(54,370)	(56,002)	(57,682)	(59,412)	(68,875)	(79,845)	(92,562)	(124,396)
Employee or Other Non-Rental	0	0	0	0	0	0	0	0	0
EFFECTIVE GROSS INCOME	\$651,037	\$670,568	\$690,685	\$711,406	\$732,748	\$849,456	\$984,752	\$1,141,598	\$1,534,212
EXPENSES at 4.00%									
General & Administrative	\$39,076	\$40,639	\$42,265	\$43,955	\$45,714	\$55,618	\$67,667	\$82,328	\$121,865
Management	32,552	33,528	34,534	35,570	36,637	42,473	49,238	57,080	76,711
Payroll & Payroll Tax	87,619	91,123	94,768	98,559	102,501	124,709	151,727	184,599	273,252
Repairs & Maintenance	36,143	37,589	39,092	40,656	42,282	51,443	62,588	76,147	112,717
Utilities	30,233	31,442	32,700	34,008	35,368	43,031	52,354	63,696	94,286
Water, Sewer & Trash	30,224	31,433	32,690	33,998	35,358	43,018	52,338	63,677	94,258
Insurance	28,754	29,904	31,100	32,344	33,638	40,925	49,792	60,579	89,672
Property Tax	77,230	80,319	83,532	86,873	90,348	109,922	133,737	162,712	240,853
Reserve for Replacements	19,200	19,968	20,767	21,597	22,461	27,328	33,248	40,452	59,878
Other	17,664	18,371	19,105	19,870	20,664	25,141	30,588	37,215	55,088
TOTAL EXPENSES	\$398,694	\$414,316	\$430,553	\$447,430	\$464,972	\$563,607	\$683,277	\$828,486	\$1,218,580
NET OPERATING INCOME	\$252,343	\$256,252	\$260,132	\$263,976	\$267,776	\$285,849	\$301,475	\$313,112	\$315,632
DEBT SERVICE									
First Lien Financing	\$195,742	\$195,742	\$195,742	\$195,742	\$195,742	\$195,742	\$195,742	\$195,742	\$195,742
Second Lien	0	0	0	0	0	0	0	0	0
Other Financing	0	0	0	0	0	0	0	0	0
NET CASH FLOW	\$56,602	\$60,511	\$64,390	\$68,234	\$72,035	\$90,107	\$105,734	\$117,370	\$119,890
DEBT COVERAGE RATIO	1.29	1.31	1.33	1.35	1.37	1.46	1.54	1.60	1.61

MULTIFAMILY COMPARATIVE ANALYSIS(continued)

Sunset Way, Port Arthur, 9% HTC #060186

DIRECT CONSTRUCTION COST ESTIMATE

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Additional		Amort	
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Employee or Other Non-Rental	0	0	0	0	0	0	0	0	0
EFFECTIVE GROSS INCOME	\$651,037	\$670,568	\$690,685	\$711,406	\$732,748	\$849,456	\$984,752	\$1,141,598	\$1,534,212
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TOTAL EXPENSES	\$398,694	\$414,316	\$430,553	\$447,430	\$464,972	\$563,607	\$683,277	\$828,486	\$1,218,580
NET OPERATING INCOME	\$252,343	\$256,252	\$260,132	\$263,976	\$267,776	\$285,849	\$301,475	\$313,112	\$315,632
DEBT SERVICE									
First Lien Financing	\$195,742	\$195,742	\$195,742	\$195,742	\$195,742	\$195,742	\$195,742	\$195,742	\$195,742
Second Lien	0	0	0	0	0	0	0	0	0
Other Financing	0	0	0	0	0	0	0	0	0
NET CASH FLOW	\$56,602	\$60,511	\$64,390	\$68,234	\$72,035	\$90,107	\$105,734	\$117,370	\$119,890
DEBT COVERAGE RATIO	1.29	1.31	1.33	1.35	1.37	1.46	1.54	1.60	1.61

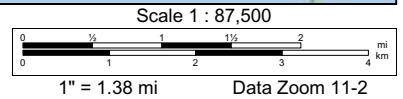
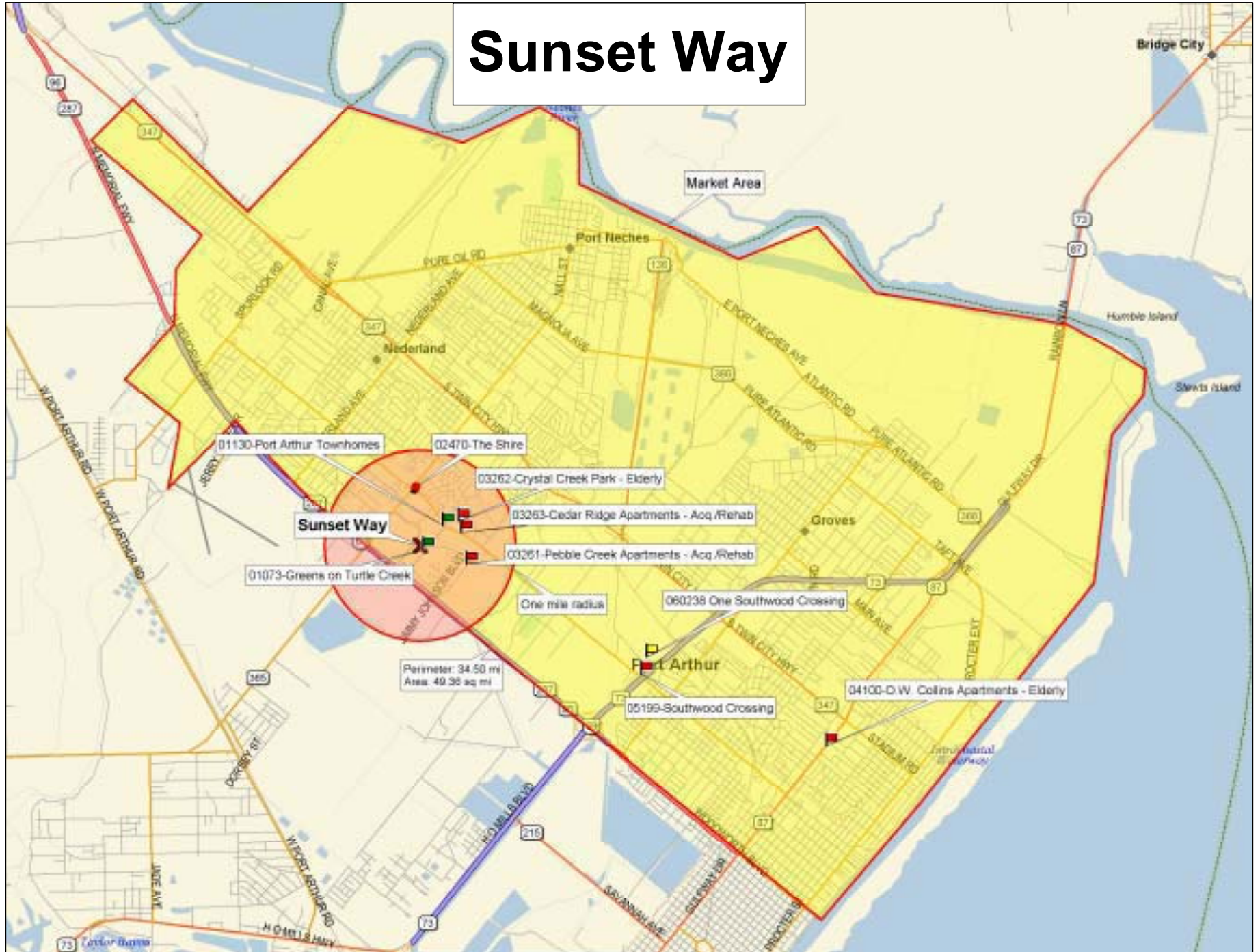
HTC ALLOCATION ANALYSIS - Sunset Way, Port Arthur, 9% HTC #060186

CATEGORY	APPLICANT'S TOTAL AMOUNTS	TDHCA TOTAL AMOUNTS	APPLICANT'S REHAB/NEW ELIGIBLE BASIS	TDHCA REHAB/NEW ELIGIBLE BASIS
(1) Acquisition Cost				
Purchase of land	\$871,200	\$871,200		
Purchase of buildings				
(2) Rehabilitation/New Construction Cost				
On-site work	\$707,439	\$707,439	\$707,439	\$707,439
Off-site improvements				
(3) Construction Hard Costs				
New structures/rehabilitation hard costs	\$4,850,082	\$4,354,234	\$4,850,082	\$4,354,234
(4) Contractor Fees & General Requirements				
Contractor overhead	\$111,150	\$101,233	\$111,150	\$101,233
Contractor profit	\$333,451	\$303,700	\$333,451	\$303,700
General requirements	\$333,451	\$303,700	\$333,451	\$303,700
(5) Contingencies				
	\$225,634	\$225,634	\$225,634	\$225,634
(6) Eligible Indirect Fees				
	\$565,000	\$565,000	\$565,000	\$565,000
(7) Eligible Financing Fees				
	\$232,095	\$232,095	\$232,095	\$232,095
(8) All Ineligible Costs				
	\$901,380	\$901,380		
(9) Developer Fees				
Developer overhead	\$434,298	\$349,508	\$434,298	\$349,508
Developer fee	\$669,447	\$669,447	\$669,447	\$669,447
(10) Development Reserves				
	\$199,648	\$199,648		
TOTAL DEVELOPMENT COSTS	\$10,434,275	\$9,784,220	\$8,462,047	\$7,811,992

Deduct from Basis:			
All grant proceeds used to finance costs in eligible basis			
B.M.R. loans used to finance cost in eligible basis			
Non-qualified non-recourse financing			
Non-qualified portion of higher quality units [42(d)(3)]			
Historic Credits (on residential portion only)			
TOTAL ELIGIBLE BASIS		\$8,462,047	\$7,811,992
High Cost Area Adjustment		130%	130%
TOTAL ADJUSTED BASIS		\$11,000,661	\$10,155,589
Applicable Fraction		100%	100%
TOTAL QUALIFIED BASIS		\$11,000,661	\$10,155,589
Applicable Percentage		8.17%	8.17%
TOTAL AMOUNT OF TAX CREDITS		\$898,754	\$829,712

Syndication Proceeds	0.9099	\$8,177,844	\$7,549,621
Total Tax Credits (Eligible Basis Method)		\$898,754	\$829,712
Syndication Proceeds		\$8,177,844	\$7,549,621
Requested Tax Credits		\$887,753	
Syndication Proceeds		\$8,077,744	
Gap of Syndication Proceeds Needed			\$7,507,346
Total Tax Credits (Gap Method)			\$825,066

Sunset Way



Applicant Evaluation

Project ID # **060186**

Name: **Sunset Way Apartments**

City: **Port Arthur**

LIHTC 9% LIHTC 4% HOME BOND HTF SECO ESGP Other

No Previous Participation in Texas Members of the development team have been disbarred by HUD

National Previous Participation Certification Received: N/A Yes No

Noncompliance Reported on National Previous Participation Certification: Yes No

Portfolio Management and Compliance

Total # of Projects monitored: 6

Projects in Material Noncompliance

in noncompliance: 0

Projects zero to nine: 5
grouped ten to nineteen: 1
by score twenty to twenty-nine: 0

Yes No

monitored with a score less than thirty: 6

Projects not reported Yes
in application No

not yet monitored or pending review: 7

of projects not reported 0

Portfolio Monitoring

Single Audit

Contract Administration

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Not applicable
Review pending
No unresolved issues
Issues found regarding late cert
Issues found regarding late audit
Unresolved issues found that warrant disqualification (Comments attached)

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewed by Lucy Trevino

Date 4/11/2006

Multifamily Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer A. Martin
Date 4/12/2006

Single Family Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer Sandy M. Garcia
Date 4/7/2006

Real Estate Analysis (Cost Certification and Workout)

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
Date _____

Community Affairs

No relationship
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer EEF
Date 4/11/2006

Office of Colonia Initiatives

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
Date _____

Financial Administration

No delinquencies found
Delinquencies found

Reviewer Melissa M. Whitehead
Date 4/12/2006

Acting Executive Director William Dally

Executed:

Friday, April 14, 2006



MULTIFAMILY FINANCE PRODUCTION DIVISION

May 4, 2006

**Development Information, Public Input and Board Summary
Beaumont Downtown Lofts, TDHCA Number 060202**

BASIC DEVELOPMENT INFORMATION

Site Address: 527 Forsythe St. and 620 Pearl St. Development #: 060202
 City: Beaumont Region: 5 Population Served: Family
 County: Jefferson Zip Code: 77701 Allocation: Urban/Exurban
 HTC Set Asides: At-Risk Nonprofit USDA Rural Rescue Purpose/Activity: R
 HOME Set Asides: CHDO Preservation General
 Bond Issuer:

HTC Purpose/Activity: NC=New Construction, ACQ=Acquisition, R=Rehabilitation, NC/ACQ=New Construction and Acquisition, NC/R=New Construction and Rehabilitation, ACQ/R=Acquisition and Rehabilitation

OWNER AND DEVELOPMENT TEAM

Owner: Beaumont Downtown Lofts, Ltd.
 Jim Sari - Phone: (336) 722-9871
 Developer: Archetypes, LLC
 Housing General Contractor: Rehab Builders, Inc.
 Architect: Martin Riley & Associates
 Market Analyst: Novogradic & Company, LLP
 Syndicator: Alliant Capital
 Supportive Services: TBD
 Consultant: N/A

UNIT/BUILDING INFORMATION

<u>30%</u>	<u>40%</u>	<u>50%</u>	<u>60%</u>	<u>Eff</u>	<u>1 BR</u>	<u>2 BR</u>	<u>3 BR</u>	<u>4 BR</u>	<u>5 BR</u>	Total Restricted Units:	36
4	0	0	32	0	12	24	0	0	0	Market Rate Units:	0
Type of Building:										Owner/Employee Units:	0
<input type="checkbox"/> Duplex	<input checked="" type="checkbox"/> 5 units or more per building									Total Development Units:	36
<input type="checkbox"/> Triplex	<input type="checkbox"/> Detached Residence									Total Development Cost:	\$4,839,638
<input type="checkbox"/> Fourplex	<input type="checkbox"/> Single Room Occupancy									Number of Residential Buildings:	2
										<input type="checkbox"/> Transitional	
										<input type="checkbox"/> Townhome	

Note: If Development Cost = \$0, an Underwriting Report has not been completed.

FUNDING INFORMATION

	<u>Applicant Request</u>	<u>Department Analysis</u>	<u>Amort</u>	<u>Term</u>	<u>Rate</u>
9% Housing Tax Credits-Credit Ceiling:	\$0	\$0	0	0	0.00%
4% Housing Tax Credits with Bonds:	\$0	\$0	0	0	0.00%
TDHCA Bond Allocation Amount:	\$0	\$0	0	0	0.00%
HOME Activity Fund Loan Amount:	\$0	\$0	0	0	0.00%
HOME CHDO Operating Grant Amount:	\$0	\$0	0	0	0.00%
Hurricane Rita Housing Tax Credits:	\$390,053	\$390,053	0	0	0.00%
Housing Trust Fund Loan Amount:	\$0	\$0	0	0	0.00%



MULTIFAMILY FINANCE PRODUCTION DIVISION

May 4, 2006

Development Information, Public Input and Board Summary
Beaumont Downtown Lofts, TDHCA Number 060202

PUBLIC COMMENT SUMMARY

Guide: "O" = Oppose, "S" = Support, "N" = Neutral, "NC" or Blank = No comment

State/Federal Officials with Jurisdiction:

TX Senator: Williams, District 4 [S] Points: 7 US Representative: Poe, District 2,
TX Representative: Deshotel, District 22 [S] Points: 7 US Senator: NC

Local Officials and Other Public Officials:

Mayor/Judge: NC Resolution of Support from Local Government []

Individuals/Businesses: In Support: 0 In Opposition: 2

Neighborhood Input:

Beaumont's Downtown Neighborhood Association, Dee Henderson Letter Score: S or O: S

Beaumont's Downtown Neighborhood Association Supports the project because for downtown Beaumont to be a successful, viable business district residential venues must exist, \$30 million in damage from Hurricane Rita to downtown area, working people cannot find adequate housing. Restored building in our Central Business District which can claim a prolific environment including business, professionals, government institutions with federal, county and city offices, churches, recreational and artistic venues and numerous places to eat and play. Retail will return to downtown area when people live there. INdmark Development will fully restore these two buildings and preserve the best of our building stock.

General Summary of Comment:

CONDITIONS OF COMMITMENT

- Receipt, review, and acceptance of an acceptable TDHCA site inspection report.
Receipt, review, and acceptance by carryover of documentation indicating the gated walk path at the Neches Building meets the requirement of the right of way easement listed as number 11 under schedule B of the title commitment submitted at application.
Receipt, review, and acceptance prior to commencement of construction of an asbestos and lead based paint survey and comment from the ESA provider regarding the need for a noise study.
Receipt, review, and acceptance by cost certification of evidence that all Phase I Environmental Site Assessment and subsequent environmental investigation report recommendations have been carried out.
Receipt, review, and acceptance by carryover of a finalized lease agreement.
Receipt, review, and acceptance by carryover of evidence that the development qualifies for historic tax credits and application has been made to the Secretary of the Interior.
Should the terms and rates of the proposed debt or syndication change, the transaction should be re evaluated and an adjustment to the credit amount/allocation amount may be warranted.



MULTIFAMILY FINANCE PRODUCTION DIVISION

May 4, 2006

Development Information, Public Input and Board Summary

Beaumont Downtown Lofts, TDHCA Number 060202

RECOMMENDATION BY THE EXECUTIVE AWARD AND REVIEW ADVISORY COMMITTEE IS BASED ON:

9% HTC Hurricane Rita: Score: **173** Meeting a Required Set-Aside Credit Amount: \$390,053

Recommendation: Recommend approval of a Housing Tax Credit allocation not to exceed \$390,053 annually for ten years, subject to conditions.

HOME Activity Funds Loan: Loan Amount: \$0

HOME CHDO Operating Expense Grant Grant Amount: \$0

Recommendation:

Housing Trust Fund Loan: Meeting a Required Set-Aside Loan Amount: \$0

Recommendation:

4% Housing Tax Credits with Bond Issuance: Credit Amount: \$0

Recommendation:

Private Activity Bond Issuance with TDHCA: Bond Amount: \$0

Recommendation:

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

DATE: April 14, 2006

PROGRAM: 9% HTC

FILE NUMBER: 060202

DEVELOPMENT NAME

Beaumont Downtown Lofts

APPLICANT

Name: Beaumont Downtown Lofts, Ltd **Contact:** Jim Sari
Address: 406 East Fourth Street
City: Winston-Salem **State:** NC **Zip:** 27101
Phone: (336) 722-9871 **Fax:** (336) 722-3603 **Email:** jim@landmarkdevelopment.biz

KEY PARTICIPANTS

Name: Landmark Asset Services, Inc **Title:** 0.006% Managing General Partner of Applicant/Guarantor
Name: Sari & Company **Title:** 0.002% General Partner of Applicant/20% Developer
Name: Fitch Development Group, Inc **Title:** 0.002% General Partner of Applicant/Guarantor/20% Developer
Name: Archetypes, LLC **Title:** 5% member of Fitch Development Group/60% Developer
Name: Lisa Sari **Title:** 51.8% member of Landmark Asset Services
Name: DeWayne Anderson, Jr **Title:** 48.2% member of Landmark Asset Services /100% member of Archetypes
Name: Jim Sari **Title:** 100% member of Sari & Company/Guarantor
Name: Hollis Fitch **Title:** 95% member of Fitch Development Group
Name: Brannon Fitch **Title:** 5% member of Fitch Development Group

PROPERTY LOCATION

Location: 527 Forsythe St & 620 Pearl Street
City: Beaumont **Zip:** 77701
County: Jefferson **Region:** 5 **QCT** **DDA**

REQUEST

<u>Program</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Amortization</u>	<u>Term</u>
HTC	\$402,869	N/A	N/A	N/A
Proposed Use of Funds:	<u>Acq/Rehab/New construction</u>	Type:	<u>Multifamily</u>	
Target Population:	<u>Family</u>	Other:	<u>Urban/Exurban</u>	

RECOMMENDATION

RECOMMEND APPROVAL OF A HOUSING TAX CREDIT ALLOCATION NOT TO EXCEED \$390,053 ANNUALLY FOR TEN YEARS, SUBJECT TO CONDITIONS.

CONDITIONS

1. Receipt, review and acceptance of an acceptable TDHCA site inspection report.
2. Receipt, review and acceptance by carryover of documentation indicating the gated walk path at the Neches Building meets the requirements of the right of way easement listed as number 11 under

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- schedule B of the title commitment submitted at application.
3. Receipt, review and acceptance prior to commencement of construction of an asbestos and lead based paint survey and comment from the ESA provider regarding the need for a noise study.
 4. Receipt, review, and acceptance by cost certification of evidence that all Phase I Environmental Site Assessment and subsequent environmental investigation report recommendations have been carried out.
 5. Receipt, review and acceptance by carryover of a finalized lease agreement.
 6. Receipt, review and acceptance by carryover of evidence that the development qualifies for Historic Tax Credits and application has been made to the Secretary of the Interior.
 7. Should the terms and rates of the proposed debt or syndication change, the transaction should be re-evaluated and an adjustment to the credit/allocation amount may be warranted.

REVIEW of PREVIOUS UNDERWRITING REPORTS

No previous reports.

DEVELOPMENT SPECIFICATIONS

IMPROVEMENTS

Total Units: 36 **# Res Bldgs** 2 **# Non-Res Bldgs** 0 **Age:** N/A yrs **Vacant:** N/A at / /
Net Rentable SF: 38,080 **Av Un SF:** 1,058 **Common Area SF:** 15,500 **Gross Bldg SF:** 53,580

ARCHITECTURAL REVIEW

The unit plans for the Neches Electric Building indicate true lofts with living spaces delineated by free-standing walls. The units appear to offer adequate living and storage space. From application materials, it does not appear that any changes to the exterior are planned.

The unit plans for the Antioch Building are more typical for multifamily housing and appear to offer adequate living and storage space. The exterior of the building includes more architectural elements since the property was originally used as a church. From application materials, it does not appear that any changes to the exterior are planned.

STRUCTURAL MATERIALS

The structures are constructed on a wood subfloor. According to the plans provided in the application the exterior will be 80% masonry veneer and 20% cement fiber. The interior wall surfaces will be drywall and the roofs will be finished with composite shingles and built-up rock.

UNIT FEATURES

The interior flooring will be carpet and resilient covering. Threshold criteria for the 2006 QAP requires all development units to include: mini blinds or window coverings for all windows, a dishwasher, a disposal, a refrigerator, an oven/range, an exhaust/vent fan in bathrooms, and a ceiling fan in each living area and bedroom. New construction units must also include three networks: one for phone service, one for data service, and one for TV service. In addition, each unit will include: microwave, an ice maker in the refrigerator, a self-cleaning oven, laundry connections, a ceiling fixture in each room, a packaged heat pump, individual water heater, and ten- to 13-foot ceilings. The buildings will be served by a 4,500 pound capacity, hydraulic elevator.

ONSITE AMENITIES

In order to meet threshold criteria for total units of 25 or more, the Applicant has elected to provide a community laundry room, an equipped business center or computer learning center, and a furnished community room.

Uncovered Parking: Unknown spaces **Carports:** 0 spaces **Garages:** 0 spaces

PROPOSAL and DEVELOPMENT PLAN DESCRIPTION

Description: Beaumont Downtown Lofts is a 36-unit per acre rehabilitation development located in central Beaumont. The development consists of two buildings: the Antioch Building was constructed in 1897 as a

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church and the Neches Electric Building was constructed in 1910 as a Walgreen's Drugstore.

<u>No. of Buildings</u>	<u>No. of Floors</u>	<u>Eff</u>	<u>1BR</u>	<u>2BR</u>	<u>3BR</u>	<u>4BR</u>
1	3	0	2	6	0	0
1	3	0	10	18	0	0

Development Plan: The property condition assessment prepared by Martin Riley Associates – Architects, PC (MRA) and dated March 30, 2006 and revised April 5, 2006 indicates:

- **Antioch Building:** “The existing 0.165 acre site fronts Forsythe Street being on the south side of Forsythe. The building is a three story structure originally constructed in 1897 as a church. It was used as a church until 1980 when it was used as an office building and is currently vacant.

...The building has been ransacked and much of the interior has been stripped of most salvageable trim and other materials. In addition the building was damaged by hurricane Rita and has not been repaired or maintained.

Building is in very poor condition and is deteriorating. Damage from Hurricane Rita includes blown out windows and roof damage allowing water to infiltrate the building causing additional damage. Mold/mildew was noted throughout. Building is currently not habitable. Exterior walls appear to be structurally sound with no indication of settlement.”

A review of the site systems indicated: replace water and sanitary lines, but mains may be reused; and add landscaping. A review of the architectural systems indicated: patch and repair slab as needed; repair stair (historical significance); add new doors; point and patch exterior walls; repair and replace windows; replace roof; add new floor structure in auditorium; and replace HVAC system. A review of the dwelling unit systems indicated: no existing dwellings; replace entry doors and floors; add kitchen cabinets, countertops, appliances, bath fixtures, and air conditioning; and install smoke/fire detection. A review of the mechanical and electrical systems indicated: add water heating system; replace power wiring; and reuse mains for sanitary waste and vent. The estimated total cost plus cost for stabilization of the building is \$635,420.

- **Neches Electric Building:** “This existing site contains 0.413 acres ± fronting Pearl Street and Forsythe Street. The three story building was originally constructed circa 1910 as a Walgreens Drugstore. Building was purchased by a Mr. Sazfir in the 1930's and has been used as his electrical supply business to date.

The building received damage during Hurricane Rita in 2005 but has been repaired and maintained and is still being occupied by the electrical business.

Building is structurally sound and appears to be in good condition. Exterior is painted masonry and needs minor repair and painting. Roof was damaged by the hurricane but was repaired; approximately 50% of the roof was replaced after the hurricane. Some windows were damaged and the first floor storefront was damaged and has been boarded up.”

A review of the site systems indicated: repave roadway parking; add site lighting; replace water and sanitary sewer lines as necessary for new use; and add landscaping. A review of the architectural systems indicated: patch and repair slab as needed; remove exterior fire escape; add new doors; point and patch exterior walls; repair and replace windows; replace portion of roof not recently replaced; add overlayment to common area floors; replace HVAC system; and add kitchen cabinets and appliances. A review of the dwelling unit systems indicated: no existing dwellings; replace entry doors and floors; add kitchen cabinets, countertops, appliances, bath fixtures, and air conditioning; and install smoke/fire detection. A review of the mechanical and electrical systems indicated: replace current heating systems with unit heat pumps and individual unit water heaters; replace power wiring; reuse mains for sanitary waste and vent; and replace elevators. The estimated total cost plus cost for stabilization of the building is \$2,067,000.

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SITE ISSUES			
SITE DESCRIPTION			
Total Size:	0.5047 and 0.1653 acres	Scattered sites?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Flood Zone:	Zone X	Within 100-year floodplain?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Current Zoning:	CB/Central Business (MF allowed)	Needs to be re-zoned?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A

SITE and NEIGHBORHOOD CHARACTERISTICS

Location: The Subject consists of the following two non-contiguous sites located in downtown Beaumont: 527 Forsythe Street and 620 Pearl Street. The City of Beaumont is located in Jefferson County in the southeastern portion of the State of Texas, approximately 84 miles east of the City of Houston and approximately 25 miles west of the Louisiana border.

Adjacent Land Uses:

- **North:** commercial;
- **South:** single family;
- **East:** commercial; and
- **West:** vacant land.

Site Access: The site located at 527 Forsythe Street will have frontage along Forsythe and Park Streets. The site located at 620 Pearl Street offers frontage on Pearl Street. US Highway 90 (located less than 0.1 miles east of the site at 527 Forsythe Street and less than 0.1 miles west of the site at 620 Pearl Street) links the neighborhood with Interstate 10 to the north (approximately 1.0 mile from the Subject sites).

Public Transportation: Beaumont Municipal Transit provides public Bus Service to the City of Beaumont. There is a bus stop that is located approximately 0.1 mile from the Subject at the intersection of Orleans Street and Bowie Street.

Shopping & Services: The development is within one mile of the central business district, schools, a bank, a pharmacy, and a library and within three miles of a grocery, retail, and hospital.

Adverse Site Characteristics:

- **Title:** The title lists a 9.8 foot by 91.4 foot right of way easement that appears to be located along the boundary of the Neches Building. The site plan indicates the easement will be a walk path with a gated entry. Receipt, review and acceptance by carryover of documentation indicating the gated walk path meets the requirements of the easement is a condition of this report.

TDHCA SITE INSPECTION

Inspector: _____ **Date:** _____

Overall Assessment: Excellent Acceptable Questionable Poor Unacceptable

Comments: Report not yet received – report recommendations conditioned upon acceptable rating

HIGHLIGHTS of SOILS & HAZARDOUS MATERIALS REPORT(S)

A Phase I Environmental Site Assessment of the **Neches Electric Building** report dated March 24, 2006 was prepared by Swift Creek Environmental, Inc and contained the following findings and recommendations:

Findings:

- **Noise:** Not addressed in submitted ESA.
- **Floodplain:** “According to the Federal Emergency Management Agency, the subject site is situated outside the 100 and 500 year flood plain. Presented as Figure 4 is the FIRM Flood Insurance Rate Map Panel 485470020C” (p. 6).
- **Asbestos-Containing Materials (ACM) and Lead-Based Paint (LBP):** “A quantitative asbestos survey and LBP Inspection were beyond the scope of services for this investigation. Visual evidence indicated suspect non-friable and friable ACMs that included; floor tiles, pipe wrap, water tank wrap and ceiling tiles (Photographs #22 through #25). Based on the age of the building, lead base paint is likely to be

present at the facility. A quantitative ACM and LBP inspection is recommended” (p. 11).

- **Lead in Drinking Water:** “Ground water is not used as a potable drinking water source at or within the vicinity of the subject site. The area surrounding the site receives municipally supplied water from city sources. City sources include deep drilled public supply wells... No potable water supply wells or monitor wells were identified on the subject property or on nearby and adjacent properties” (p. 6)
- **Radon:** “A Radon Survey was beyond the scope of services for this project and as such not conducted. Radon is unlikely to be present. Published literature from the State of Texas Radon Database and EPA concludes that for 52 sites tested in Jefferson County, 100% of the sites have readings below the 4pCi/L safe indoor standard” (p. 11).
- **Other:** “Hazardous chemicals or materials (excluding asbestos and lead base paint, see section 4.1.6) identified on the subject property include several, one to fifty-five gallon containers of paint and oil (Photograph #6). The containers were observed to be stored haphazardly throughout the subject property. The storage of these materials are inconsistent with proper materials management practices and should be removed from site and disposed of consistent with applicable local, state and federal regulations. There was no evidence of container failure or leakage. Reportedly, Mr. Szafir does not throw anything away and stores all unused and collected materials from their job projects in the building. This is evident by the fact that the vast majority of available floor space is utilized for the storage of old and new electrical equipment, furniture, boxes and office equipment (Photographs #7 through #13).

The largest environmental concern identified in connection with the subject property is the black mold that was observed throughout the interior of the building. The mold has penetrated the plaster and sheetrock walls and ceilings (Photographs #14 through #18). Based on the amount of mold identified, removal of the interior plaster and sheetrock walls and ceilings would be required to mitigate the mold.

Minor amounts of pigeon guano was observed on the third floor of the subject building. Since guano can be harmful to human health, removal of the guano should be performed by qualified individuals” (p. 10).

“Potential PCB containing electrical equipment was observed in several areas of the building. This included used capacitors and transformers stored in the subject building (Photograph #19). All potential PCB equipment being stored at the subject site should be removed from the building and disposed of in accordance with applicable local, state and federal regulations. There was no visual evidence to indicate that the electrical equipment is leaking. Other potential PCB equipment include the fluorescent lighting fixtures (Photographs #20) and the electrical switch boxes that are in use at the subject site (Photograph #21). This equipment may contain PCBs in their ballasts. If the electrical equipment is to be removed during building rehabilitation/maintenance, proper decommissioning and disposal of this equipment may be required. Regardless, unlabeled ballasts/electrical equipment at the site should be considered PCB containing and best management practices regarding electrical equipment should include; inspection during building rehabilitation, maintenance operations and disposal in accordance with the TCEQ, EPA and TSCA Regulations” (p. 10).

Recommendations:

“Based on the site walkover and review of regulatory and historical data, the noted significant environmental concerns identified in connection with the subject property are presented below.

Swift Creek Environmental, Inc., recommends any LBP or ACM’s that may be encountered during investigations, renovations or demolition be removed in accordance with all pertinent local, state and federal laws and regulations.

Several assorted containers of regulated materials and equipment (potential PCB containing materials and paints) were identified to be haphazardly stored in the subject site. All regulated media should be properly characterized and disposed of consistent with applicable local, state and federal regulations.

Minor amounts of pigeon guano was observed on the third floor of the subject building. Since guano can be harmful to human health, removal of the guano should be performed by qualified individuals.

Black mold that was observed throughout the interior of the building. The mold has penetrated the plaster and sheetrock walls and ceilings. Based on the amount of mold identified, removal of the interior plaster and

sheetrock walls and ceilings would be required to mitigate the mold” (p. iv).

Receipt, review, and acceptance by cost certification of evidence that all Phase I Environmental Site Assessment and subsequent environmental investigation report recommendations have been carried out is a condition of this report.

A Phase I Environmental Site Assessment report for four properties including the **Antioch Building** (Subject Property #1) dated January 6, 2006 was prepared by Swift Creek Environmental, Inc and contained the following findings and recommendations:

Findings:

- **Noise:** Not addressed in submitted ESA.
- **Floodplain:** “According to the Federal Emergency Management Agency, the subject sites are situated outside the 100 and 500 year flood plain. Presented as Figure 6 is the FIRM Flood Insurance Rate Map Panel 485470020C. Based upon our site reconnaissance, no wetlands are present on the subject properties. Review of wetland maps provided by the U.S. Fish and Wildlife Service depict no wetlands on or in the immediate area of the subject properties. Presented as Figure 7 is the National Wetland Map” (p. 11).
- **Asbestos-Containing Materials (ACM) and Lead-Based Paint (LBP):** “A quantitative asbestos survey and LBP Inspection were beyond the scope of services for this investigation. Visual evidence did not suggest large quantities of ACM’s to be present at the facilities. Suspected ACM’s include floor tile, pipe wrap and window glazing. Based on the age of the building, lead base paint is likely to be present at the facility. A quantitative ACM and LBP inspection is recommended” (p. 16).
- **Lead in Drinking Water:** “Ground water is not used as a potable drinking water source at or within the vicinity of the subject site. The area surrounding the site receives municipally supplied water from city sources. City sources include deep drilled public supply wells. The water table aquifer is estimated to be 5 feet below the ground surface. Ground water flow would be expected to mimic surface topography and is regionally influenced northeasterly. No potable water supply wells or monitor wells were identified on the subject properties or on nearby and adjacent properties” (p. 11).
- **Radon:** “A Radon Survey was beyond the scope of services for this project and as such not conducted. Radon is unlikely to be present. Published literature from the State of Texas Radon Database and EPA concludes that for 52 sites tested in Jefferson County, 100% of the sites have readings below the 4pCi/L safe indoor standard” (p. 16).

Recommendations: “Swift Creek Environmental, Inc. has performed this ESA of four properties located in Beaumont, Texas. Based on the site walkover and review of regulatory and historical data, no significant environmental concerns were identified in connection with the subject properties. The noted environmental concerns that require further evaluation/remediation are as follows:

1. Swift Creek Environmental, Inc., recommends any LBP or ACM’s that may be encountered during investigations, renovations or demolition be removed in accordance with all pertinent local, state and federal laws and regulations.
2. [Not applicable to subject site.]
3. Minor amounts of pigeon guano was observed in the buildings located at 450 Orleans Street and 527 Forsythe Street. Since guano can be harmful to human health, removal of the guano should be performed by qualified individuals” (p. 51).

Receipt, review and acceptance prior to commencement of construction of an asbestos and lead based paint survey and comment from the ESA provider regarding the need for a noise study is a condition of this report. Also, receipt, review and acceptance prior at cost certification of evidence that all recommendations of the Phase 1 ESA and subsequent environmental reports and surveys have been implemented is a condition of this report.

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INCOME SET-ASIDE

The Applicant has elected the 40% at 60% or less of area median gross income (AMGI) set-aside. All of the units (100% of the total) will be reserved for low-income tenants. Four units (11%) will be reserved for households earning 30% or less of AMI and the remaining 32 units (89%) will be reserved for households earning 60% or less of AMI.

MAXIMUM ELIGIBLE INCOMES						
	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons
60% of AMI	\$21,240	\$24,300	\$27,300	\$30,360	\$32,760	\$35,220

MARKET HIGHLIGHTS

A market feasibility study dated March 3, 2006 was prepared by Novogradac & Company (“Market Analyst”) and included the following findings:

Secondary Market Information: “The SMA [Secondary Market Area] is considered to be the City of Beaumont” (p. 11).

Definition of Primary Market Area (PMA): “For the purpose of this Study, the Subject’s Primary Market Area (PMA) is defined by the area bound by Interstate 10 to the north, the Neches River to the east, North Memorial Freeway to the south and Interstate 10 East to the west” (p. 11). This area encompasses approximately 20 square miles and is equivalent to a circle with a radius of 2.5 miles. “This area was defined based on conversations with local property managers, city officials, natural physical barriers and overall similarities in market characteristics observed during the field investigation. It is assumed 100 percent of the income qualified demand for the Subject will be generated from within the PMA” (p. 11).

Population: The estimated 2004 population of the PMA was 37,625 and is expected to increase to approximately 36,169 by 2009. Within the primary market area there were estimated to be 13,521 households in 2004.

Total Market Demand: According to the Market Analyst, “There will be a total of 11 one-bedroom units (30.6 percent of the total), and 25 two-bedroom units (69.4 percent of the total)” (p. 7). The proposed unit mix actually consists of 12 one-bedroom units and 24 two-bedroom units. This discrepancy does not significantly impact the findings of the Market Study.

The Analyst’s income bands of \$8,880 to \$10,995 for one-bedroom units affordable at 30% of AMI, \$18,309 to \$21,990 for one-bedroom units at 60% of AMI, \$10,766 to \$13,200 for two-bedroom units at 30% of AMI and \$22,080 to \$26,400 for two-bedroom units at 60% of AMI (p. 63) results in an income eligible adjustment rate of 23.9% (p. 66). The tenure appropriate adjustment rate of 47.7% is specific to the household size appropriate population (p. 66). “The properties in our survey reported turnover rates ranging from 15 to 43 percent annually. The average turnover rate of the comparable properties was approximately 25 percent...Therefore, we conservatively estimate an annual turnover rate of approximately 25 percent for the Subject based on the market data” (p. 43).

MARKET DEMAND SUMMARY				
Type of Demand	Market Analyst		Underwriter	
	Units of Demand	% of Total Demand	Units of Demand	% of Total Demand
Household Growth	-19	-4%	-12	-4%
Resident Turnover	385	104%	279	104%
TOTAL DEMAND	366	100%	267	100%

p. 66

Inclusive Capture Rate: “Dividing the Subject’s 36 LIHTC units into the total demand of 366 income-qualified renter households indicates an inclusive capture rate of approximately 9.8 percent. This inclusive capture rate estimate is below TDHCA’s threshold of 25 percent for new multifamily properties in non-rural markets” (p. 66). The Underwriter calculated an inclusive capture rate of 13.47% based upon a demand estimate for 267 affordable units.

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Unit Mix Conclusion: “The Subject’s unit mix is consistent with the comparable properties. The capture rate by bedroom type presented in the Demand Analysis section of this report demonstrates significant demand for this unit mix. Furthermore, the vacancy by unit type for both one- and two bedroom units is approximately 1.4 percent. Therefore, the proposed unit mix should be well received in this market” (p. 41).

Market Rent Comparables: “The PMA has a very old owner-occupied residential base with almost 91 percent of the rental housing stock constructed prior to 1980. Moreover, many of the existing residential properties suffered variable degrees of damage resulting from Hurricane Rita” (p. 26).

The Market Analyst surveyed seven comparable apartment projects totaling 924 units in the market area (p. 32). “Six of the seven of the comparables are located in the PMA, between approximately 2.2 and 3.3 miles from the Subject. The remaining comparable, Pine Club Apartments, is located approximately 3.3 miles north of the Subject. It was necessary to include this comparable due to the limited supply of LIHTC properties in the PMA. The Subject site is located near the central business district in downtown Beaumont. All of the comparables are in a slightly inferior location due to access to amenities and employment centers” (p. 41).

“Only one of the seven comparable properties is currently offering concessions. Cardinal Square Apartments is offering a \$30 discount on one- and two-bedroom units. Due to the limited amount of concessions offered in this market, it should not be necessary for the Subject to offer concessions during the lease-up period, or as part of a long-term marketing strategy” (p. 44).

RENT ANALYSIS (net tenant-paid rents)					
Unit Type (% AMI)	Proposed	Program Max	Differential	Est. Market	Differential
1-Bedroom (30%)	\$214	\$215	-\$1	\$500	-\$286
1-Bedroom (60%)	\$499	\$499	\$0	\$500	-\$1
2-Bedroom (60%)	\$592	\$587	+\$5	\$650	-\$58

(NOTE: Differentials are amount of difference between proposed rents and program limits and average market rents, e.g., proposed rent =\$500, program max =\$600, differential = -\$100)

Primary Market Occupancy Rates: “Occupancy rates reported in the market ranged from 91.7 to 100 percent, with an average occupancy rate of 98.2 percent. Both LIHTC properties reported occupancy rates of 100 percent. The average occupancy rate for the market rate properties is 97.5 percent” (p. 43). “Vacancy rates by bedroom were 1.4 percent for both one- and two-bedroom units” (p. 44).

Absorption Projections: “Based on the results of our market survey, one comparable LIHTC property was able to provide insights into potential absorption of the Subject’s units. The Woodlands was constructed in 2001 and provides 140 two- and three-bedroom LIHTC units at 50 and 60 percent of AMI, as well as market rate units. According to property management at this property, the absorption rate was approximately 14 units per month. Chelsea Apartments is a market rate property located outside of the PMA that was constructed in 1999. This property provides 144 one-, two-, and three-bedroom units. The manager reported an absorption rate of approximately 24 units per month. We anticipate a similar absorption rate as The Woodlands. Therefore, we conservatively estimate an absorption pace of approximately three months for the Subject, or an average rate of approximately 12 units per month” (p. 42).

Unstabilized, Under Construction, and Planned Development: “In 2002, Gateway Village Seniors received a reservation of tax credits. However, unlike the Subject, this new LIHTC property has age-restrictions and will therefore target a different population. Thus, this property will not be directly competitive with the Subject” (p. 28).

“In addition, Star Crest Apartments is an existing Section 8/LIHTC property located in the PMA that is currently 100 percent vacant due to damages from Hurricane Rita and is expected to reopen sometime in mid-2006. Prior to suffering damage, this property was reportedly still operating under a Section 8 HAP contract on all of its units. According to the manager at this property, many of the tenants were relocated to the City of Baytown, approximately 60 miles southwest of Beaumont. Many of these same tenants are expected to return to Star Crest Apartments upon completion of the renovations in 2006. Thus, the re-opening of Star Crest Apartments should have minimal impact upon the Subject” (p. 28).

“According to Mr. Stephen Richardson, Planning Manager for the City of Beaumont, there are no market rate multifamily properties that are currently under construction in the Subject’s PMA. However, there is one

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LIHTC property that is currently under construction in the City of Beaumont. Stone Hearst Apartments will be a 104-unit LIHTC multifamily development that will offer 83 LIHTC units including a mix of one-, two- and three-bedroom units targeting households at 40, 50 and 60 percent of AMI. Stone Hearst Apartments will only offer one bedroom units at 40 and 50 percent AMI and two-bedroom units at 50 and 60 percent AMI and market rate. The proposed two-bedroom 60 percent AMI rent at Stone Hearst Apartments is \$541, which is comparable to the Subject's proposed rent of \$554 for the same unit type. However, Stone Hearst Apartments is located outside of the Subject's PMA (approximately 3.3 miles north of the Subject). Thus, Stone Hearst Apartments will likely not compete directly with the Subject" (p. 28).

Market Impact: "The Subject intends to introduce 36 LIHTC units into the PMA. Four of these units would target households earning 30 percent AMI. Both stabilized comparable LIHTC properties included in the survey are 100 percent occupied, and one has a waiting list. Our inclusive capture rate analysis indicates the Subject is below the TDHCA threshold. Thus, we do not anticipate the Subject will adversely impact existing LIHTC properties in the PMA" (p. 60).

Other Information: Hurricane Katrina and Rita Tenants

"The following table shows the percentage of Hurricane Katrina and Rita tenants at each of the comparable properties.

Hurricane Katrina and Rita Tenants	
Pine Club Apartments LIHTC	9.5%
The Woodlands LIHTC/Market	1.4%
Barcelona Apartments Market	16.7%
Cardinal Square Apartments Market	3.3%
Parkway Apartments Market	2.4%
Spanish Villa Apartments Market	6.0%
Timberlake Court Apartments Market	9.1%

At this time, we cannot know how many people displaced by Hurricane Katrina and Rita will become permanent residents of a particular community. We have researched numerous articles and discussed with numerous participants this issue. We believe it is currently an unknowable situation. Therefore while short term demand will obviously be very strong for housing in the region, we are silent regarding the long term demand" (p. 42).

Market Study Analysis/Conclusions: Despite inconsistency in the proposed unit mix, the Underwriter found the market study provided sufficient information on which to base a funding recommendation.

OPERATING PROFORMA ANALYSIS

Income: The Applicant's projected rents collected per unit were calculated by subtracting tenant-paid utility allowances as of 2006, maintained by the San Antonio HUD Office of Public Housing, from the 2006 program gross rent limits. Tenants will be required to pay electric costs.

The Applicant included secondary income from normal operation of \$11.75 per unit per month, which is within the current TDHCA guidelines. In addition, two retail spaces will be refurbished in the Neches Electric Building. The underwriting analysis assumes annual income of \$12,000 from the retail spaces is a reasonable estimate. The Applicant's vacancy and collection loss assumption is also within current TDHCA guidelines resulting in an effective gross income that is within 5% of the Underwriter's estimate.

Expenses: The Applicant's total annual operating expense projection at \$3,800 per unit is within 5% of the Underwriter's estimate of \$3,927, derived from the TDHCA database and third-party data sources. However, the Applicant's line item expenses differ significantly when compared to the Underwriter's estimates, particularly: general and administrative (\$3K lower); payroll (\$12K higher); and water, sewer and trash (\$5K lower). The Applicant also included an understated TDHCA compliance fee. Finally, the Applicant assumed only \$250 per unit annually for reserve for replacement, while the underwriting analysis requires an amount above the Department's minimum guideline of \$300 for Developments other than new construction based on information provided in the PCA. The replacement reserve analysis included in the PCA indicates total repairs necessary over a 20-year period of \$527,200. The minimum annual reserve for replacement to meet this forecasted need is \$462 per unit.

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Conclusion: The Applicant's gross income and annual operating expense are each within 5% of the Underwriter's estimate; however, their net operating income projection varies by more than 5% when compared to the Underwriter's estimates. Therefore, the Underwriter's Year 1 proforma will be used to determine the development's debt service capacity and long term feasibility. The Underwriter's estimates indicate the proposed financing structure results in an initial debt coverage ratio (DCR) that is within the Department's DCR guideline of 1.10 to 1.30.

Long-Term Feasibility: The underwriting 30-year proforma utilizes a 3% annual growth factor for income and a 4% annual growth factor for expenses in accordance with current TDHCA guidelines. As noted above, the Underwriter's base year effective gross income, expense and net operating income were utilized resulting in a debt coverage ratio that remains above 1.10 and continued positive cashflow. Therefore, the development can be characterized as feasible for the long-term.

ACQUISITION VALUATION INFORMATION			
ASSESSED VALUE			
Land: Neches Electric	\$67,500	Assessment for the Year of:	2006
Building:	\$47,080	Valuation by:	Jefferson County Appraisal District
Total Assessed Value:	\$114,580	Tax Rate:	2.937257
Land: Antioch	\$14,400	Assessment for the Year of:	2006
Building:	\$17,990	Valuation by:	Jefferson County Appraisal District
Total Assessed Value:	\$32,390	Tax Rate:	2.937257
EVIDENCE of SITE or PROPERTY CONTROL			
Type of Site Control:	Contract for Sale and Purchase of Real Estate (Neches Electric Building)		
Contract Expiration:	09/30/2006	Valid through Board Date?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Acquisition Cost:	\$150,000	Other:	_____
Seller:	Norman Szafir	Related to Development Team?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Type of Site Control:	Contract for Sale and Purchase of Real Estate (Antioch Building)		
Contract Expiration:	09/30/2006	Valid through Board Date?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Acquisition Cost:	\$69,000	Other:	_____
Seller:	Samuel Francis Jones, Sr	Related to Development Team?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

CONSTRUCTION COST ESTIMATE EVALUATION	
<p>Acquisition Value: The site cost \$5,357 per unit for the Neches Electric Building and \$8,625 per unit for the Antioch Building are assumed to be reasonable since the acquisitions are arm's-length transactions. The Applicant is not requesting acquisition credits.</p> <p>It should be noted the Applicant has proposed a lease structure to fully utilize the Historic Tax Credits and requested 9% Housing Tax Credits though it is not clear how the execution of such a lease will impact the financing for the development. Receipt, review and acceptance by carryover of a finalized lease agreement is a condition of this report.</p> <p>Sitework Cost: The Applicant's claimed sitework costs of \$5,028 per unit are within current Department guidelines. Therefore, further third party substantiation is not required.</p> <p>Direct Construction Cost: The Applicant's direct construction cost estimate is \$88K or 3% higher than the estimate provided in the Property Condition Assessment (PCA). The underwriting analysis will reflect the PCA value. At \$92,750 per unit in sitework, direct construction, contingency, and contractor fees, the development more than meets the minimum rehabilitation cost of \$12,000 as outlined in Section 50.6(g) of</p>	

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

the 2006 QAP. In fact, the proposed costs are greater than new construction costs would likely be for similar-sized units in a conventionally constructed development.

Fees: The Applicant's contractor's and developer's fees for general requirements, general and administrative expenses, and profit are all within the maximums allowed by TDHCA guidelines.

Conclusion: The Underwriter's cost schedule was derived from information presented in the Property Condition Assessment submitted by the Applicant. Any deviations from the Applicant's estimates in non-direct costs are due to program and underwriting guidelines. Therefore, Underwriter's development cost schedule based on the PCA will be used to determine the development's need for permanent funds and to calculate eligible basis. An eligible basis of \$3,730,278 supports annual tax credits of \$396,193. This figure will be compared to the Applicant's request and the tax credits calculated based on the gap in need for permanent funds to determine the recommended allocation. It should be noted the Applicant excluded \$600K from eligible basis to account for rehabilitation work proposed for two retail spaces. The underwriting analysis assumes the \$600K is an accurate estimate.

FINANCING STRUCTURE

INTERIM FINANCING

Source: Stearns Bank **Contact:** Dennis Hanson
Principal: \$4,000,000 **Interest Rate:** 8.0%, variable, Underwriter's estimate **Term:** 24 months
Documentation: Signed Term Sheet LOI Firm Commitment Conditional Commitment Application
Comments: Interest rate based on 0.50% + WSJ Prime

PERMANENT FINANCING

Source: CBRE Melody & Company **Contact:** Jeffrey L Crozier
Principal: \$930,000 **Interest Rate:** 7.0%, fixed, lender's estimate **Amort:** 360 months
Documentation: Signed Term Sheet LOI Firm Commitment Conditional Commitment Application
Comments: 1.15 to 1.00 minimum DCR

TAX CREDIT SYNDICATION

Source: Alliant Capital, Ltd **Contact:** Robert J Bennett
Historic TC Proceeds: \$477,167 **Net Syndication Rate:** 88% **Anticipated HTC:** \$542,238
Housing TC Proceeds: \$3,544,893 **Net Syndication Rate:** 88% **Anticipated HTC:** \$402,869/year
Documentation: Signed Term Sheet LOI Firm Commitment Conditional Commitment Application
Comments: \$250 per unit annual replacement reserve requirement

OTHER

Amount: N/A **Source:** N/A

FINANCING STRUCTURE ANALYSIS

Permanent Financing: The permanent financing terms presented in the application are consistent with the letter of interest presented by CBRE Melody and Company on February 17, 2006.

HTC Syndication: The tax credit syndication commitment is consistent with the terms reflected in the sources and uses of funds listed in the application. The syndicator has shown interest in purchasing both the housing tax credits requested and the historic tax credit proposed. The anticipated syndication price is at the low end of syndication prices seen in the market today and any increase in price could reduce the need for tax credits.

In order to qualify for Historic Tax Credits the qualified historic structure must be either listed in the National Register of Historic Places or be determined to contribute to a Registered Historic District. Rehabilitation must be done in conformance with the Secretary of the Interior's rehabilitation standards.

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

According to a representative of the Developer, “Currently, the Neches building is located within an area that is under consideration by the city of Beaumont for designation as an historic district. The Antioch property is one block outside of the currently proposed area. We are exploring the possibility of the City expanding their consideration in order to include this property. Given the history and age of both buildings, we are confident they would qualify as contributing to the district. Neither of the two buildings are individually listed in the NRHP at this time. If the City were to decide not to go forward with the historic district nomination, Landmark would either pursue the district nomination ourselves or develop the nominations for each of the two properties for the NRHP. We have an architectural historian on staff who regularly prepares such nominations, in addition to all of the Part 1, 2, and 3 documentation. Adaptive reuse of historic properties makes up a majority of our business. We have completed more than thirty-five historic tax credit projects in the Southeast since 1987. We have 100% success in delivering historic tax credits as promised.” In addition a copy of an historic tax credit guaranty with an equity provider was submitted as an example of a method that can be used to insure the equity will be provided as forecasted.

Historic Tax Credits may affect the eligible basis for calculation of 9% Housing Tax Credits; however, the Applicant proposes a lease structure that will allow them to pass-through the Historic Tax Credits to the lessee. According to a memorandum prepared by Greg Mayo of Powell Goldstein LLP, “...eligible basis should not be reduced in this circumstance provided that the lessee and lessor have substantially different investors and the lease between the two entities has an economic effect.

Receipt, review and acceptance by carryover of evidence that the development qualifies for Historic Tax Credits and application has been made to the Secretary of the Interior is a condition of this report. This underwriting analysis will assume that the development will qualify for total projected Historic Tax Credits of \$542,238.

Deferred Developer’s Fees: The Applicant does not anticipate a need to defer fees.

Financing Conclusions: The Underwriter’s total development cost estimate less the permanent loan of \$930,000 and anticipated syndication proceeds from Historic Tax Credits of \$477,167 indicates the need for \$3,432,471 in gap funds. Based on the submitted syndication terms, a tax credit allocation of \$390,053 annually would be required to fill this gap in financing. Of the three possible tax credit allocations, Applicant’s request (\$402,869), the gap-driven amount (\$390,053), and eligible basis-derived estimate (\$396,193), the gap-driven estimate of \$390,053 is recommended resulting in proceeds of \$3,432,471 based on a syndication rate of 88%. The Underwriter’s recommended financing structure indicates no need for additional permanent funds; therefore, it is unlikely the developer will defer fees.

DEVELOPMENT TEAM

IDENTITIES of INTEREST

The Applicant, Developer, General Contractor, and property manager are related entities. These are common relationships for HTC-funded developments.

APPLICANT’S/PRINCIPALS’ FINANCIAL HIGHLIGHTS, BACKGROUND, and EXPERIENCE

Financial Highlights:

- The Applicant is a single-purpose entity created for the purpose of receiving assistance from TDHCA and therefore has no material financial statements.
- Landmark Asset Services, Inc, 0.006% General Partner of the Applicant, submitted an unaudited balance sheet dated as of December 31, 2005. Total assets are reported at \$2M comprised of \$12K cash, \$3M in accounts receivable, \$3K in net fixed assets, and (\$426K) investments in entities. Liabilities totaled \$1.5M for stockholders’ equity of \$600K.
- Sari and Company, 0.002% General Partner of the Applicant, submitted an unaudited balance sheet dated as of December 31, 2005. Total assets are reported at \$2M comprised of \$1M in short term receivables, \$766K in long term receivables, \$47K in automobiles, and \$5K in personal property. Liabilities totaled \$30K for net assets of \$2M.
- Fitch Development Group, Inc, 0.002% General Partner of the Applicant, submitted an unaudited balance sheet dated as of December 31, 2005. Total assets are reported at \$2.5M comprised of \$33K in cash, \$69K in marketable securities, \$1M in receivable, \$430K in net fixed assets, \$2K in other assets, \$736K in long term receivable, and \$16K in project cost receivable. Liabilities totaled \$1M for net assets of

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

\$1.5M.

- Archetypes, LLC, 5% member of Fitch Development Group, submitted an unaudited balance sheet dated as of December 31, 2005. Total assets are reported at \$615K comprised of \$60K in cash and \$554K in receivables. Liabilities totaled \$342K for member's capital of \$306K.
- DeWayne H Anderson, Brandon E Fitch, Jim and Lisa Sari, and Hollis M Fitch submitted unaudited personal financial statements.

Background & Experience: Multifamily Production Finance Staff have verified that the Department's experience requirements have been met and Portfolio Management and Compliance staff will ensure that the proposed owners have an acceptable record of previous participation.

SUMMARY OF SALIENT RISKS AND ISSUES

- The Applicant's estimated net operating income is more than 5% outside of the Underwriter's verifiable range.
- The Applicant's direct construction costs differ from the PCA's estimate.
- Significant environmental risks exist.
- The anticipated Historic Tax Credits may not be received or may be reduced, which could affect the financial feasibility of the development.

Underwriter:

Lisa Vecchietti

Date: April 14, 2006

Director of Real Estate Analysis:

Tom Gouris

Date: April 14, 2006

MULTIFAMILY COMPARATIVE ANALYSIS

Beaumont Downtown Lofts, Beaumont, HTC (Rita) #060202

Type of Unit	Number	Bedrooms	No. of Baths	Size in SF	Gross Rent Lmt.	Rent Collected	Rent per Month	Rent per SF	Tnt-Pd Util	Wtr, Swr, Trsh
TC 30%	2	1	1	780	\$285	\$215	\$430	\$0.28	\$70.00	\$37.00
TC 30%	2	1	1	875	285	\$215	430	0.25	70.00	37.00
TC 60%	6	1	1	875	569	\$499	2,994	0.57	70.00	37.00
TC 60%	2	1	1	900	569	\$499	998	0.55	70.00	37.00
TC 60%	6	2	1.5	1,080	682	\$587	3,522	0.54	95.00	45.00
TC 60%	12	2	2	1,120	682	\$587	7,044	0.52	95.00	45.00
TC 60%	6	2	2	1,300	682	\$587	3,522	0.45	95.00	45.00
TOTAL:	36		AVERAGE:	1,058	\$613	\$526	\$18,940	\$0.50	\$86.67	\$42.33

INCOME Total Net Rentable Sq Ft: **38,080**

POTENTIAL GROSS RENT
 Secondary Income Per Unit Per Month: \$11.75
 Other Support Income: **Two Commercial Spaces**

POTENTIAL GROSS INCOME
 Vacancy & Collection Loss % of Potential Gross Income: -7.50%
 Employee or Other Non-Rental Units or Concessions

EFFECTIVE GROSS INCOME

EXPENSES	% OF EGI	PER UNIT	PER SQ FT
General & Administrative	5.01%	\$315	0.30
Management	5.00%	314	0.30
Payroll & Payroll Tax	12.50%	785	0.74
Repairs & Maintenance	9.06%	569	0.54
Utilities	2.34%	147	0.14
Water, Sewer, & Trash	4.27%	268	0.25
Property Insurance	5.43%	341	0.32
Property Tax 2.937257	9.36%	587	0.56
Reserve for Replacements	7.35%	462	0.44
cable,supp serv,compl fees	2.23%	140	0.13
TOTAL EXPENSES	62.55%	\$3,927	\$3.71
NET OPERATING INC	37.45%	\$2,351	\$2.22

DEBT SERVICE
 First Lien Mortgage 32.85% \$2,062 \$1.95
 Historic TC Syndication Proceeds 0.00% \$0 \$0.00
 Additional Financing 0.00% \$0 \$0.00
NET CASH FLOW 4.60% \$289 \$0.27

AGGREGATE DEBT COVERAGE RATIO
 RECOMMENDED DEBT COVERAGE RATIO

CONSTRUCTION COST

Description	Factor	% of TOTAL	PER UNIT	PER SQ FT
Acquisition Cost (site or bldg)		4.70%	\$6,325	\$5.98
Off-Sites		0.00%	0	0.00
Sitework		3.74%	5,028	4.75
Direct Construction		52.10%	70,039	66.21
Contingency	10.00%	3.10%	4,167	3.94
General Req'ts	6.00%	3.35%	4,504	4.26
Contractor's G & A	2.00%	1.12%	1,501	1.42
Contractor's Profit	6.00%	3.35%	4,504	4.26
Indirect Construction		4.29%	5,769	5.45
Ineligible Costs		3.96%	5,324	5.03
Developer's G & A	3.61%	2.81%	3,773	3.57
Developer's Profit	11.39%	8.86%	11,917	11.27
Interim Financing		6.76%	9,083	8.59
Reserves		1.86%	2,500	2.36
TOTAL COST		100.00%	\$134,434	\$127.09
Construction Cost Recap		66.76%	\$89,743	\$84.84

SOURCES OF FUNDS

First Lien Mortgage	19.22%	\$25,833	\$24.42
Historic TC Syndication Proceeds	9.86%	\$13,255	\$12.53
HTC Syndication Proceeds	73.25%	\$98,469	\$93.09
Deferred Developer Fees	0.00%	\$0	\$0.00
Additional (Excess) Funds Req'd	-2.32%	(\$3,123)	(\$2.95)
TOTAL SOURCES			

TDHCA	APPLICANT
\$227,280	\$228,672
5,076	5,076
12,000	12,000
\$244,356	\$245,748
(18,327)	(18,432)
0	0
\$226,029	\$227,316
\$11,327	\$8,200
11,301	10,800
\$28,264	40,000
20,471	17,700
5,293	5,600
9,652	4,400
12,278	14,000
21,148	22,600
16,615	9,000
5,040	4,500
\$141,390	\$136,800
\$84,640	\$90,516
\$74,248	\$74,248
0	0
0	0
\$10,392	\$16,268
1.14	1.22
1.14	

Comptroller's Region	5	
IREM Region	6	
\$11.75	Per Unit Per Month	
\$27.78	Per Unit Per Month	
-7.50%	of Potential Gross Rent	
PER SQ FT	PER UNIT	% OF EGI
\$0.22	\$228	3.61%
0.28	300	4.75%
1.05	1,111	17.60%
0.46	492	7.79%
0.15	156	2.46%
0.12	122	1.94%
0.37	389	6.16%
0.59	628	9.94%
0.24	250	3.96%
0.12	125	1.98%
\$3.59	\$3,800	60.18%
\$2.38	\$2,514	39.82%
\$1.95	\$2,062	32.66%
\$0.00	\$0	0.00%
\$0.00	\$0	0.00%
\$0.43	\$452	7.16%

TDHCA	APPLICANT	PER SQ FT	PER UNIT	% of TOTAL
\$227,700	\$227,700	\$5.98	\$6,325	4.60%
0	0	0.00	0	0.00%
181,000	181,000	4.75	5,028	3.66%
2,521,420	2,609,000	68.51	72,472	52.69%
150,000	150,000	3.94	4,167	3.03%
162,145	167,000	4.39	4,639	3.37%
54,048	55,000	1.44	1,528	1.11%
162,145	167,000	4.39	4,639	3.37%
207,700	207,700	5.45	5,769	4.19%
191,660	191,660	5.03	5,324	3.87%
135,819	150,000	3.94	4,167	3.03%
429,000	429,000	11.27	11,917	8.66%
327,000	327,000	8.59	9,083	6.60%
90,000	90,000	2.36	2,500	1.82%
\$4,839,638	\$4,952,060	\$130.04	\$137,557	100.00%
\$3,230,759	\$3,329,000	\$87.42	\$92,472	67.22%

RECOMMENDED	
\$930,000	Developer Fee Available
477,167	\$564,819
3,432,471	% of Dev. Fee Deferred
0	0%
0	15-Yr Cumulative Cash Flow
\$4,839,638	\$269,323

MULTIFAMILY COMPARATIVE ANALYSIS(continued)
Beaumont Downtown Lofts, Beaumont, HTC (Rita) #060202

PAYMENT COMPUTATION

Primary	\$930,000	Amort	360
Int Rate	7.00%	DCR	1.14

Secondary		Amort	
Int Rate	0.00%	Subtotal DCR	1.14

Additional		Amort	
Int Rate		Aggregate DCR	1.14

RECOMMENDED FINANCING STRUCTURE:

Primary Debt Service	\$74,248
Secondary Debt Service	0
Additional Debt Service	0
NET CASH FLOW	\$10,392

Primary	\$930,000	Amort	360
Int Rate	7.00%	DCR	1.14

Secondary	\$0	Amort	0
Int Rate	0.00%	Subtotal DCR	1.14

Additional	\$0	Amort	0
Int Rate	0.00%	Aggregate DCR	1.14

OPERATING INCOME & EXPENSE PROFORMA: RECOMMENDED FINANCING STRUCTURE

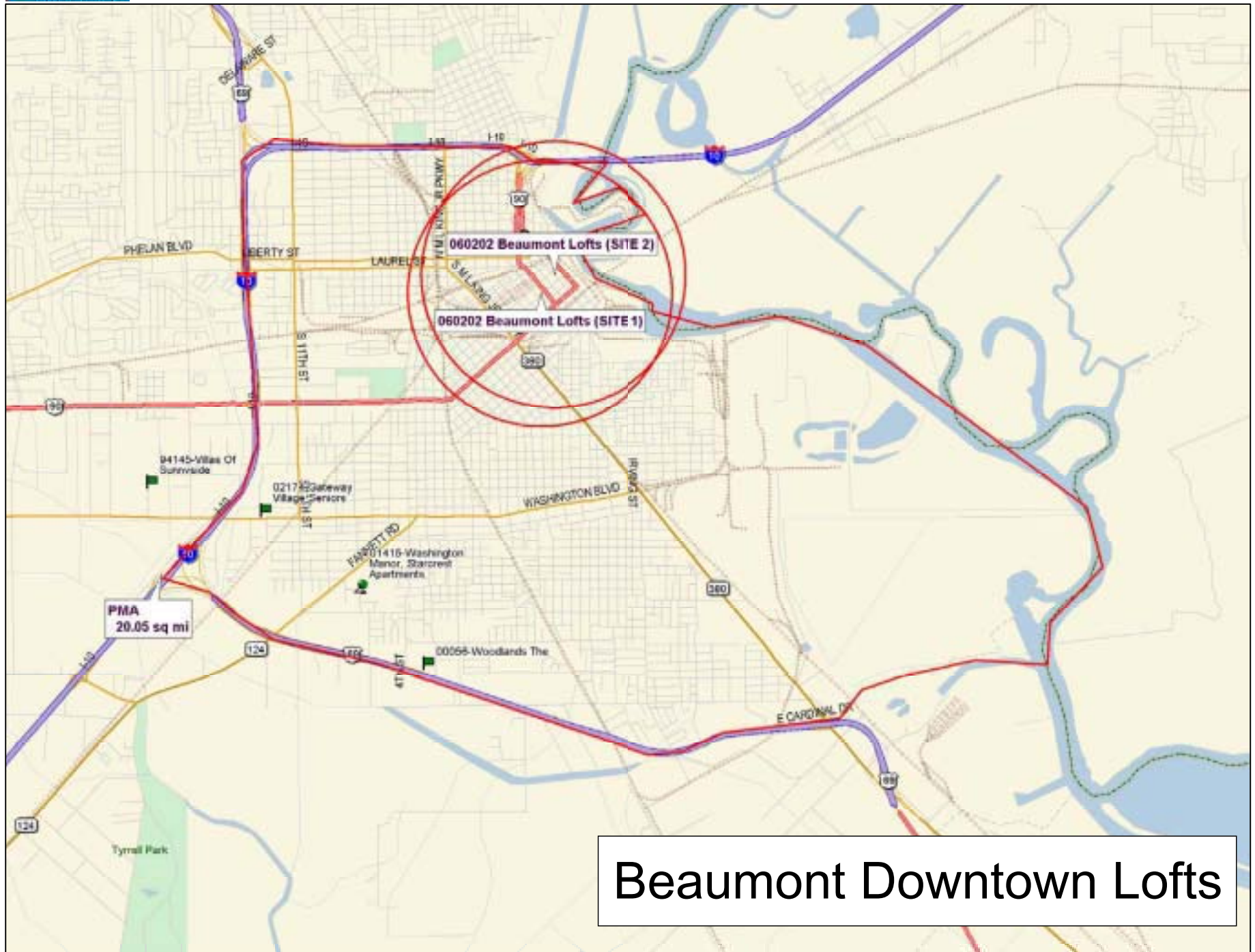
INCOME at 3.00%	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 15	YEAR 20	YEAR 30
POTENTIAL GROSS RENT	\$227,280	\$234,098	\$241,121	\$248,355	\$255,806	\$296,549	\$343,781	\$398,537	\$535,600
Secondary Income	5,076	5,228	5,385	5,547	5,713	6,623	7,678	8,901	11,962
Other Support Income: Two Cor	12,000	12,360	12,731	13,113	13,506	15,657	18,151	21,042	28,279
POTENTIAL GROSS INCOME	244,356	251,687	259,237	267,014	275,025	318,829	369,610	428,480	575,841
Vacancy & Collection Loss	(18,327)	(18,877)	(19,443)	(20,026)	(20,627)	(23,912)	(27,721)	(32,136)	(43,188)
Employee or Other Non-Rental	0	0	0	0	0	0	0	0	0
EFFECTIVE GROSS INCOME	\$226,029	\$232,810	\$239,794	\$246,988	\$254,398	\$294,917	\$341,890	\$396,344	\$532,653
EXPENSES at 4.00%									
General & Administrative	\$11,327	\$11,780	\$12,251	\$12,741	\$13,250	\$16,121	\$19,614	\$23,863	\$35,324
Management	11,301	11,641	11,990	12,349	12,720	14,746	17,094	19,817	26,633
Payroll & Payroll Tax	28,264	29,395	30,571	31,794	33,065	40,229	48,945	59,549	88,147
Repairs & Maintenance	20,471	21,290	22,141	23,027	23,948	29,136	35,449	43,129	63,842
Utilities	5,293	5,504	5,725	5,953	6,192	7,533	9,165	11,151	16,506
Water, Sewer & Trash	9,652	10,038	10,440	10,857	11,292	13,738	16,715	20,336	30,102
Insurance	12,278	12,769	13,280	13,811	14,364	17,476	21,262	25,868	38,291
Property Tax	21,148	21,994	22,874	23,789	24,740	30,101	36,622	44,556	65,954
Reserve for Replacements	16,615	17,280	17,971	18,690	19,437	23,648	28,772	35,005	51,816
Other	5,040	5,242	5,451	5,669	5,896	7,173	8,728	10,619	15,718
TOTAL EXPENSES	\$141,390	\$146,932	\$152,693	\$158,681	\$164,905	\$199,902	\$242,365	\$293,893	\$432,332
NET OPERATING INCOME	\$84,640	\$85,878	\$87,101	\$88,307	\$89,493	\$95,015	\$99,524	\$102,450	\$100,320
DEBT SERVICE									
First Lien Financing	\$74,248	\$74,248	\$74,248	\$74,248	\$74,248	\$74,248	\$74,248	\$74,248	\$74,248
Second Lien	0	0	0	0	0	0	0	0	0
Other Financing	0	0	0	0	0	0	0	0	0
NET CASH FLOW	\$10,392	\$11,630	\$12,854	\$14,060	\$15,246	\$20,767	\$25,277	\$28,203	\$26,073
DEBT COVERAGE RATIO	1.14	1.16	1.17	1.19	1.21	1.28	1.34	1.38	1.35

HTC ALLOCATION ANALYSIS - Beaumont Downtown Lofts, Beaumont, HTC (Rita) #060202

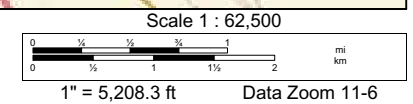
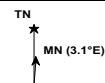
CATEGORY	APPLICANT'S TOTAL AMOUNTS	TDHCA TOTAL AMOUNTS	APPLICANT'S REHAB/NEW ELIGIBLE BASIS	TDHCA REHAB/NEW ELIGIBLE BASIS
(1) Acquisition Cost				
Purchase of land	\$227,700	\$227,700		
Purchase of buildings				
(2) Rehabilitation/New Construction Cost				
On-site work	\$181,000	\$181,000	\$181,000	\$181,000
Off-site improvements				
(3) Construction Hard Costs				
New structures/rehabilitation hard costs	\$2,609,000	\$2,521,420	\$2,609,000	\$2,521,420
(4) Contractor Fees & General Requirements				
Contractor overhead	\$55,000	\$54,048	\$55,000	\$54,048
Contractor profit	\$167,000	\$162,145	\$167,000	\$162,145
General requirements	\$167,000	\$162,145	\$167,000	\$162,145
(5) Contingencies	\$150,000	\$150,000	\$150,000	\$150,000
(6) Eligible Indirect Fees	\$207,700	\$207,700	\$207,700	\$207,700
(7) Eligible Financing Fees	\$327,000	\$327,000	\$327,000	\$327,000
(8) All Ineligible Costs	\$191,660	\$191,660		
(9) Developer Fees				
Developer overhead	\$150,000	\$135,819	\$150,000	\$135,819
Developer fee	\$429,000	\$429,000	\$429,000	\$429,000
(10) Development Reserves	\$90,000	\$90,000		
TOTAL DEVELOPMENT COSTS	\$4,952,060	\$4,839,638	\$4,442,700	\$4,330,278

Deduct from Basis:			
All grant proceeds used to finance costs in eligible basis			
Cost of refurbishing commercial space		\$600,000	\$600,000
Non-qualified non-recourse financing			
Non-qualified portion of higher quality units [42(d)(3)]			
Historic Credits (on residential portion only)			
TOTAL ELIGIBLE BASIS		\$3,842,700	\$3,730,278
High Cost Area Adjustment		130%	130%
TOTAL ADJUSTED BASIS		\$4,995,510	\$4,849,361
Applicable Fraction		100%	100%
TOTAL QUALIFIED BASIS		\$4,995,510	\$4,849,361
Applicable Percentage		8.17%	8.17%
TOTAL AMOUNT OF TAX CREDITS		\$408,133	\$396,193

Syndication Proceeds	0.8800	\$3,591,572	\$3,486,497
Total Tax Credits (Eligible Basis Method)		\$408,133	\$396,193
Syndication Proceeds		\$3,591,572	\$3,486,497
Requested Tax Credits		\$402,869	
Syndication Proceeds		\$3,545,247	
Gap of Syndication Proceeds Needed			\$3,432,471
Total Tax Credits (Gap Method)			\$390,053



Beaumont Downtown Lofts



Applicant Evaluation

Project ID # **060202**

Name: **Beaumont Downtown Lofts**

City: **Beaumont**

LIHTC 9%

LIHTC 4%

HOME

BOND

HTF

SECO

ESGP

Other

No Previous Participation in Texas

Members of the development team have been disbarred by HUD

National Previous Participation Certification Received: N/A Yes No

Noncompliance Reported on National Previous Participation Certification: Yes No

Portfolio Management and Compliance

Total # of Projects monitored: 0

Projects zero to nine: 0
 grouped ten to nineteen: 0
 by score twenty to twenty-nine: 0

Projects in Material Noncompliance

Yes No

in noncompliance: 0

monitored with a score less than thirty: 0

Projects not reported Yes
 in application No

not yet monitored or pending review: 0

of projects not reported 0

Portfolio Monitoring

Not applicable
 Review pending
 No unresolved issues
 Unresolved issues found
 Unresolved issues found that warrant disqualification (Comments attached)

Single Audit

Not applicable
 Review pending
 No unresolved issues
 Issues found regarding late cert
 Issues found regarding late audit
 Unresolved issues found that warrant disqualification (Comments attached)

Contract Administration

Not applicable
 Review pending
 No unresolved issues
 Unresolved issues found
 Unresolved issues found that warrant disqualification (Comments attached)

Reviewed by Lucy Trevino

Date 4/11/2006

Multifamily Finance Production

Not applicable
 Review pending
 No unresolved issues
 Unresolved issues found
 Unresolved issues found that warrant disqualification (Comments attached)

Reviewer A. Martin
 Date 4/12/2006

Single Family Finance Production

Not applicable
 Review pending
 No unresolved issues
 Unresolved issues found
 Unresolved issues found that warrant disqualification (Comments attached)

Reviewer Sandy M. Garcia
 Date 4/7/2006

Real Estate Analysis (Cost Certification and Workout)

Not applicable
 Review pending
 No unresolved issues
 Unresolved issues found
 Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
 Date _____

Community Affairs

No relationship
 Review pending
 No unresolved issues
 Unresolved issues found
 Unresolved issues found that warrant disqualification (Comments attached)

Reviewer EEF
 Date 4/11/2006

Office of Colonia Initiatives

Not applicable
 Review pending
 No unresolved issues
 Unresolved issues found
 Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
 Date _____

Financial Administration

No delinquencies found
 Delinquencies found

Reviewer Melissa M. Whitehead
 Date 4/10/2006

Acting Executive Director William Dally

Executed:

Friday, April 14, 2006



MULTIFAMILY FINANCE PRODUCTION DIVISION

May 4, 2006

Development Information, Public Input and Board Summary
One Southwood Crossing Apts, TDHCA Number 060238

PUBLIC COMMENT SUMMARY

Guide: "O" = Oppose, "S" = Support, "N" = Neutral, "NC" or Blank = No comment

State/Federal Officials with Jurisdiction:

TX Senator: Janek, District 17 [S] Points: 7 US Representative: Poe, District 2,
TX Representative: Deshotel, District 22 [S] Points: 7 US Senator: NC

Local Officials and Other Public Officials:

Mayor/Judge: Oscar G. Ortiz, Mayor, S Resolution of Support from Local Government []
Tommy Williams, Texas State Senator, District 4, S Allan B. Ritter, District 21, S
Thomas J. Henderson, Councilmember, N

Individuals/Businesses: In Support: 6 In Opposition: 0

Neighborhood Input:

N/A,

Letter Score: S or O: []

General Summary of Comment:

CONDITIONS OF COMMITMENT

- Receipt, review, and acceptance of clarification of the site of the community building including in Phase I and amendment request for same if necessary.
Receipt, review, and acceptance of sufficient cross easement between Phase I and the subject development and full rights and privileges to the community areas of each for the tenants in both phases.
Receipt, review, and acceptance of an acceptable site inspection report from TDHCA staff.
Receipt, review, and acceptance by carryover of a third party cost breakdown for the rerouting of power lines to the outside boundary of the just the proposed six-acre site. Should any of these costs be considered as an eligible basis cost, a review of all sitework costs will be required.
Should the terms and rates of the proposed debt or syndication change or should any property tax exemption be sought and achieved for this property, the transaction should be re-evaluated and an adjustment to the credit allocation amount may be warranted.



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RECOMMENDATION BY THE EXECUTIVE AWARD AND REVIEW ADVISORY COMMITTEE IS BASED ON:

9% HTC Hurricane Rita: Score: **175** Meeting a Required Set-Aside Credit Amount: \$540,416

Recommendation: Recommend approval of a Housing Tax Credit allocation not to exceed \$540,416 annually for ten years, subject to conditions.

HOME Activity Funds Loan: Loan Amount: \$0

HOME CHDO Operating Expense Grant Grant Amount: \$0

Recommendation:

Housing Trust Fund Loan: Meeting a Required Set-Aside Loan Amount: \$0

Recommendation:

4% Housing Tax Credits with Bond Issuance: Credit Amount: \$0

Recommendation:

Private Activity Bond Issuance with TDHCA: Bond Amount: \$0

Recommendation:

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

DATE: April 14, 2006

PROGRAM: 9% HTC

FILE NUMBER: 060238

DEVELOPMENT NAME

One Southwood Crossing

APPLICANT

Name: One Southwood Crossing LP **Contact:** Ike Akbari
Address: 2901 Turtle Creek Drive, Suite 106
City: Port Arthur **State:** TX **Zip:** 77642
Phone: (409) 724-0020 **Fax:** (409) 721-6603 **Email:** iakbari@itexmgt.com

KEY PARTICIPANTS

Name: One Southwood Crossing GP, LLC **Title:** .01% Managing General Partner of Applicant
Name: Port Arthur Affordable Housing Corp **Title:** 100% Owner of MGP
Name: Ike Akbari **Title:** Special Limited Partner and 100% Owner Itex Developers LLC
Name: Itex Developers LLC **Title:** 70% Co-Developer
Name: Housing Authority of Port Arthur **Title:** 20% Co-Developer and 100% Owner Port Arthur Affd Hsg Corp
Name: Baristone Developers LLC **Title:** 10% Co-Developer
Name: Chris Akbari **Title:** 100% Owner Baristone Developers

PROPERTY LOCATION

Location: N side of I-73 between 9th Avenue and Hwy 347
City: Port Arthur **Zip:** 77642
County: Jefferson **Region:** 5 QCT DDA

REQUEST

<u>Program</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Amortization</u>	<u>Term</u>
HTC	\$684,500	N/A	N/A	N/A
Proposed Use of Funds:	New construction	Type:	Multifamily	
Target Population:	Family	Other:	Urban/Exurban	

RECOMMENDATION

RECOMMEND APPROVAL OF A HOUSING TAX CREDIT ALLOCATION NOT TO EXCEED \$540,416 ANNUALLY FOR TEN YEARS, SUBJECT TO CONDITIONS.

CONDITIONS

1. Receipt, review, and acceptance of clarification of the size of the community building included in Phase I and amendment request for same if necessary.
2. Receipt, review and acceptance of sufficient cross easement between Phase I and the subject development and full rights and privileges to the community areas of each for the tenants in both phases.
3. Receipt, review and acceptance of an acceptable site inspection report from TDHCA staff.
4. Receipt, review and acceptance by carryover of a third party cost breakdown for the rerouting of

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

power lines to the outside boundary of the just he proposed six-acre site. Should any of these costs be considered as an eligible basis cost, a review of all sitework costs will be required.

5. Should the terms and rates of the proposed debt or syndication change or should any property tax exemption be sought and achieved for this property, the transaction should be re-evaluated and an adjustment to the credit/allocation amount may be warranted.

REVIEW of PREVIOUS UNDERWRITING REPORTS

No previous reports. Southwood Crossing Phase I (#05199) received a tax credit allocation during the 2005 9% HTC application cycle. Phase I included 120 identically-sized units on 16 acres.

DEVELOPMENT SPECIFICATIONS

IMPROVEMENTS

Total Units: 84 **# Res Bldgs** 8 **# Non-Res Bldgs** 0 **Age:** N/A yrs **Vacant:** N/A at / /
Net Rentable SF: 80,280 **Av Un SF:** 956 **Common Area SF:** 0 **Gross Bldg SF:** 80,280

ARCHITECTURAL REVIEW

The building and unit plans are comparable to other modern apartment developments. They appear to provide acceptable access and storage. The elevations reflect attractive buildings.

STRUCTURAL MATERIALS

The structures will be constructed on a concrete slab subfloor. According to the plans provided in the application the exterior will be 30% masonry veneer and 70% cement fiber. The interior wall surfaces will be drywall and the roofs will be finished with composite shingles.

UNIT FEATURES

The interior flooring will be carpet, resilient covering, and ceramic tile. Threshold criteria for the 2006 QAP requires all development units to include: mini blinds or window coverings for all windows, a dishwasher, a disposal, a refrigerator, an oven/range, an exhaust/vent fan in bathrooms, and a ceiling fan in each living area and bedroom. New construction units must also include three networks: one for phone service, one for data service, and one for TV service. In addition, each unit will include: a self-cleaning oven, laundry connections, a ceiling fixture in each room, an individual heating and air conditioning unit, individual water heater, and nine-foot ceilings.

ONSITE AMENITIES

In order to meet threshold criteria for a total of 77 to 99 units, the Applicant has elected to provide, a barbecue or picnic table for every 50 units, community gardens, controlled access gates, full perimeter fencing, two children's playgrounds equipped for 5 to 12 year olds, and a sport court. The Applicant has certified that a community building will be constructed as part of Phase I of this development and the subject will share this facility.

Uncovered Parking: 167 spaces **Carports:** 0 spaces **Garages:** 0 spaces

PROPOSAL and DEVELOPMENT PLAN DESCRIPTION

Description: The subject is a 14-unit per acre new construction development located in Port Arthur. The development will be comprised of 8 evenly distributed garden style, walk-up residential buildings as follows:

<u>No. of Buildings</u>	<u>No. of Floors</u>	<u>Eff</u>	<u>1BR</u>	<u>2BR</u>	<u>3BR</u>	<u>4BR</u>
5	2	0	4	8	0	0
3	2	0	0	0	8	0

Phase I of the development includes a 1,700-square foot community building with a laundry room, community area, mail area, a kitchen, a computer room and management offices. The original application included a 2,000 square foot community building. Receipt, review and acceptance of clarification of the size of the community building included in Phase I and amendment request as necessary is a condition of this report.

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

SITE ISSUES			
SITE DESCRIPTION			
Total Size:	6 acres	Scattered sites?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Flood Zone:	Zone B	Within 100-year floodplain?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Current Zoning:	Light Commercial (allows MF)	Needs to be re-zoned?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A

SITE and NEIGHBORHOOD CHARACTERISTICS

Location: Port Arthur is located approximately 22 miles southeast of Beaumont, and 98 miles east of Houston, in Jefferson County. The site is two parcels of land located in the Southeast area of Port Arthur, approximately 2 miles from the central business district. The site is situated on the northwest side of State Hwy 73. The two sites were previously part of a larger 20.42-acre parcel of which 9.913 acres was intended for Phase I. Four acres of the subject six acres are located in front of Phase I between its entrance and State Highway 73. This portion of the subject was previously considered to be a commercial/retail site, but now will include six of the eight buildings included in the subject development. The remaining two acres will include two subject buildings and are located at the back of Phase I.

Adjacent Land Uses:

- **North:** Concrete Drainage Ditch immediately adjacent and Marsh land beyond;
- **South:** Prior to Hwy 73 is a Drainage Ditch, and Utility Easement, then Hwy 73 immediately adjacent and Across Hwy 73 is residential development beyond;
- **East:** Mc Coys Hardware Store immediately adjacent and the United Methodist Temple beyond; and
- **West:** Vacant Land, a Ramada Inn, Electric Transmission line and immediately adjacent and the Christus St. Mary's Outpatient facility beyond.

Site Access: Access to the property is from the northeast or southwest along Hwy 73. The development is to have one main entry, along Hwy 73. Access to Interstate Highway 10 is 17 miles northwest, which provides connections to all other major roads serving southeast Texas.

Public Transportation: There is public transportation in the vicinity, typically along the major roadways. Accessibility to the major roadways is good. The subject property is not on the local bus route, but is within a short walking distance to a bus stop.

Shopping & Services: The site is within two miles of major grocery/pharmacies, shopping centers, a multi-screen theater, library, and a variety of other retail establishments and restaurants. Schools, churches, and hospitals and health care facilities are located within a short driving distance from the site.

Adverse Site Characteristics:

Floodplain: The site is located in Zone "B". Flood Zone "B" is defined on the Flood Insurance Rate Map as follows: "Areas between limits of the 100-year flood and 500-year flood, or certain areas subject to 100-year flooding with average depths less than one (1) foot or where the contributing drainage area is less than one square mile, or areas protected by levees from the base flood." According to the 2006 QAP, "Any Development proposing New Construction located within the 100 year floodplain as identified by the Federal Emergency Management Agency (FEMA) Flood Insurance Rate Maps must develop the site so that all finished ground floor elevations are at least one foot above the flood plain and parking and drive areas are no lower than six inches below the floodplain, subject to more stringent local requirements. If no FEMA Flood Insurance Rate Maps are available for the proposed Development, flood zone documentation must be provided from the local government with jurisdiction identifying the 100 year floodplain. No buildings or roads that are part of a Development proposing Rehabilitation, with the exception of developments with federal funding assistance from HUD or TX USDA-RHS, will be permitted in the 100 year floodplain unless they already meet the requirements established in this subsection for New Construction."

A letter signed by Robert L Cain of Talon Insurance Agency states, "it is my understanding that FEMA does not require flood insurance when premises are located outside the 100-year flood plain." The letter does not reference the subject development or Zone "B" designation. A letter dated April 4, 2006 from Soutex Surveyors, Inc states, "...all the property lies within Flood Zone B which is between the limits of the 100 year and 500 year Flood Plain according to FEMA Map Panel Date 4/17/84 Panel #485499-0030E."

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structures in this zone are not required to have flood insurance.”

TDHCA SITE INSPECTION

Inspector: _____

Date: _____

Overall Assessment: Excellent Acceptable Questionable Poor Unacceptable

Comments: Report not yet received – report recommendations conditioned upon acceptable rating

HIGHLIGHTS of SOILS & HAZARDOUS MATERIALS REPORT(S)

A Phase I Environmental Site Assessment Update dated February 17, 2006 was prepared by Medina Consulting Company, Inc. and contained the following findings and recommendations:

Findings:

- **Noise:** “The only source of elevated noise on the property is State Highway 73, which lies along the southwestern boundary of the site. The nearest residential buildings to the site will be about 200 feet from the highway. Traffic on the highway is largely commuter traffic with only a few commercial freight vehicles. Based on my observations at the site, I would not recommend a noise survey as the noise from the highway did not appear to be excessive” (letter, April 4, 2006).
- **Floodplain:** “The site appears to lie in Zone B according to the FEMA National Flood Insurance Program Flood Insurance Rate Maps, Panels 48549 90035 E and 48549 90030 E for the City of Port Arthur, Jefferson County, Texas, Map Revised April 17, 1984. Zone B are areas of limits between the 100-year and 500-year shallow flooding, or certain areas subject to 100-year flooding, where average depths are less than one foot, or where the contributing drainage area is less than one square mile, or areas protected by levees from the base flood” (p. 3).
- **Asbestos-Containing Materials (ACM):** “No buildings or other improvements are present on the property that would indicate the need for ACM testing” (letter, April 4, 2006).
- **Lead-Based Paint (LBP):** “No buildings or other improvements are present on the property that would indicate the need for Lead Based Paint testing” (letter, April 4, 2006).
- **Lead in Drinking Water:** “No buildings or other improvements are present on the property that would indicate the need for lead in drinking water testing” (letter, April 4, 2006).
- **Radon:** “According to the Environmental Protection Agency (EPA) the Jefferson County area is in Zone 3, which is the zone with the lowest potential for elevated radon concentrations. Each zone designation reflects the average short-term radon measurement that can be expected to be measured in a building without the implementation of radon controls. Jefferson County has an arithmetic mean radon concentration of less than 2.0 pCi/L (picoCuries per liter), which is below the EPA level of concern of 4.0 pCi/L” (p. 3).

Recommendations: “Based on the results of this assessment, MCC has determined that “No Recognized Environmental Conditions”, as defined by ASTM, were identified in connection with activities at the subject property. Additionally, the surrounding properties do not appear to pose a potential environmental concern to the subject site. No further assessment is recommended at this time” (p. 1).

INCOME SET-ASIDE

The Applicant has elected the 40% at 60% or less of area median gross income (AMGI) set-aside. All of the units will be reserved for low-income tenants. Nine of the units (11%) will be reserved for households earning 30% or less of AMI and the remaining units (89%) will be reserved for households earning 60% or less of AMI.

MAXIMUM ELIGIBLE INCOMES						
	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons
60% of AMI	\$21,240	\$24,300	\$27,300	\$30,360	\$32,760	\$35,220

MARKET HIGHLIGHTS

A market feasibility study dated March 1, 2006 was prepared by The Gerald A. Teel Company (“Market

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MULTIFAMILY UNDERWRITING ANALYSIS**

Analyst”) and included the following findings:

Definition of Primary Market Area (PMA): The primary market area is the City of Port Arthur (p. 6). This area encompasses approximately 36.9 square miles and is equivalent to a circle with a radius of 3.4 miles.

Population: The estimated 2005 population of the PMA was 55,492 and is expected to decrease by 3.3% to approximately 53,638 by 2010. Within the primary market area there were estimated to be 21,936 households in 2005.

Total Market Demand: For the 30% of AMI units, the Market Analyst utilized a target household adjustment rate of 100% and a household size-appropriate adjustment rate of 100% (p. 82). The Analyst’s income band of \$8,568 to \$13,776 (p. 78) results in an income eligible adjustment rate of 8.5% (p. 82). The tenure appropriate adjustment rate of 39% is specific to the general population (p. 74). The Market Analyst indicates a turnover rate of 55% applies based on IREM, adjusted based on similar properties and similar markets (p. 75). For the 60% of AMI units, the Market Analyst utilized a target household adjustment rate of 100% and a household size-appropriate adjustment rate of 100% (p. 77). The Analyst’s income band of \$15,390 to \$28,400 (p. 72) results in an income eligible adjustment rate of 18.4% (p. 77). The tenure appropriate adjustment rate of 39% is specific to the general population (p. 74). The Market Analyst indicates a turnover rate of 55% applies based on IREM, adjusted based on similar properties and similar markets (p. 75).

MARKET DEMAND SUMMARY – 30% Units				
Type of Demand	Market Analyst		Underwriter	
	Units of Demand	% of Total Demand	Units of Demand	% of Total Demand
Household Growth	1	0.3%	-2	0%
Resident Turnover	399	99%	627	100%
Other: 1 year growth	1	0.3%	0	0%
TOTAL DEMAND	401	100%	625	100%

p. 82

MARKET DEMAND SUMMARY – 60% Units				
Type of Demand	Market Analyst		Underwriter	
	Units of Demand	% of Total Demand	Units of Demand	% of Total Demand
Household Growth	3	0.3%	-3	0%
Resident Turnover	867	99%	833	100%
Other: 1 year growth	3	0.3%	0	0%
TOTAL DEMAND	873	100%	830	100%

p. 77

Inclusive Capture Rate: For the 30% units, the Market Analyst calculated an inclusive capture rate of 5.2% based upon 401 units of demand and 21 unstabilized affordable housing in the PMA (including the subject) (p. 82). The Underwriter calculated an inclusive capture rate of 3% based upon a supply of 21 unstabilized comparable affordable units divided by a revised demand estimate for 625 affordable units.

For the 60% units, the Market Analyst calculated an inclusive capture rate of 21% based upon 873 units of demand and 183 unstabilized affordable housing in the PMA (including the subject) (p. 77). The Underwriter calculated an inclusive capture rate of 22% based upon a supply of 183 unstabilized comparable affordable units divided by a revised demand estimate for 829 affordable units.

Neither of these estimates include the 10 30% units and 86 60% units proposed at Sunset Way, also currently under evaluation within the same submarket. When these units are considered, the inclusive capture rate for the 30% units rises to 5% and the inclusive capture rate for the 60% units rises to 32%, though the overall capture rate is still an acceptable 20.6%.

Unit Mix Conclusion: “The unit mix for the subject consists of one, two and three bedroom units. The demographics indicate that there is a higher percentage of one bedroom units in the market than at the subject

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MULTIFAMILY UNDERWRITING ANALYSIS**

property, while the subject will have a higher percentage of three bedroom units than the demographic demand suggests. The number of two bedroom units is higher than the demographic demand suggests, but more in line with the comparable rental product. The number of three bedroom units is above average. However, this tends to favor more of a family oriented tenancy, which is supported by the previous success of Port Arthur Townhomes that only offers 2 and 3 bedroom units” (p. 37).

Market Rent Comparables: The Market Analyst surveyed five comparable apartment projects totaling 708 units in the market area (p. 38).

RENT ANALYSIS (net tenant-paid rents)					
Unit Type (% AMI)	Proposed	Program Max	Differential	Est. Market	Differential
1-Bedroom (30%)	\$248	\$248	\$0	\$690	-\$452
1-Bedroom (60%)	\$532	\$532	\$0	\$690	-\$189
2-Bedroom (30%)	\$298	\$297	+\$1	\$880	-\$594
2-Bedroom (60%)	\$638	\$637	+\$1	\$880	-\$278
3-Bedroom (30%)	\$342	\$332	+\$10	\$1,000	-\$672
3-Bedroom (60%)	\$736	\$726	+\$10	\$1,000	-\$306

(NOTE: Differentials are amount of difference between proposed rents and program limits and average market rents, e.g., proposed rent =\$500, program max =\$600, differential = -\$100)

Primary Market Occupancy Rates: “Prior to the series of hurricanes, the comparable data depicted occupancies of 90% to 97% with an average of 95%. Currently, the same data set depicts an average of 100% occupancy...this latter amount may be inflated and could return to pre-storm levels in several months” (p. 70).

Absorption Projections: “...prior to the storms, absorption for new market rental product, with all other factors being equal would be reasonable at about 15 to 20 units per month. Absorption for tax credit product would likely be at a lesser pace of about 5 to 10 units per month given the data, although currently, there is insufficient product available to support the demand” (p.34).

Unstabilized, Under Construction, and Planned Development: “...There are no un-stabilized HTC properties in the vicinity other than...Phase I” (p. 77).

Market Study Analysis/Conclusions: The Underwriter found the market study provided sufficient information on which to base a funding recommendation.

OPERATING PROFORMA ANALYSIS

Income: The Applicant’s projected rents collected per unit were calculated by subtracting tenant-paid utility allowances as of January 1, 2005, maintained by the Port Arthur Housing Authority, from the 2006 program gross rent limits. Tenants will be required to pay electric costs. As a result, the Applicant’s potential gross rent is comparable to the Underwriter’s estimate. Anticipated rents are \$10 to \$21 per month higher than projected for Phase I of the development in an underwriting analysis completed by the Department in 2005. The Applicant’s secondary income and vacancy and collection loss assumptions are also in line with current TDHCA underwriting guidelines resulting in an effective gross income that is within 5% of the Underwriter’s estimate.

Expenses: The Applicant’s total annual operating expense projection at \$4,142 per unit is within 5% of the Underwriter’s estimate of \$4,147, derived from the TDHCA database and third-party data sources. However, several of the Applicant’s line item expenses vary significantly when compared to the Underwriter’s estimates, particularly: general and administrative (\$13K lower); payroll (\$8K higher); repairs and maintenance (\$14K lower); and property insurance (\$21K higher). It should be noted the Underwriter utilized a reserve for replacement expense of \$250 per unit annually based on a requirement of the syndicator. It should be noted the Phase I application contemplated a 50% property tax exemption as a result of the Housing Authority’s participation in the development as owner of the general partner. Any property tax exemption for the subject development would greatly increase the net operating income, thereby increasing the debt service capacity and potentially reducing the need for tax credits. Should any property tax exemption be sought and achieved for this property, the transaction should be re-evaluated and an adjustment to the credit/allocation amount may be warranted.

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construction. In addition, the Applicant has not recently constructed a multifamily development; therefore, actual costs of construction for a similar product post hurricane Rita were not available for comparison. The Applicant's anticipated direct construction costs are 40% higher on a per net rentable square foot basis than those estimated by the Applicant for Phase I (\$37.65) even though the subject carries no common area costs.

Interim Financing Fees: The Underwriter reduced the Applicant's eligible interim financing fees by \$37K to bring the eligible interest expense down to one year of fully drawn interest expense. This results in an equivalent reduction to the Applicant's eligible basis estimate.

Fees: The Applicant's contingency exceeds the 5% of eligible site work and direct construction maximum allowed by HTC guidelines by a total of \$33K based on their own construction costs. The Applicant's developer fee also exceeds 15% of the Applicant's adjusted eligible basis by \$8K and therefore the eligible portion of the Applicant's developer fee must be reduced by the same amount.

Other: The Applicant also included \$24K more in reserves than allowed under the Department's guidelines. While this excess does not directly impact the eligible basis method of determining the credit amount, it does serve to increase the gap in need of funding and could result in an over-allocation to the development.

Conclusion: The Underwriter's direct costs per square foot have also increased substantially (15%) from the estimates used in underwriting (Phase I) in 2005. Again, this actual increase is greater if the cost of common area were excluded from the Phase I base costs.

The Applicant's total development cost is not within 5% of the Underwriter's estimate; therefore, the Underwriter's cost schedule will be used to determine the development's need for permanent funds and to calculate eligible basis. An eligible basis of \$6,601,719 supports annual tax credits of \$701,169. This figure will be compared to the Applicant's request and the tax credits calculated based on the gap in need for permanent funds to determine the recommended allocation.

FINANCING STRUCTURE			
PERMANENT FINANCING			
Source:	MMA Financial	Contact:	Christopher E. Tawa
Principal:	\$1,603,000	Interest Rate:	7.5%, fixed
		Term:	360 months
Documentation:	<input checked="" type="checkbox"/> Signed <input type="checkbox"/> Term Sheet <input checked="" type="checkbox"/> LOI <input type="checkbox"/> Firm Commitment <input type="checkbox"/> Conditional Commitment <input type="checkbox"/> Application		
Comments:	_____		
GRANT			
Source:	City of Port Arthur	Contact:	Stephen Fitzgibbons
Principal:	\$295,000	Conditions:	_____
Documentation:	Incentive Agreement between City of Port Arthur and Applicant		
Comments:	Grant and in-kind contributions		
TAX CREDIT SYNDICATION			
Source:	MMA Financial	Contact:	Marie Kaufman
Proceeds:	\$6,366,000	Net Syndication Rate:	93%
		Anticipated HTC:	\$684,500/year
Documentation:	<input checked="" type="checkbox"/> Signed <input type="checkbox"/> Term Sheet <input checked="" type="checkbox"/> LOI <input type="checkbox"/> Firm Commitment <input type="checkbox"/> Conditional Commitment <input type="checkbox"/> Application		
Comments:	_____		
OTHER			
Amount:	\$25,206	Source:	Deferred Developer Fee

Financing Structure Analysis: MMA Financial will provide \$1,603,000 in funds at a rate of 6.6% (206 bp above 10-year Treasury at funding) with a term of 18 years and an amortization of 30 years. The financing

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commitment is inconsistent with the information in the sources and uses of funds in the application; specifically the interest rate and debt service in the commitment is 6.6% and \$122,852 and the sources and uses lists an interest rate of 7.5% and a debt service of \$160,700. Moreover, even if the higher interest rate were used, the debt service would only rise to \$134,501.

Funding by Local Political Subdivision: The City of Port Arthur will provide \$295,000 in grant funds and in-kind contributions including an estimated \$30,000 in building permit fees and tap fees. A letter dated April 3, 2006 indicated the incentives will be provided from the general fund of the City; therefore, there should be no impact on the eligible basis of the development. There is no anticipated debt service for this source of funds.

HTC Syndication: The tax credit syndication commitment is consistent with the terms reflected in the sources and uses of funds listed in the application. The anticipated syndication price is at the low end of syndication prices seen in the market today and any increase in price could reduce the need for tax credits.

Deferred Developer's Fees: The Applicant's proposed deferred developer's fees of \$25,206 amount to 3% of the total fees.

Financing Conclusions: As stated above, the proforma analysis results in a debt coverage ratio above the Department's maximum guideline of 1.30. The underwriting analysis assumes an increase in the permanent loan amount to \$2,250,838 based on the terms reflected in the lender's commitment. As a result the development's gap in financing will decrease. The Underwriter's total development cost estimate less the revised serviceable permanent loan of \$2,250,838 and City grant of \$295,000 indicates the need for \$5,025,991 in gap funds. Based on the submitted syndication terms, a tax credit allocation of \$540,416 annually would be required to fill this gap in financing. Of the three possible tax credit allocations, Applicant's request (\$684,500), the gap-driven amount (\$540,416), and eligible basis-derived estimate (\$701,169), the gap-driven estimate of \$540,416 is recommended. The Underwriter's recommended financing structure indicates no need for additional permanent funds; therefore, it is unlikely the developer will defer fees.

DEVELOPMENT TEAM

IDENTITIES of INTEREST

- The Applicant, Developer, property manager, and the supportive services provider are related entities. These are common relationships for HTC-funded developments.
- The seller of the property has an identity of interest with the developer. This issue was addressed in the Construction Cost Estimate Evaluation section of this report.

APPLICANT'S/PRINCIPALS' FINANCIAL HIGHLIGHTS, BACKGROUND, and EXPERIENCE

Financial Highlights:

- The Applicant and General Partner are single-purpose entities created for the purpose of receiving assistance from TDHCA and therefore have no material financial statements. The 100% owner of the GP, Port Arthur Affordable Housing Corporation, is newly formed with no material financial statements.
- The 100% owner of the Port Arthur Affordable Housing Corporation, the Port Arthur Housing Authority submitted an unaudited financial statement as of August 31, 2005 reporting total assets of \$10.48M and consisting of \$2.03M in cash, \$423K in receivables, \$957K in current investments, \$128K in other current assets, and \$6.93M in land, structures and equipment. Liabilities totaled \$295K, resulting in a net worth of \$10.19M.
- The principal of the 70% Co-Developer, Ike Akbari, submitted an unaudited financial statement as of December 31, 2005 and is anticipated to be guarantor of the development.

Background & Experience: Multifamily Production Finance Staff have verified that the Department's experience requirements have been met and Portfolio Management and Compliance staff will ensure that the proposed owners have an acceptable record of previous participation.

SUMMARY OF SALIENT RISKS AND ISSUES

- The Applicant's direct construction costs differ from the Underwriter's *Marshall and Swift*-based estimate by more than 5%.

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- The Applicant's total development costs differ from the Underwriter's verifiable estimate by more than 5%.
- Significant inconsistencies in the application could affect the financial structure of the development.
- The development could potentially achieve an excessive profit level (i.e., a DCR above 1.30) if the maximum tax credit rents can be achieved in this market.
- The seller of the property has an identity of interest with the Applicant.
- The potential ad valorem property tax exemption if received could affect the financial feasibility of the development and reduce the need for tax credits.
- The significant financing structure changes being proposed have not been reviewed/accepted by the Applicant, lenders, and syndicators, and acceptable alternative structures may exist.

Underwriter:

Brenda Hull

Date:

Reviewing Underwriter:

Lisa Vecchietti

Date:

Director of Real Estate Analysis:

Tom Gouris

Date:

MULTIFAMILY COMPARATIVE ANALYSIS

One Southwood Crossing, Port Arthur, 9% HTC, #060238

Type of Unit	Number	Bedrooms	No. of Baths	Size in SF	Gross Rent Lmt.	Rent Collected	Rent per Month	Rent per SF	Tnt-Pd Util	Wtr, Swr, Trsh
TC 30%	2	1	1	690	\$285	\$248	\$496	\$0.36	\$37.00	\$32.00
TC 60%	18	1	1	690	569	\$532	9,576	0.77	37.00	32.00
TC 30%	4	2	2	960	342	\$297	1,188	0.31	45.00	36.00
TC 60%	36	2	2	960	682	\$637	22,932	0.66	45.00	36.00
TC 30%	3	3	2	1,170	395	\$332	996	0.28	63.00	35.00
TC 60%	21	3	2	1,170	789	\$726	15,246	0.62	63.00	35.00
TOTAL:	84		AVERAGE:	956	\$649	\$600	\$50,434	\$0.63	\$48.24	\$34.76

INCOME Total Net Rentable Sq Ft: **80,280**

POTENTIAL GROSS RENT

Secondary Income Per Unit Per Month: \$10.00

Other Support Income: none

POTENTIAL GROSS INCOME

Vacancy & Collection Loss % of Potential Gross Income: -7.50%

Employee or Other Non-Rental Units or Concessions

EFFECTIVE GROSS INCOME

TDHCA	APPLICANT
\$605,208	\$608,568
10,080	10,080
0	0
\$615,288	\$618,648
(46,147)	(46,404)
0	0
\$569,141	\$572,244

Comptroller's Region	5
IREM Region	6
\$10.00 Per Unit Per Month	
\$0.00 Per Unit Per Month	
-7.50% of Potential Gross Income	

EXPENSES

	% OF EGI	PER UNIT	PER SQ FT
General & Administrative	6.00%	\$407	0.43
Management	5.00%	339	0.35
Payroll & Payroll Tax	14.37%	973	1.02
Repairs & Maintenance	5.52%	374	0.39
Utilities	2.59%	176	0.18
Water, Sewer, & Trash	6.17%	418	0.44
Property Insurance	4.39%	298	0.31
Property Tax 3.090	11.40%	772	0.81
Reserve for Replacements	3.69%	250	0.26
Other: compl fees, supt svcs	2.07%	140	0.15
TOTAL EXPENSES	61.20%	\$4,147	\$4.34
NET OPERATING INC	38.80%	\$2,629	\$2.75

TDHCA	APPLICANT
\$34,158	\$21,600
28,457	27,236
81,767	90,000
31,436	17,500
14,744	18,000
35,101	35,864
25,009	46,200
64,885	58,800
21,000	21,000
11,760	11,760
\$348,318	\$347,960
\$220,824	\$224,284

PER SQ FT	PER UNIT	% OF EGI
\$0.27	\$257	3.77%
0.34	324	4.76%
1.12	1,071	15.73%
0.22	208	3.06%
0.22	214	3.15%
0.45	427	6.27%
0.58	550	8.07%
0.73	700	10.28%
0.26	250	3.67%
0.15	140	2.06%
\$4.33	\$4,142	60.81%
\$2.79	\$2,670	39.19%

DEBT SERVICE

MMA Financial	21.59%	\$1,463	\$1.53
City of Port Arthur Grant	0.00%	\$0	\$0.00
Additional Financing	0.00%	\$0	\$0.00
NET CASH FLOW	17.21%	\$1,166	\$1.22

\$122,852	\$160,700
0	
0	
\$97,971	\$63,584

\$2.00	\$1,913	28.08%
\$0.00	\$0	0.00%
\$0.00	\$0	0.00%
\$0.79	\$757	11.11%

AGGREGATE DEBT COVERAGE RATIO

RECOMMENDED DEBT COVERAGE RATIO

1.80	1.40
	1.30

CONSTRUCTION COST

Description	Factor	% of TOTAL	PER UNIT	PER SQ FT
Acquisition Cost (site or bldg)		4.70%	\$4,238	\$4.43
Off-Sites		0.00%	0	0.00
Sitework		8.28%	7,463	7.81
Direct Construction		49.21%	44,361	46.42
Contingency	5.00%	2.87%	2,591	2.71
General Req'ts	6.00%	3.45%	3,109	3.25
Contractor's G & A	2.00%	1.15%	1,036	1.08
Contractor's Profit	6.00%	3.45%	3,109	3.25
Indirect Construction		4.83%	4,357	4.56
Ineligible Costs		5.40%	4,871	5.10
Developer's G & A	2.00%	1.52%	1,367	1.43
Developer's Profit	13.00%	9.86%	8,884	9.30
Interim Financing		2.57%	2,313	2.42
Reserves		2.71%	2,440	2.55
TOTAL COST		100.00%	\$90,141	\$94.32
Construction Cost Recap		68.42%	\$61,670	\$64.53

TDHCA	APPLICANT
\$355,965	\$365,000
0	0
626,875	626,875
3,726,313	4,217,703
217,659	274,872
261,191	281,381
87,064	93,794
261,191	281,381
366,000	366,000
409,168	409,168
114,813	190,740
746,281	762,960
194,332	194,332
204,977	225,000
\$7,571,829	\$8,289,206
\$5,180,293	\$5,776,006

PER SQ FT	PER UNIT	% of TOTAL
\$4.55	\$4,345	4.40%
0.00	0	0.00%
7.81	7,463	7.56%
52.54	50,211	50.88%
3.42	3,272	3.32%
3.50	3,350	3.39%
1.17	1,117	1.13%
3.50	3,350	3.39%
4.56	4,357	4.42%
5.10	4,871	4.94%
2.38	2,271	2.30%
9.50	9,083	9.20%
2.42	2,313	2.34%
2.80	2,679	2.71%
\$103.25	\$98,681	100.00%
\$71.95	\$68,762	69.68%

SOURCES OF FUNDS

MMA Financial	21.17%	\$19,083	\$19.97
City of Port Arthur Grant	3.90%	\$3,512	\$3.67
HTC Syndication Proceeds	84.07%	\$75,786	\$79.30
Deferred Developer Fees	0.33%	\$300	\$0.31
Additional (Excess) Funds Req'd	-9.47%	(\$8,540)	(\$8.94)
TOTAL SOURCES			

TDHCA	APPLICANT	RECOMMENDED	
\$1,603,000	\$1,603,000	\$2,250,838	Developer Fee Available
295,000	295,000	295,000	\$861,094
6,366,000	6,366,000	5,025,991	% of Dev. Fee Deferred
25,206	25,206	0	0%
(717,377)	0	0	15-Yr Cumulative Cash Flow
\$7,571,829	\$8,289,206	\$7,571,829	\$1,110,025

MULTIFAMILY COMPARATIVE ANALYSIS(continued)

One Southwood Crossing, Port Arthur, 9% HTC, #060238

DIRECT CONSTRUCTION COST ESTIMATE

Residential Cost Handbook

Average Quality Multiple Residence Basis

CATEGORY	FACTOR	UNITS/SQ FT	PER SF	AMOUNT
Base Cost			\$49.27	\$3,955,478
Adjustments				
Exterior Wall Finish	2.40%		\$1.18	\$94,931
9-Ft. Ceilings	3.30%		1.63	130,531
Roofing			0.00	0
Subfloor			(1.12)	(89,914)
Floor Cover			2.22	178,222
Porches/Balconies	\$19.79	6,750	1.66	133,549
Plumbing	\$680	192	1.63	130,560
Built-In Appliances	\$1,675	84	1.75	140,700
Stairs	\$1,900	29	0.67	54,150
Enclosed Corridors	\$39.35	2640	1.29	103,887
Heating/Cooling			1.73	138,884
Garages/Carports		0	0.00	0
Comm &/or Aux Bldgs		0	0.00	0
Other: Ceramic Tile	\$9.71	1,606	0.19	15,590
SUBTOTAL			62.11	4,986,568
Current Cost Multiplier	1.03		1.86	149,597
Local Multiplier	0.89		(6.83)	(548,522)
TOTAL DIRECT CONSTRUCTION COSTS			\$57.15	\$4,587,643
Plans, specs, survy, bld prm	3.90%		(\$2.23)	(\$178,918)
Interim Construction Interest	3.38%		(1.93)	(154,833)
Contractor's OH & Profit	11.50%		(6.57)	(527,579)
NET DIRECT CONSTRUCTION COSTS			\$46.42	\$3,726,313

PAYMENT COMPUTATION

Primary	\$1,603,000	Amort	360
Int Rate	6.60%	DCR	1.80

Secondary		Amort	
Int Rate	0.00%	Subtotal DCR	1.80

Additional		Amort	
Int Rate		Aggregate DCR	1.80

RECOMMENDED FINANCING STRUCTURE APPLICANT'S N

Primary Debt Service	\$172,502
Secondary Debt Service	0
Additional Debt Service	0
NET CASH FLOW	\$51,782

Primary	\$2,250,838	Amort	360
Int Rate	6.60%	DCR	1.30

Secondary	\$0	Amort	0
Int Rate	0.00%	Subtotal DCR	1.30

Additional	\$0	Amort	0
Int Rate	0.00%	Aggregate DCR	1.30

OPERATING INCOME & EXPENSE PROFORMA: RECOMMENDED FINANCING STRUCTURE (APPLICANT'S NOI)

INCOME at 3.00%	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 15	YEAR 20	YEAR 30
POTENTIAL GROSS RENT	\$608,568	\$626,825	\$645,630	\$664,999	\$684,949	\$794,043	\$920,514	\$1,067,128	\$1,434,130
Secondary Income	10,080	10,382	10,694	11,015	11,345	13,152	15,247	17,675	23,754
Contractor's Profit	0	0	0	0	0	0	0	0	0
POTENTIAL GROSS INCOME	618,648	637,207	656,324	676,013	696,294	807,195	935,761	1,084,803	1,457,885
Vacancy & Collection Loss	(46,404)	(47,791)	(49,224)	(50,701)	(52,222)	(60,540)	(70,182)	(81,360)	(109,341)
Developer's G & A	0	0	0	0	0	0	0	0	0
EFFECTIVE GROSS INCOME	\$572,244	\$589,417	\$607,099	\$625,312	\$644,072	\$746,656	\$865,579	\$1,003,443	\$1,348,543
EXPENSES at 4.00%									
General & Administrative	\$21,600	\$22,464	\$23,363	\$24,297	\$25,269	\$30,744	\$37,404	\$45,508	\$67,363
Management	27,236	28053.3447	28894.94507	29761.79342	30654.64722	35537.13778	41197.2825	47758.94154	64184.02379
Payroll & Payroll Tax	90,000	93,600	97,344	101,238	105,287	128,098	155,851	189,616	280,679
Repairs & Maintenance	17,500	18,200	18,928	19,685	20,473	24,908	30,304	36,870	54,576
Utilities	18,000	18,720	19,469	20,248	21,057	25,620	31,170	37,923	56,136
Water, Sewer & Trash	35,864	37,299	38,791	40,342	41,956	51,046	62,105	75,560	111,847
Insurance	46,200	48,048	49,970	51,969	54,047	65,757	80,003	97,336	144,082
Property Tax	58,800	61,152	63,598	66,142	68,788	83,691	101,823	123,883	183,377
Reserve for Replacements	21,000	21,840	22,714	23,622	24,567	29,890	36,365	44,244	65,492
Other	11,760	12,230	12,720	13,228	13,758	16,738	20,365	24,777	36,675
TOTAL EXPENSES	\$347,960	\$361,606	\$375,790	\$390,533	\$405,856	\$492,027	\$596,587	\$723,476	\$1,064,410
NET OPERATING INCOME	\$224,284	\$227,811	\$231,309	\$234,780	\$238,215	\$254,628	\$268,991	\$279,967	\$284,133
DEBT SERVICE									
First Lien Financing	\$172,502	\$172,502	\$172,502	\$172,502	\$172,502	\$172,502	\$172,502	\$172,502	\$172,502
Second Lien	0	0	0	0	0	0	0	0	0
Other Financing	0	0	0	0	0	0	0	0	0
NET CASH FLOW	\$51,782	\$55,308	\$58,807	\$62,278	\$65,713	\$82,126	\$96,489	\$107,465	\$111,631
DEBT COVERAGE RATIO	1.30	1.32	1.34	1.36	1.38	1.48	1.56	1.62	1.65

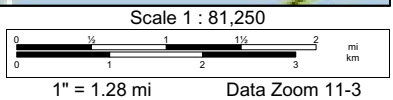
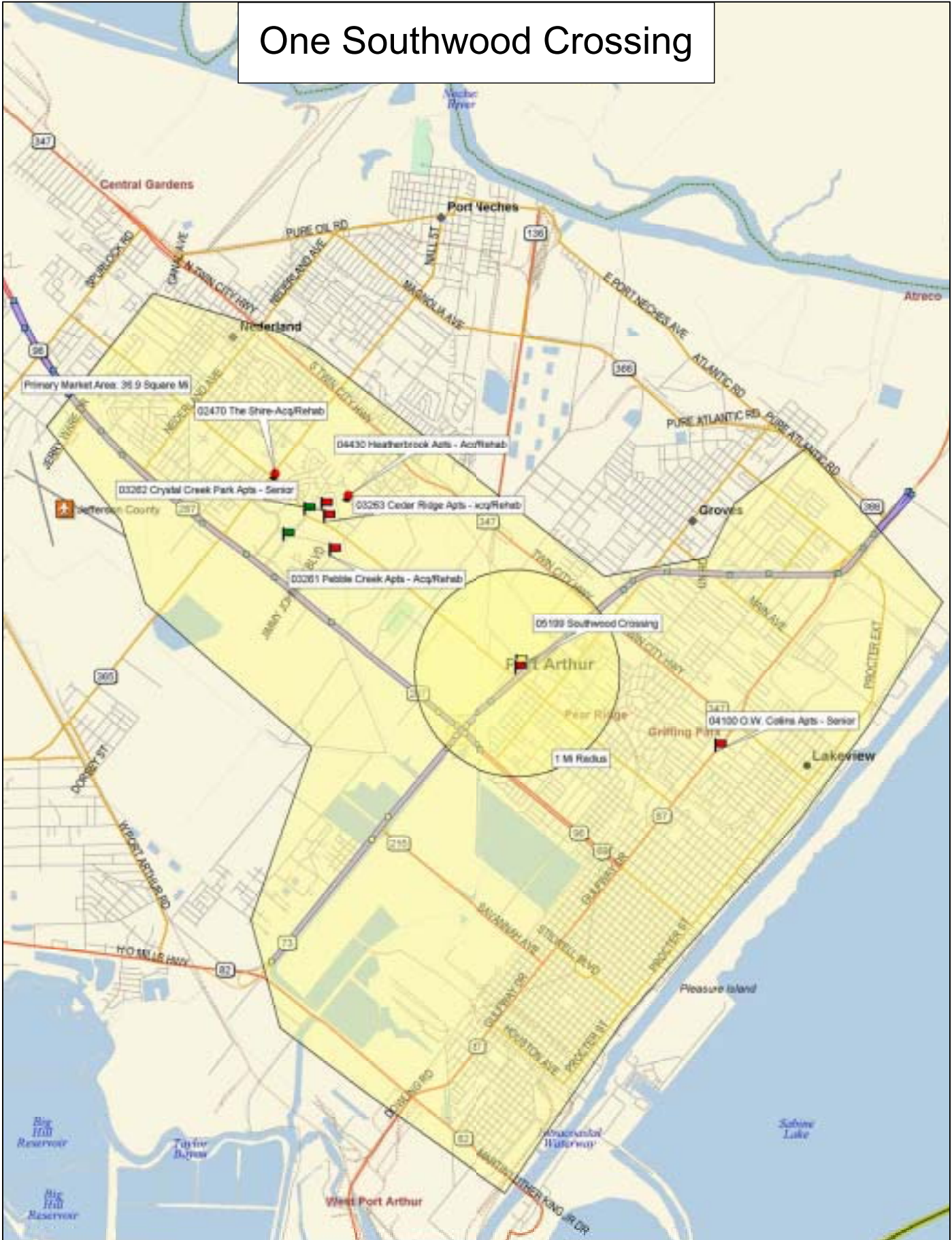
HTC ALLOCATION ANALYSIS - One Southwood Crossing, Port Arthur, 9% HTC, #060238

CATEGORY	APPLICANT'S TOTAL AMOUNTS	TDHCA TOTAL AMOUNTS	APPLICANT'S REHAB/NEW ELIGIBLE BASIS	TDHCA REHAB/NEW ELIGIBLE BASIS
(1) Acquisition Cost				
Purchase of land	\$365,000	\$355,965		
Purchase of buildings				
(2) Rehabilitation/New Construction Cost				
On-site work	\$626,875	\$626,875	\$626,875	\$626,875
Off-site improvements				
(3) Construction Hard Costs				
New structures/rehabilitation hard costs	\$4,217,703	\$3,726,313	\$4,217,703	\$3,726,313
(4) Contractor Fees & General Requirements				
Contractor overhead	\$93,794	\$87,064	\$93,794	\$87,064
Contractor profit	\$281,381	\$261,191	\$281,381	\$261,191
General requirements	\$281,381	\$261,191	\$281,381	\$261,191
(5) Contingencies				
	\$274,872	\$217,659	\$242,229	\$217,659
(6) Eligible Indirect Fees				
	\$366,000	\$366,000	\$366,000	\$366,000
(7) Eligible Financing Fees				
	\$194,332	\$194,332	\$194,332	\$194,332
(8) All Ineligible Costs				
	\$409,168	\$409,168		
(9) Developer Fees				
			\$945,554	
Developer overhead	\$190,740	\$114,813		\$114,813
Developer fee	\$762,960	\$746,281		\$746,281
(10) Development Reserves				
	\$225,000	\$204,977		
TOTAL DEVELOPMENT COSTS	\$8,289,206	\$7,571,829	\$7,249,249	\$6,601,719

Deduct from Basis:			
All grant proceeds used to finance costs in eligible basis			
B.M.R. loans used to finance cost in eligible basis			
Non-qualified non-recourse financing			
Non-qualified portion of higher quality units [42(d)(3)]			
Historic Credits (on residential portion only)			
TOTAL ELIGIBLE BASIS		\$7,249,249	\$6,601,719
High Cost Area Adjustment		130%	130%
TOTAL ADJUSTED BASIS		\$9,424,024	\$8,582,235
Applicable Fraction		100%	100%
TOTAL QUALIFIED BASIS		\$9,424,024	\$8,582,235
Applicable Percentage		8.17%	8.17%
TOTAL AMOUNT OF TAX CREDITS		\$769,943	\$701,169

Syndication Proceeds	0.9300	\$7,160,636	\$6,521,022
Total Tax Credits (Eligible Basis Method)		\$769,943	\$701,169
Syndication Proceeds		\$7,160,636	\$6,521,022
Requested Tax Credits		\$684,500	
Syndication Proceeds		\$6,366,000	
Gap of Syndication Proceeds Needed			\$5,025,991
Total Tax Credits (Gap Method)			\$540,416

One Southwood Crossing



Applicant Evaluation

Project ID # **060238** Name: **One Southwood Crossing Apartme** City: **Port Arthur**

LIHTC 9% LIHTC 4% HOME BOND HTF SECO ESGP Other

No Previous Participation in Texas Members of the development team have been disbarred by HUD

National Previous Participation Certification Received: N/A Yes No

Noncompliance Reported on National Previous Participation Certification: Yes No

Portfolio Management and Compliance

Total # of Projects monitored: 2

Projects zero to nine: 2
 grouped ten to nineteen: 0
 by score twenty to twenty-nine: 0

Projects in Material Noncompliance

Yes No

in noncompliance: 0

monitored with a score less than thirty: 2

Projects not reported Yes
 in application No

not yet monitored or pending review: 7

of projects not reported 0

Portfolio Monitoring

Not applicable
 Review pending
 No unresolved issues
 Unresolved issues found
 Unresolved issues found that warrant disqualification (Comments attached)

Single Audit

Not applicable
 Review pending
 No unresolved issues
 Issues found regarding late cert
 Issues found regarding late audit
 Unresolved issues found that warrant disqualification (Comments attached)

Contract Administration

Not applicable
 Review pending
 No unresolved issues
 Unresolved issues found
 Unresolved issues found that warrant disqualification (Comments attached)

Reviewed by Lucy Trevino

Date 4/11/2006

Multifamily Finance Production

Not applicable
 Review pending
 No unresolved issues
 Unresolved issues found
 Unresolved issues found that warrant disqualification (Comments attached)

Reviewer A. Martin
 Date 4/12/2006

Single Family Finance Production

Not applicable
 Review pending
 No unresolved issues
 Unresolved issues found
 Unresolved issues found that warrant disqualification (Comments attached)

Reviewer Sandy M. Garcia
 Date 4/7/2006

Real Estate Analysis (Cost Certification and Workout)

Not applicable
 Review pending
 No unresolved issues
 Unresolved issues found
 Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
 Date _____

Community Affairs

No relationship
 Review pending
 No unresolved issues
 Unresolved issues found
 Unresolved issues found that warrant disqualification (Comments attached)

Reviewer EEF
 Date 4/11/2006

Office of Colonia Initiatives

Not applicable
 Review pending
 No unresolved issues
 Unresolved issues found
 Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
 Date _____

Financial Administration

No delinquencies found
 Delinquencies found

Reviewer Melissa M. Whitehead
 Date 4/10/2006

Acting Executive Director William Dally

Executed:

Friday, April 14, 2006

MULTIFAMILY FINANCE PRODUCTION DIVISION

BOARD ACTION REQUEST

May 4, 2006

Action Item

Presentation, Discussion and Possible Approval of the Use of the 2006 Housing Tax Credit National Pool or 2006 Recaptured Credits for Hurricane Rita Housing Tax Credit applications.

Requested Action

Approve, Amend or Deny the recommendation.

Background

In December 2005, Congress passed HB4440 which allocated an additional \$3.5 million in Housing Tax Credit Ceiling for the State of Texas. The Department's Board made the decision to set-aside the additional allocation for areas of the state that were most damaged by Hurricane Rita. As is generally the case with Housing Tax Credit applications, the amount of credits underwritten for an application does not neatly coincide with the amount of funds available; therefore for any allocation, the final recommendation of applications is either lower than, or greater than, the specific amount targeted in a given region. In this case, some initial awards for Hurricane Rita Tax Credit applications are being ratified on May 4, 2006; cumulatively these awards do not fully utilize the \$3.5 million available. Due to outstanding appeals and deficiencies, additional awards will still be made by the Executive Director (and ratified by the Board on June 9, 2006) to fully utilize the \$3.5 million in credits. At that time, to prevent the loss of any of the Hurricane Rita credits and to fully fund the last application that is competitive to be funded but for which the full amount of credits is not available from the Hurricane Rita Tax Credits, there may be a need to exceed the total \$3.5 million allocation. Therefore, staff is requesting the authority to use up to \$400,000 in 2006 National Pool Credits or any Recaptured Credits through 2006, to ensure that the last award made to fully utilize the Hurricane Rita Tax Credits is indeed fully funded at the credit amount recommended by Real Estate Analysis. On average the National Pool received by Texas is approximately \$500,000 in credits, but staff is recommending \$400,000 to be conservative due to the inability to ensure the credit amount to be received.

Recommendation

Staff recommends the Board authorize the Executive Director to allocate up to \$400,000 in 2006 National Pool or 2006 Recaptured Credits as the Executive Director gives final approval of the Hurricane Rita Housing Tax Credit applications subsequent to the May 4 Board meeting, which will be ratified by the Board on June 9, 2006.

MULTIFAMILY FINANCE PRODUCTION DIVISION

BOARD ACTION REQUEST

May 4, 2006

Action Item

Presentation, Discussion and Possible Approval for the issuance of 4% Housing Tax Credits for Mill City Parc Apartments.

Summary of the Transaction

The application was received on January 23, 2006. The Issuer for this transaction is Housing Options, Inc, the Dallas Housing Authority's Housing Finance Corporation affiliate. The development is to be located at 4848 Hatcher Street in Dallas. Demographics for the census tract include AMFI of \$16,042; the total population is 4066; the percent of population that is minority is 99.39%; the percent of population that is below the poverty line is 53.81%; the number of owner occupied units is 345; the number of renter units is 1139 and the number of vacant units is 187. The percent of population that is minority for the entire City of Dallas is 65% (Census information from FFIEC Geocoding for 2005). The development is new construction and will consist of 116 total units targeting the general population, with all of the units to be affordable - for a Priority 3 bond transaction this means that at least 75% of the units must have rents at 30% of 80% AMFI and that they meet one of the minimum housing tax credit elections. The site is currently zoned for such a development. The Department has received no letters of support and one letter in opposition from Dallas City Council Member and Deputy Mayor Pro Tem Dr. Elba Garcia. The bond priority for this transaction is:

- Priority 1A:** Set aside **50%** of units that cap rents at 30% of **50%** AMFI **and** Set aside **50%** of units that cap rents at 30% of **60%** AMFI (MUST receive 4% Housing Tax Credits)
- Priority 1B:** Set aside **15%** of units that cap rents at 30% of **30%** AMFI **and** Set aside **85%** of units that cap rents at 30% of **60%** AMFI (MUST receive 4% Housing Tax Credits)
- Priority 1C:** Set aside **100%** of units that cap rents at 30% of **60%** AMFI (Only for projects located in a **census tract with median income that is greater** than the median income of the county MSA, or PMSA that the QCT is located in. (MUST receive 4% Housing Tax Credits)
- Priority 2:** Set aside **100%** of units that cap rents at 30% of **60%** AMFI (MUST receive 4% Housing Tax Credits)
- Priority 3:** Any qualified residential rental development.

Recommendation

Staff recommends the Board approve the issuance of Housing Tax Credits for Mill City Parc Apartments.



MULTIFAMILY FINANCE PRODUCTION DIVISION

May 4, 2006

**Development Information, Public Input and Board Summary
Mill City Parc Apartments, TDHCA Number 060404**

BASIC DEVELOPMENT INFORMATION

Site Address: 4848 Hatcher Street Development #: 060404
 City: Dallas Region: 3 Population Served: Family
 County: Dallas Zip Code: 75210 Allocation: Urban/Exurban
 HTC Set Asides: At-Risk Nonprofit USDA Rural Rescue Purpose/Activity: NC
 HOME Set Asides: CHDO Preservation General
 Bond Issuer: Housing Options
 HTC Purpose/Activity: NC=New Construction, ACQ=Acquisition, R=Rehabilitation, NC/ACQ=New Construction and Acquisition,
 NC/R=New Construction and Rehabilitation, ACQ/R=Acquisition and Rehabilitation

OWNER AND DEVELOPMENT TEAM

Owner: Mill City Frazier, L.P.
 Troy Broussard - Phone: (214) 951-8319
 Developer: Mill City Development, Inc.
 Housing General Contractor: TBD
 Architect: Brown Reynolds Watford
 Market Analyst: CB Richard Ellis
 Syndicator: TBD
 Supportive Services: The Housing Authority of the City of Dallas
 Consultant: Coats Rose Yale Ryman & Lee, P.C.

UNIT/BUILDING INFORMATION

<u>30%</u>	<u>40%</u>	<u>50%</u>	<u>60%</u>	<u>Eff</u>	<u>1 BR</u>	<u>2 BR</u>	<u>3 BR</u>	<u>4 BR</u>	<u>5 BR</u>	Total Restricted Units:	116	
87	0	29	0	0	30	48	38	0	0	Market Rate Units:	0	
Type of Building: <input type="checkbox"/> 5 units or more per building											Owner/Employee Units:	0
<input type="checkbox"/> Duplex	<input type="checkbox"/> Detached Residence									Total Development Units:	116	
<input type="checkbox"/> Triplex	<input type="checkbox"/> Single Room Occupancy									Total Development Cost:	\$11,555,973	
<input type="checkbox"/> Fourplex	<input type="checkbox"/> Transitional									Number of Residential Buildings:	23	
<input checked="" type="checkbox"/> Townhome												

Note: If Development Cost = \$0, an Underwriting Report has not been completed.

FUNDING INFORMATION

	<u>Applicant Request</u>	<u>Department Analysis</u>	<u>Amort</u>	<u>Term</u>	<u>Rate</u>
9% Housing Tax Credits-Credit Ceiling:	\$0	\$0	0	0	0.00%
4% Housing Tax Credits with Bonds:	\$530,686	\$486,371	0	0	0.00%
TDHCA Bond Allocation Amount:	\$0	\$0	0	0	0.00%
HOME Activity Fund Loan Amount:	\$0	\$0	0	0	0.00%
HOME CHDO Operating Grant Amount:	\$0	\$0	0	0	0.00%
Hurricane Rita Housing Tax Credits:	\$0	\$0	0	0	0.00%
Housing Trust Fund Loan Amount:	\$0	\$0	0	0	0.00%



MULTIFAMILY FINANCE PRODUCTION DIVISION

May 4, 2006

Development Information, Public Input and Board Summary
Mill City Parc Apartments, TDHCA Number 060404

PUBLIC COMMENT SUMMARY

Guide: "O" = Oppose, "S" = Support, "N" = Neutral, "NC" or Blank = No comment

State/Federal Officials with Jurisdiction:

TX Senator: West, District 23 [NC] Points: [0] US Representative: Johnson, District 30, NC
TX Representative: Hodge, District 100 [NC] Points: [0] US Senator: NC

Local Officials and Other Public Officials:

Mayor/Judge: Laura Miller, Mayor, City of Dallas -NC Resolution of Support from Local Government []

Patricia Smith-Harrington, CD Manager, City of Dallas -
The Mill City Frazier project is consistent with the City of
Dallas's Consolidated Plan.

Dr. Elba Garcia, Deputy Mayor Pro Tem, Dist.1 , City of
Dallas - O

Individuals/Businesses: In Support: [0] In Opposition: [0]

Neighborhood Input:

General Summary of Comment:

CONDITIONS OF COMMITMENT

Per §50.12(c) of the Qualified Allocation Plan and Rules, all Tax Exempt Bond Development Applications "must provide an executed agreement with a qualified service provider for the provision of special supportive services that would otherwise not be available for the tenants. The provision of such services will be included in the Declaration of Land Use Restrictive Covenants ("LURA")."

Receipt, review, and acceptance of documentation verifying that all window and door sills of the subject property are properly insulated with acoustical materials to mitigate the potential noise hazard posed from the adjacent railroad line in accordance with HUD noise hazard requirements.

Should the Board accept the current construction bid as sufficient evidence of significantly higher costs than anticipated by the Underwriter, the requested credit amount of \$530,686 would be justified.

Receipt, review, and acceptance of audited financial statements for the Housing Authority of the City of Dallas for the most recent fiscal year ended 90 days prior to the date of application submission (January 23, 2006).

Should the terms and rates of the proposed debt or syndication change, the transaction should be re evaluated and an adjustment to the credit amount may be warranted.



MULTIFAMILY FINANCE PRODUCTION DIVISION

May 4, 2006

Development Information, Public Input and Board Summary
Mill City Parc Apartments, TDHCA Number 060404

RECOMMENDATION BY THE EXECUTIVE AWARD AND REVIEW ADVISORY COMMITTEE IS BASED ON:

9% HTC Competitive Cycle: Score: Meeting a Required Set-Aside Credit Amount: \$0

Recommendation:

HOME Activity Funds Loan: Loan Amount: \$0

HOME CHDO Operating Expense Grant Grant Amount: \$0

Recommendation:

Housing Trust Fund Loan: Meeting a Required Set-Aside Loan Amount: \$0

Recommendation:

4% Housing Tax Credits with Bond Issuance: Credit Amount: \$486,371

Recommendation: Recommend approval of a Housing Tax Credit allocation not to exceed \$486,371 annually for ten years, subject to conditions.

Private Activity Bond Issuance with TDHCA: Bond Amount: \$0

Recommendation:

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

DATE: April 25, 2006 **PROGRAM:** 4% HTC **FILE NUMBER:** 060404
(fka, 05442)

DEVELOPMENT NAME

Mill City Parc Apartments

APPLICANT

Name: Mill City Frazier, LP **Contact:** Troy Broussard
Address: 3939 N Hampton Road
City: Dallas **State:** TX **Zip:** 75212
Phone: (214) 951-8319 **Fax:** (214) 951-1988 **Email:** tbroussard@dhadal.com

KEY PARTICIPANTS

Name: Mill City Development, Inc (Nonprofit) **Title:** 0.01% Managing General Partner of Applicant/Developer
Name: Housing Authority of the City of Dallas **Title:** Parent of Managing General Partner
Name: Coats Rose Yale Ryman & Lee, PC **Title:** Consultant

PROPERTY LOCATION

Location: 4848 Hatcher Street
City: Dallas **Zip:** _____
County: Dallas **Region:** 3 QCT DDA

REQUEST

<u>Program</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Amortization</u>	<u>Term</u>
HTC	\$530,686	N/A	N/A	N/A
Proposed Use of Funds:	New construction	Type:	Multifamily	
Target Population:	Family	Other:	Urban/Exurban	

RECOMMENDATION

RECOMMEND APPROVAL OF A HOUSING TAX CREDIT ALLOCATION NOT TO EXCEED \$486,371 ANNUALLY FOR TEN YEARS, SUBJECT TO CONDITIONS.

CONDITIONS

1. Receipt, review, and acceptance of documentation verifying that all window and door sills of the subject property are properly insulated with acoustical materials to mitigate the potential noise hazard posed from the adjacent railroad line in accordance with HUD noise hazard requirements.
2. Should the Board accept the current construction bid as sufficient evidence of significantly higher costs than anticipated by the Underwriter, the requested credit amount of \$530,686 would be justified.
3. Receipt, review and acceptance of audited financial statements for the Housing Authority of the City of Dallas for the most recent fiscal year ended 90 days prior to the date of application submission (January 23, 2006).
4. Should the terms and rates of the proposed debt or syndication change, the transaction should be re-evaluated and an adjustment to the credit amount may be warranted.

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

REVIEW of PREVIOUS UNDERWRITING REPORTS

Mill City Parc is the third and final phase of redevelopment of the Frazier Courts public housing development. The second phase, Wahoo Frazier Townhomes (9% HTC #05116), was awarded 9% tax credits and is anticipated to be built on property adjacent to the subject. The subject site was also previously submitted and approved for an allocation of 4% tax credits (05442) in December of 2006. The Development was recommended for \$463,328 in credits at that time but based upon comment by the Applicant at the meeting, the Board chose to approve the Applicant's requested amount of \$508,080 based upon construction bids up to that point. It was understood by the Board that any unused credits would not be wasted nor could they be reutilized since such 4% credits are only available based on need from private activity bond transactions. Other conditions of the original report were:

1. Receipt, review, and acceptance of documentation that all drives and amenity improvements are not more than six inches below the base flood elevation;
2. Receipt, review, and acceptance of documentation verifying that all window and door sills of the subject property are properly insulated with acoustical materials to mitigate the potential noise hazard posed from the adjacent railroad line in accordance with the ESA recommendations;
3. Acceptance by the Board of the anticipated likely redemption of the majority of the bonds immediately after issuance;
4. Should the Board accept the current construction bid as sufficient evidence of significantly higher costs than anticipated by the Underwriter, the requested credit amount of \$508,080 would be justified;
5. Receipt, review, and acceptance of a revised market study clarifying the demand and capture rate calculations and a full review of this Market Analyst's work to determine if removal from the approved Market Analyst list is appropriate (this condition is does not impact the transaction but only the Market Analyst); and
6. Should the terms and rates of the proposed debt or syndication change, the transaction should be re-evaluated and an adjustment to the credit amount may be warranted.

The Applicant indicated that they were unable to close the original transaction due to time limits of the bond reservation and the longer time issues associated with the HUD approval process.

The Applicant initially indicated that the proposed development plan and development costs were unchanged from the 2005 application. During the underwriting process and upon recognizing that an entirely new underwriting would be completed, the Applicant indicated that a few changes had occurred and resubmitted a project cost schedule that reflected an increase in the requested credit amount. This increase allows the development to access credits not previously requested but for which adequate eligible basis may exist to claim them (based upon the Applicant's cost estimates).

DEVELOPMENT SPECIFICATIONS

IMPROVEMENTS

Total Units:	<u>116</u>	# Res Bldgs	<u>23</u>	# Non-Res Bldgs	<u>0</u>	Age:	<u>N/A</u> yrs	Vacant:	<u>N/A</u>	at	<u>/ /</u>
Net Rentable SF:	<u>124,609</u>	Av Un SF:	<u>1,074</u>	Common Area SF:	<u>0</u>	Gross Bldg SF:	<u>124,609</u>				

ARCHITECTURAL REVIEW

The building and unit plans are comparable to other modern apartment developments. They appear to provide acceptable access and storage. The elevations reflect attractive buildings.

STRUCTURAL MATERIALS

The structures will be constructed on a post-tensioned concrete slab. According to the plans provided in the application the exterior will be 40% masonry veneer, 30% cement fiber, and 30% stucco. The interior wall surfaces will be drywall and the roofs will be finished with composite shingles.

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

UNIT FEATURES

The interior flooring will be carpet, resilient covering, and ceramic tile. Threshold criteria for the 2006 QAP requires all development units to include: mini blinds or window coverings for all windows, a dishwasher, a disposal, a refrigerator, an oven/range, an exhaust/vent fan in bathrooms, and a ceiling fan in each living area and bedroom. New construction units must also include three networks: one for phone service, one for data service, and one for TV service. In addition, each unit will include: a self-cleaning oven, laundry connections with washer and dryer included, a ceiling fixture in each room, a forced air unit, individual water heater, and eight-foot ceilings.

ONSITE AMENITIES

In order to meet threshold criteria for total units of 100 or more, the Applicant has elected to provide an accessible walking path, a barbecue or picnic table for every 50 units, community dining room with kitchen, community gardens, an enclosed sun porch or covered community porch, a gazebo with sitting area, public telephone(s) available to tenants 24 hours a day, two children's playgrounds equipped for 5 to 12 year olds/two tot lots/one of each, and a basketball court.

Uncovered Parking: 258 spaces **Carports:** 0 spaces **Garages:** 0 spaces

PROPOSAL and DEVELOPMENT PLAN DESCRIPTION

Description: Mill City Parc Apartments is a 12.01-unit per acre new construction development located in east Dallas. The development will be comprised of 23 evenly distributed, townhouse-style residential buildings as follows:

<u>No. of Buildings</u>	<u>No. of Floors</u>	<u>1BR</u>	<u>2BR</u>	<u>3BR</u>
2	2	0	4	8
2	2	0	8	4
1	2	0	3	0
2	2	0	6	2
4	2	0	8	8
2	2	0	0	12
1	2	0	5	0
2	2	0	10	0
1	2	0	4	1
3	1	12	0	3
3	1	18	0	0

It is not clear how the development will provide a community dining room with kitchen since no community building is planned for construction. In the prior application it was indicated that these facilities as well as other common area facilities and leasing offices would be available in the Dallas Housing Authority (DHA) offices in the vicinity.

Existing Subsidies: The property will make use of the remaining funds available from a HOPE VI grant that was provided to the DHA by HUD in 2003 for redevelopment of Frazier Courts and Frazier Courts Addition. Demolition of the previous buildings has already occurred. The Housing Authority of the City of Dallas owns the property, and will lease it to the partnership. DHA will also provide an operating subsidy in the form of an annual contributions contract for the 87 public housing units.

Relocation Plan: The Applicant has temporarily relocated the tenants from this site's previous development, and will give them right of first refusal for the new units once they are constructed. The property was said to be approximately 85% occupied before the HOPE VI grant was received and before the buildings were demolished. The Applicant anticipates that a significant portion of those tenants will return to this property once completed.

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

SITE ISSUES			
SITE DESCRIPTION			
Total Size:	9.602 acres	Scattered sites?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Flood Zone:	Zone X and X Shaded	Within 100-year floodplain?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Current Zoning:	MF-1(A)/no max density	Needs to be re-zoned?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A

SITE and NEIGHBORHOOD CHARACTERISTICS

Location: The site is an irregularly-shaped parcel located in the eastern area of Dallas, approximately three and one-half miles from the central business district. The site is situated on the east side of Hatcher Street.

Adjacent Land Uses:

- **North:** Union Pacific Railroad tracks and a cemetery;
- **South:** the phase II Wahoo Frazier site, to be improved with a 118-unit rental complex;
- **East:** Southern and Pacific Railroad tracks; and
- **West:** vacant land, Frazier Elementary School, and Juanita Craft Park.

Site Access: Access to the property is from the south by way of the existing previous phases of this development. Access to Interstate Highway 30 is 1.5 miles north, which provides connections to all other major roads serving the Dallas area.

Public Transportation: Public transportation is provided by the Dallas Area Rapid Transit (DART). The location of the nearest stop was not identified in the application materials.

Shopping & Services: The neighborhood is within the Dallas Independent School District. Julia C. Frazier Elementary School is located just west of the subject. Most shopping is available within a short drive time (five minutes or less) from the subject site. Hospitals and health care facilities are located within a short driving distance from the site.

Special Adverse Site Characteristics: The following issues have been identified as potentially bearing on the viability of the site for the proposed development:

- **Floodplain:** A very small portion of the site (the southernmost corner) is adjacent to the shaded Zone X. Therefore, the Applicant has chosen to build the children’s playground in that portion of the site. The prior underwriting report contained a condition that all drives and amenity improvements are not more than six inches below the base flood elevation however such a condition is not mandated since the shaded Zone X portion of the sight appears to be areas between the 100 year and 500 year flood plain.
- **Noise:** A potential noise hazard from the nearby rail lines has prompted the environmental analyst to suggest appropriate noise mitigation for this development. Receipt, review, and acceptance of documentation verifying that all window and door sills of the subject property are properly insulated with acoustical materials to mitigate the potential noise hazard posed from the adjacent railroad line in accordance with HUD noise hazard requirements is a condition of this report.
- **Site Inspection Findings:** TDHCA Manufactured Housing Division staff performed a site inspection on October 21, 2005, and found the location to be questionable for the proposed development. The inspector didn’t make any notes to justify this determination other than indicating that abandoned buildings are located across the street and the area appears to be “run-down”. The Department’s site inspection requirements do not limit the commentary allowed by the inspector, however, the questionable conclusion of the inspection does not appear to be supported given that none of the ratings of salient linkage attributes were rated below fair and the majority were rated at average or better. The inspector provided no other negative comments or indications of concern and attempts to contact the inspector to discuss the conclusion were unsuccessful as of the date of this report. In addition, a separate inspection for the adjacent Wahoo Frazier site done earlier this summer by TDHCA staff found the site to be acceptable. Given this and the fact that the site and adjacent properties had recently had public housing units on them and all of them are in the process of being reconstructed, it would appear that the current inspector’s conclusions are not fitting.

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
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TDHCA SITE INSPECTION

Inspector: Manufactured Housing Staff **Date:** 10/24/2005
Overall Assessment: Excellent Acceptable Questionable Poor Unacceptable
Comments: Inspector noted the scoring results in an "Acceptable" assessment, but he has reservations about the area of town as noted above

HIGHLIGHTS of SOILS & HAZARDOUS MATERIALS REPORT(S)

A Phase I Environmental Site Assessment report dated September 27, 2005, was prepared by Afram International Environmental Consultants, Inc and contained the following findings and recommendations:

Findings:

- **Asbestos-Containing Materials (ACM):** "DHA provided Afram International a copy of a limited asbestos survey conducted in 1995 by Cole McDonald Environmental Consulting, Inc. on the Community/ Administration Building. Asbestos was detected in the pipe insulation located above the drop ceiling panels throughout the building. According to DHA, the pipe insulation has been abated and renovations have been completed at the subject property since the asbestos survey was conducted. In addition, Afram conducted a comprehensive asbestos survey for the entire Frazier Court Complex including the Mill City Frazier. The survey identified asbestos-containing materials in the black mastic flooring materials throughout the complex. These flooring materials are currently being abated and supervised by the Texas Department of Health State Services (DSHS) Asbestos Abatement Contractor and Asbestos Consultant Agency project manager as required by National Emission Standard for Hazardous Air Pollutants and DSHS, prior to renovation or demolition activities." (p. 7)
- **Lead-Based Paint (LBP):** "According to DHA, a lead-in-paint survey was previously conducted at the subject property. Lead was detected in the paint on window sills and windows of the buildings. The windows and window sills were replaced during previous renovation activities." (p. 7)
- **Noise:** "The Southern Pacific railroad is located approximately 250 feet north of the subject property. There is no knowledge of whether or not the railroad is still active. No signs of activity were noted on the day of the site investigation. The subject property has been developed for over 50 years, therefore, a noise survey may not be required for an existing property." (p. 7)
- **Floodplain:** "According to the Flood Insurance Rate Map (FIRM)... prepared by the Federal Emergency Management Agency, the site lies mostly in "Zone X", an area determined to lie outside the 500-year flood plain of minimal flooding. A small portion of the southeast of the site lies within the 500-year flood area." (p.10)

Recommendations: "Based upon the conclusions of the Phase I ESA investigation, Afram makes the following recommendations: "All window and door sills of the buildings located on the subject property should be properly insulated with acoustical materials for noise mitigation that may exist from the adjacent railroad line" (p. 19)

INCOME SET-ASIDE

The Applicant has elected the 40% at 60% or less of area median gross income (AMGI) set-aside. To qualify as a Priority 1 Private Activity Bond allocation for a Qualified Residential Rental Project, the Applicant appears to have elected to set-aside 15% of the units with rent and income restrictions at 30% of area median family income and the remaining 85% of the units with rent and income restrictions at 60% of area median family income (§ 1372.0321, Texas Government Code).

The Applicant will restrict all 87 public housing units to be affordable for households earning 30% or less of AMI. In the 2005 application the remaining units would have been restricted to families earning 60% of AMGI or less. As the Applicant proposes to redeem the majority of the bonds immediately after closing and replace this financing with HOPE IV funds and additional local lower interest/deferred forgivable funds and Section 2306.6703 (a)(2) of the Texas Government Code prohibits the Department from allocating tax credits to a private activity bond transaction that proposes to replace any private activity funding in less than 15 years unless 100% of the units supported by tax credits are restricted to individuals and families earning not more than 50% of the area median income, the Applicant restructured the development to restrict all of the non-

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public housing units to households earning not more than 50% of AMGI.

MAXIMUM ELIGIBLE INCOMES						
	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons
50% of AMI	\$23,300	\$26,600	\$29,950	\$33,250	\$35,900	\$38,550

MARKET HIGHLIGHTS

A market feasibility study dated September 23, 2005 and updated April 20, 2006 was prepared by CB Richard Ellis Valuation and Advisory Service (“Market Analyst”) and included the following findings:

Secondary Market Information: “The secondary market consists of those areas outside the defined neighborhood, but within a reasonable distance of the subject property, especially those areas which exhibit similar socioeconomic demographic patterns and common labor force make-up. These areas would typically consist of neighboring geographies to the south and east of the subject neighborhood. We would anticipate nominal activity from the secondary market, save for occasional transfers, or movement from other adjoining areas that do not have newly constructed product” (p. 12).

Definition of Primary Market Area (PMA): “The primary market area is comprised of areas south of Interstate Highway 30, west of Jim Miller Road, north of U.S. Highway 175 (CF Hawn Freeway) and Bruton Road, and east of Interstate Highway 45 and Highway 175 (CF Hawn Freeway)” (p. 3). This area encompasses approximately 12.47 square miles and is equivalent to a circle with a radius of two miles.

Population: The estimated 2005 population of PMA was 39,325 and is expected to decrease to approximately 38,786 by 2010. Within the primary market area there were estimated to be 12,932 households in 2005.

Total Market Demand: “Within the PMA, 89.3% of the households are from 1-5 persons, according to the Demographics Report” (p. 42).

“The maximum income level is established based on a rental payment equivalent to 30% of household income, less an allowance for utilities. This figure is then annualized and divided by 30% to arrive at the maximum allowable income level for each unit type. The second step is to determine the minimum income levels via the very low-income status. If employed, the minimum income level is established based on a rent payment equivalent to 40% of household income. The calculation of the minimum income level is quite similar to the calculations used in determining the maximum income levels...These calculations produced an income band from \$21,380 to \$38,200” (p. 40). The Market Analyst used an income-eligible adjustment rate of 26.6% (p. 43).

“...the percentage of households that rent...is 46.4%, based on the 2005 Demographics Report (located in the Addenda)” (p. 42).

“Typical apartment turnover rates can be as high as 100% in most areas, but generally ranges from 60% to 100%, depending on location and quality of the complex. In this case, the middle range of 80% is considered reasonable” (p. 42).

MARKET DEMAND SUMMARY				
Type of Demand	Market Analyst		Underwriter	
	Units of Demand	% of Total Demand	Units of Demand	% of Total Demand
Household Growth	0	0%	-7	-1%
Resident Turnover	1,140	100%	1,287	101%
TOTAL DEMAND	1,140	100%	1,280	100%

p. 44

Inclusive Capture Rate: “...demand from household turnover is estimated at 1,140. Summing this with demand from new household growth (zero) and the demand from other sources (zero) indicates total demand at 1,140 units. This number will serve as the denominator for the capture rate calculation. The numerator for the capture rate calculation is equal to the total subject units (116) plus the other un-stabilized units previously identified (71), totaling 187 (116+71 = 187). To calculate the capture rate, the numerator of 187 is divided by the denominator of 1,140 to conclude a capture rate of 16.4% (187/1,140 = 16.4%)” (p. 44).

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The figures shown in the chart titled “Market Demand Summary” reflect demand for all of the proposed units including Public Housing Units. The Underwriter included all PHA units as well as 264 units from Southern Terrace (03443) in a recalculation of the inclusive capture rate which resulted in an overall rate of 37%. The Underwriter also performed an analysis of demand for only the non-Public Housing Units affordable to households with incomes at or below 50% of AMI. The Underwriter calculated an inclusive capture rate of 41% based upon a revised supply of 293 unstabilized comparable affordable units (excluding all Public Housing Units) divided by a revised demand estimate for 721 units affordable at 50% of AMI. The Underwriter identified 24 units affordable at 50% of AMI and less proposed at Wahoo Frazier (TDHCA #05116) and 71 units affordable at 50% of AMI and less proposed at Frazier Fellowship (TDHCA #04109).

It should be noted that the subject development is part of a redevelopment plan to replace a total of 550 public housing units. According to Section 1.32(g)(2), “The Underwriter will not recommend the approval of funds to new Developments requesting funds if the anticipated inclusive capture rate...exceeds 25% for the Primary Market unless...The Development is comprised of Affordable Housing which replaces previously existing substandard Affordable Housing within the same Primary Market Area on a Unit for Unit basis, and which gives the displaced tenants of the previously existing Affordable Housing a leasing preference, in which case **an inclusive capture rate is not applicable.**” The Applicant has indicated all of the households relocated after demolition of the Public Housing Units will be given the first opportunity to move into the subject development units. Households with incomes up to 80% of AMI may qualify for Public Housing Units. However, relocated households in existing Public Housing Units may not choose to forego rental assistance to move into the 29 non-Public Housing Units regardless of their income qualification as they may be required to pay more housing costs out of pocket. The fact that this development is generally replacement housing appears to discount the Underwriter’s findings with regard to the Underwriter’s recalculated inclusive capture rate.

Unit Mix Conclusion: “Based on the number of one, two, three and four persons households in the PMA, and the apartment unit demand based on household size, the subject unit mix, based on the demographic profile of the PMA, would contain 44.4% one bedrooms, 27.8% two bedrooms, 6.7% three bedrooms, and 1.3% four bedrooms...As indicated above, the subject’s unit mix does vary to the demographic trends. However, the subject’s unit-mix matches well with the rent comparables’ trends. As such, the subject unit mix is adequately positioned compared to the PMA demographic profile. Thus, the subject mix appears to be appropriately designed” (p. 31-32).

Market Rent Comparables: “We were not able to identify a sufficient number of comparable properties directly within the PMA, and thus we expanded the search to include similar, proximate areas” (p. 28). The Market Analyst surveyed six comparable apartment projects totaling 1,424 units.

“Concessions are utilized in this submarket; however, the properties located within the subject’s PMA indicated limited concessions. We do not view concessions as having a significant affect on rents for projects within the PMA at this time” (p. 31).

RENT ANALYSIS (net tenant-paid rents)					
Unit Type (% AMI)	Proposed	Program Max	Differential	Est. Market	Differential
1-Bedroom (30%/PHU)	\$158	\$373	-\$215	\$685	-\$527
1-Bedroom (50%)	\$623	\$623	\$0	\$685	-\$62
2-Bedroom (30%/PHU)	\$158	\$448	-\$290	\$860	-\$702
2-Bedroom (50%)	\$748	\$748	\$0	\$860	-\$112
3-Bedroom (30%/PHU)	\$158	\$518	-\$360	\$955	-\$797
3-Bedroom (50%)	\$864	\$864	\$0	\$955	-\$91

(NOTE: Differentials are amount of difference between proposed rents and program limits and average market rents, e.g., proposed rent =\$500, program max =\$600, differential = -\$100)

Primary Market Occupancy Rates: Occupancy figures specific to the defined PMA were not discussed in the submitted market study.

Absorption Projections: “MPF YieldStar reports that three new apartment projects that participate in the Low Income Housing Tax Credit (LIHTC) program completed construction between April 2004 and March 2005. The 255-unit Rosemont at Cedar Crest located at 3303 Southern Oaks Boulevard in June 2004. This

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project was developed by Southwest Housing and is located approximately four and one-half miles south of the subject property. This property began leasing in January 2004, and interviews with property management indicate the property experienced a net absorption of 13.5 units per month during the initial lease-up period. The 176-unit Madison Point completed construction in November 2004. This property was developed by Picerne Development and is located at 220 West Overton Road about seven miles southwest of the subject property. Interviews with property management indicate the property experienced a net absorption of about 21.7 units per month during the initial lease-up period. The 240-unit Murdeaux Villas, located at 125 South Murdeaux Lane, opened in October 2004. This property was developed by a private developer and is located approximately five miles south of the subject. All three of these projects are not located within the subject's PMA" (p. 25).

Unstabilized, Under Construction, and Planned Development: "MPF YieldStar reports that four new apartment projects will complete construction between April 2005 and March 2006. The 264-unit Rosemont at Meadow Lane, developed by Southwest Housing, completed construction in April 2005. This property is located approximately one mile south of the subject and participates in the LIHTC program. This property is located within the subject's primary trade area and will likely compete with the proposed subject property. This property began leasing in November 2005 and indicated a net absorption of 21.1 units per month. The 187-unit Delafield Villas is expected to complete construction in November 2005. This property began pre-leasing in June 2005, and reported a net absorption of about 25 units per month. This project is located at 4101 Delafield Lane approximately four miles west of the subject, and participates in the Low Income Housing Tax Credit (LIHTC) program. The Falls Addition has completed construction in August 2005. This 20-unit project is located at 9797 Bruton Road and was developed by WAK Management Company. Finally, the 144-unit Master Drive is expected to complete construction in February 2006. This property will be located at 1180 Master Drive about six miles southeast of the subject property" (p. 26).

"As of the date of survey, one new apartment completion is expected after January 2006 within the subject submarket. The Frazier Fellowship, a 76-unit LIHTC project, will be located across the street from the subject and will be completed in late 2006. Construction of Frazier Fellowship reportedly has not yet commenced" (p. 27).

Market Impact: "The subject property will have minimal affect on the market, and will open up the property to a greater pool of possible renters. Based on other conversions in the area, it should have good market appeal and acceptance to the lower income households in the vicinity. It is likely that as an LIHTC property, the subject will appeal to a smaller segment of the market relative to Section 8 and Section 236 tenants" (p. 45).

Market Study Analysis/Conclusions: The Underwriter found the original market study to be incomplete. The updated market study provided sufficient information on which to base a funding recommendation however discussions regarding updating this market Analysts credentials for staying on the approved provider list are ongoing.

OPERATING PROFORMA ANALYSIS

Income: The Applicant's current rent schedule reflects that the 50% AMGI units are at the maximum rents allowed under HTC guidelines. These maximum rents are achievable according to the Market Analyst. The development's public housing units are lower than the maximum rents allowed under HTC guidelines, based on the average income for public housing tenants. These units will be further subsidized by an annual contributions contract that will provide sufficient funds to cover the operating expenses for these units at 100% occupancy. It should be noted that no debt can be serviced by the public housing units. The Applicant stated this property will be an all bills paid development for both the public housing units and the remaining tax credit units.

The Applicant anticipates no secondary income from operation of the development, but included \$275,232 in the form of the operating subsidy. The Underwriter allowed for the minimum secondary income of \$5 per unit per month but only for the non-public housing units. Similarly the Underwriter calculated a normal 7.5% vacancy and collection loss but only for the non-public housing units. The Applicant utilized a vacancy and collection loss rate of 4.56%, but the Underwriter used a prorated rate of 2.79%. The Underwriter

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recalculated the operating subsidy to initially be \$226,920 based upon the TDHCA anticipated operating expenses discussed below. The Underwriter's assumptions included a flat \$158 per unit per month rental income from the PHA units and a little over \$2,600 per unit per year in operating subsidy. This calculation is in accordance with one of two methods set forth by the Housing Authority of the City of Dallas. The second method is based on 90% of the average per unit month deficit reported on HUD form 52723; the Underwriter has no way to forecast this deficit and thus used only the above referenced operating subsidy calculation. These factors contributed to the difference of \$27K (less than 5%) in effective gross income estimate when compared to the Underwriter's estimate. The Underwriter also adjusted the 30-year operating proforma to allow an increase in the operating subsidy to match the increase in operating expenses. All other income factors continue to be increased by 3% per year.

Expenses: The Applicant's total expense estimate of \$4,919 per unit is 7% higher than the Underwriter's historical database-derived estimate of \$4,504 per unit for comparably-sized developments. The Applicant's budget shows several line items that deviate significantly when compared to the Underwriter's estimates, particularly: general and administrative (\$13K lower); repair and maintenance (\$13K higher); utilities (\$51K higher); water, sewer, and trash (\$20K higher); and insurance (\$21K lower). The Underwriter also assumed the 100% property tax exemption proposed by the Applicant, which will be achieved through a long term lease of the property by the Applicant from a DHA subsidiary.

Conclusion: The Applicant's total estimated operating expense is inconsistent with the Underwriter's expectations and the Applicant's net operating income (NOI) estimate is not within 5% of the Underwriter's estimate. Therefore, the Underwriter's NOI will be used to evaluate debt service capacity. The Underwriter's estimated all-in debt coverage ratio (DCR) is significantly less than the program minimum standard of 1.10 when the HOPE VI and related party funds are considered. When the HOPE VI and related party funds are eliminated from the debt service, the debt coverage ratio rises to a 1.28. Given that the HOPE VI and related party funds are only repayable out of available cash flow and are contemplated to be granted if not paid, this extraordinary range of debt coverage ratios appears to be acceptable.

Long-Term Feasibility: The underwriting 30-year proforma utilizes a 3% annual growth factor for income, with a higher adjustment factor for the operating subsidy to match the increase in operating expenses. As noted above, the Underwriter's base year effective gross income, expense and net operating income were utilized resulting in a debt coverage ratio that remains above 1.10 when the debt service associated with the HOPE VI and related party funds is excluded. Therefore, the development can be characterized as feasible for the long-term.

ACQUISITION VALUATION INFORMATION			
APPRAISED VALUE			
Land Only: 9.602 acres	\$500,000	Date of Valuation:	09/01/2005
Appraiser: Mark Donoho, MAI	Firm: Mark Donoho Company	City:	Dallas
APPRAISAL ANALYSIS/CONCLUSIONS			
No acquisition cost was claimed in the development cost schedule; therefore, an appraisal is not required for use in the underwriting analysis.			
ASSESSED VALUE			
Land:	Exempt	Assessment for the Year of:	2004
Building:	\$0	Valuation by:	Dallas County Appraisal District
Total Assessed Value:	\$0	Tax Rate:	N/A
EVIDENCE of SITE or PROPERTY CONTROL			
Type of Site Control:	Contract for Lease (9.602 acres)		
Contract Expiration:	12/31/2006	Valid through Board Date?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Lease Rate:	\$100 per year	Other:	55-year lease
Owner:	Housing Authority of the City of Dallas		Related to Development Team? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

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CONSTRUCTION COST ESTIMATE EVALUATION

Acquisition Value: The Dallas Housing Authority owns the property that will be used for the development, therefore no acquisition cost will be included in the project. Additional HOPE VI funds have been used for the demolition of the previous improvements on this site. The Dallas Housing Authority will be entering into a lease agreement with the Applicant at \$100 per year for 55 years, so as to qualify for 100% property tax exemption.

Sitework Cost: The Applicant's claimed sitework costs of \$7,379 per unit are within current Department guidelines. Therefore, further third party substantiation is not required.

Direct Construction Cost: The Applicant's costs are \$1M or 18% higher than the Underwriter's Marshall & Swift *Residential Cost Handbook*-derived estimate after all of the Applicant's additional justifications were considered.

The Applicant's hard cost estimate (including contingency and contractor fees) is \$76.45 per net rentable square foot or \$82,126 per unit while the Underwriter's hard cost estimate amounts to \$63.29 per net rentable square foot or \$67,985 per unit. The anticipated costs for Wahoo Frazier (TDHCA #05116), which is a nearly identical product type and an earlier phase of this development, was \$64.46 per net rentable square foot and \$70,376 per unit. This would suggest that the Applicant's current direct construction costs are overstated.

In support of their estimated costs the Applicant provided a copy of the summary results of the three third party construction bids they received in early November for construction of both the subject and the adjacent 118 units of Wahoo Frazier. Neither Wahoo Frazier, nor the subject have any common area buildings included in their plans which typically add around 5% to the overall direct construction cost on a per net rentable square foot basis. Nonetheless, the low bid came in at \$75.12 per net rentable square foot or \$81,400 per unit. The low bid was also asked to break their bid into two, one for each development. Based on the breakdown the Wahoo Frazier transaction is approximately \$1.2M higher than anticipated in its application for tax credits (roughly a 17% increase).

The Underwriter recognizes the likelihood that significant cost savings from the outstanding bid amounts are unlikely to be achieved at this point, but has been unable to account for the extraordinarily high cost reflected in the bids. Even compared to other physically similar developments currently making application for tax credits, the subject's budget and construction bids would stand out as being 15% to 20% higher (when considering the lack of common area). The Underwriter must regard these costs as overstated despite the evidence of the bids. The TDHAC Board previously found that the Applicant's bid costs were more compelling and allocated credits based upon these higher costs however the Applicant has subsequently increased their credit request and may want to revisit this issue or allow the Applicant to request additional tax credits at final cost certification when the actual costs can be verified.

Fees: The Applicant's contractor general and administrative fees and contractor profit are within Department guidelines, but contractor general requirements and contingency exceed the maximums allowed by HTC guidelines by \$35K and \$79K, respectively, based on their own construction costs. Consequently the Applicant's eligible fees in these overstated areas have been reduced by the same amount with the overage effectively moved to ineligible costs. The Applicant's developer fees are within maximum TDHCA guidelines.

Interim Financing Fees: The Underwriter reduced the Applicant's eligible interim financing fees by \$27K to reflect an apparent overestimation of eligible construction loan interest, to bring the eligible interest expense down to one year of fully drawn interest expense. This results in an equivalent reduction to the Applicant's eligible basis estimate.

Conclusion: Due to the Applicant's significantly higher direct construction costs and the overstated contractor's fees compared to the Underwriter's estimate, the Applicant's total development cost is more than 5% higher than the Underwriter's costs and is considered to be overstated. Therefore, the Underwriter's cost estimate is used to calculate eligible basis. As a result an eligible basis of \$10,509,321 is used to determine a credit allocation of \$486,371 from this method. This figure will be compared to the Applicant's request and

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the tax credits calculated based on the gap in need for permanent funds to find the lesser of these and determine the recommended allocation.

FINANCING STRUCTURE

INTERIM ("BRIDGE") BOND FINANCING

Source: Bank of America **Contact:** Valerie A Williams
Tax-Exempt: \$1,593,875 **Interest Rate:** 3.10%, variable, lender's estimate **Amort:** N/A
Documentation: Signed Term Sheet LOI Firm Commitment Conditional Commitment Application
Comments: Interest rate: BMA + 5 bps; 30-month letter of credit; to be repaid from HOPE VI Loan proceeds

LETTER OF CREDIT

Source: Bank of America **Contact:** Valerie A Williams
Tax-Exempt: \$4,426,555 **Interest Rate:** 3.60%, variable, lender's estimate **Amort:** N/A
Documentation: Signed Term Sheet LOI Firm Commitment Conditional Commitment Application
Comments: Interest rate: BMA + 5 bps; 30-month letter of credit; to be repaid from tax credit syndication equity

INTERIM TO PERMANENT BOND FINANCING

Source: Bank of America **Contact:** Valerie A Williams
Tax-Exempt: \$1,236,580 **Interest Rate:** 5.95%, fixed, lender's estimate **Amort:** 360 months
Documentation: Signed Term Sheet LOI Firm Commitment Conditional Commitment Application
Comments: _____

INTERIM TO PERMANENT FINANCING

Source: Housing Options, Inc (City of Dallas Instrumentality) **Contact:** Janie Douglass
Principal: \$1,664,544 **Interest Rate:** 0.50%, fixed **Amort:** 660 months
Documentation: Signed Term Sheet LOI Firm Commitment Conditional Commitment Application
Comments: \$413,743 available during construction; \$250 per unit replacement reserve requirement

TAX CREDIT SYNDICATION

Source: MMA Financial **Contact:** Bennie Husser
Proceeds: \$5,518,582 **Net Syndication Rate:** 104% **Anticipated HTC:** \$530,686/year
Documentation: Signed Term Sheet LOI Firm Commitment Conditional Commitment Application
Comments: _____

OTHER

Amount: \$136,658 **Source:** Deferred Developer Fee

FINANCING STRUCTURE ANALYSIS

Interim to Permanent Bond Financing: The tax-exempt bonds are to be issued in an initial amount of \$7,255,000 by Housing Options, Inc. and purchased by Bank of America. By conversion to permanent it is anticipated that the bonds will be reduced to \$1.2M with the difference replaced with equity, HOPE VI, and other HOI funds. The Bank of America permanent financing commitment is generally consistent with the terms reflected in the sources and uses of funds listed in the application. A permanent financing commitment was issued from HOI as a development loan, and another commitment from HOI was issued for a HOPE VI loan.

HTC Syndication: The tax credit syndication commitment is consistent with the terms reflected in the sources and uses of funds listed in the application. The syndication rate of 1.04 is the highest rate yet seen in an application for tax credits in Texas and is significant because it breaks the \$1.00 for \$1.00 threshold.

Deferred Developer's Fees: The Applicant's proposed deferred developer's fees of \$136,658 amount to

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11% of the total fees. This does not include the related party debt from HOI of \$1,664,544 which is more than the developer fee available.

Financing Conclusions: The Underwriter's total development cost estimate less the permanent loans totaling \$5,938,617 indicates the need for \$5,617,356 in gap funds. Based on the submitted syndication terms, a tax credit allocation of \$540,184 annually would be required to fill this gap in financing. Of the three possible tax credit allocations, the Applicant's request (\$530,686), the gap-driven amount (\$540,184), and eligible basis-derived estimate (\$486,371), the eligible basis-derived estimate of \$486,371 is recommended. If the Board again accepts the construction cost bid provided by the Applicant as being sufficient evidence of significantly higher cost and accepts the revised credit, the Applicant's request for \$530,686 would be recommended.

The Underwriter's recommended financing structure indicates there will be a need to defer developer fees in the amount of \$559,600. This amount does not appear to be repayable from cashflow within ten years of stabilized operation, but appears to be repayable within 15 years. Should the Applicant's significantly higher anticipated costs be realized, deferred developer fee plus HOI development loan would amount to \$2,262,028. This in turn would be reduced to the Applicant's original anticipated amount of \$136,658 if the revised requested credit amount is granted by the Board.

DEVELOPMENT TEAM

IDENTITIES of INTEREST

- The Applicant, Developer, and supportive services provider are related entities. These are common relationships for HTC-funded developments.
- The owner of the site is a related party.

APPLICANT'S/PRINCIPALS' FINANCIAL HIGHLIGHTS, BACKGROUND, and EXPERIENCE

Financial Highlights:

- The Applicant and General Partner are single-purpose entities created for the purpose of receiving assistance from TDHCA and therefore have no material financial statements.
- The Housing Authority of the City of Dallas, parent of the Managing General Partner, submitted an audited financial statement as of December 31, 2004 reporting total assets of \$277M comprised of \$74M in current assets, \$83M in noncurrent assets and \$120M in net capital assets. Liabilities totaled \$140M for net assets of \$138M (\$11M restricted and \$51M unrestricted). The audited statements are outdated based on current TDHCA requirements; therefore, receipt, review and acceptance of audited financial statements for the Housing Authority of the City of Dallas for the most recent fiscal year ended 90 days prior to the date of application submission (January 23, 2006) is a condition of this report.

Background & Experience: Multifamily Production Finance Staff have verified that the Department's experience requirements have been met and Portfolio Management and Compliance staff will ensure that the proposed owners have an acceptable record of previous participation.

SUMMARY OF SALIENT RISKS AND ISSUES

- Items identified in previous reports/ or analysis have not been satisfactorily addressed.
- The Applicant's estimated income/operating expenses/operating proforma are more than 5% outside of the Underwriter's verifiable range(s).
- The Applicant's direct construction costs differ from the Underwriter's *Marshall and Swift*-based estimate by more than 5%.
- The Applicant's total development costs differ from the Underwriter's verifiable estimate by more than 5%.
- The property's project-based rent subsidy is subject to Federal funding and may not be renewed as anticipated.
- The anticipated ad valorem property tax exemption may not be received or may be reduced, which could affect the financial feasibility of the development.
- The significant financing structure changes being proposed have not been accepted by the Applicant,

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lenders, and syndicators, and acceptable alternative structures may exist.

Underwriter:

Lisa Vecchietti

Date: April 25, 2006

Director of Real Estate Analysis:

Tom Gouris

Date: April 25, 2006

MULTIFAMILY COMPARATIVE ANALYSIS

Mill City Parc Apartments, Dallas, 4% HTC #060404

Type of Unit	Number	Bedrooms	No. of Baths	Size in SF	Gross Rent Lmt.	Rent Collected	Rent per Month	Rent per SF	Utilities	Wtr, Swr, Trsh
TC 30%/PHU	22	1	1	685	\$373	\$158	\$3,476	\$0.23	\$65.00	\$62.00
TC 50%	8	1	1	685	623	\$623	4,984	0.91	65.00	62.00
TC 30%/PHU	1	2	1	1,016	448	\$158	158	0.16	94.00	75.00
TC 50%	1	2	1	1,016	748	\$748	748	0.74	94.00	75.00
TC 30%/PHU	27	2	1.5	1,100	448	\$158	4,266	0.14	94.00	75.00
TC 50%	8	2	1.5	1,100	748	\$748	5,984	0.68	94.00	75.00
TC 30%/PHU	9	2	2	1,126	448	\$158	1,422	0.14	94.00	75.00
TC 50%	2	2	2	1,126	748	\$748	1,496	0.66	94.00	75.00
TC 30%/PHU	5	3	2	1,333	518	\$158	790	0.12	116.00	88.00
TC 50%	2	3	2	1,333	864	\$864	1,728	0.65	116.00	88.00
TC 30%/PHU	3	3	2	1,346	518	\$158	474	0.12	116.00	88.00
TC 30%/PHU	20	3	2	1,349	518	\$158	3,160	0.12	116.00	88.00
TC 50%	8	3	2	1,349	864	\$864	6,912	0.64	116.00	88.00
TOTAL:	116		AVERAGE:	1,074	\$527	\$307	\$35,598	\$0.29	\$93.71	\$75.90

INCOME

Total Net Rentable Sq Ft: **124,609**

POTENTIAL GROSS RENT

Secondary Income Per Unit Per Month: \$1.25
Other Support Income: HUD Operating Subsidy

POTENTIAL GROSS INCOME

Vacancy & Collection Loss % of Potential Gross Income: -3.00%
Employee or Other Non-Rental Units or Concessions

EFFECTIVE GROSS INCOME

EXPENSES

	% OF EGI	PER UNIT	PER SQ FT
General & Administrative	6.65%	\$365	0.34
Management	5.00%	274	0.26
Payroll & Payroll Tax	16.84%	923	0.86
Repairs & Maintenance	8.65%	474	0.44
Utilities	21.12%	1,158	1.08
Water, Sewer, & Trash	8.30%	455	0.42
Property Insurance	5.73%	314	0.29
Property Tax	0.00%	0	0.00
Reserve for Replacements	4.56%	250	0.23
Other: supp serv & compl fees	5.29%	290	0.27
TOTAL EXPENSES	82.13%	\$4,504	\$4.19
NET OPERATING INC	17.87%	\$980	\$0.91

DEBT SERVICE

Bank of America (MRB-financing)	13.91%	\$763	\$0.71
HUD/DHA/HOI	15.37%	\$843	\$0.78
Additional Financing	5.44%	\$298	\$0.28
NET CASH FLOW	-16.86%	(\$924)	(\$0.86)

AGGREGATE DEBT COVERAGE RATIO

RECOMMENDED DEBT COVERAGE RATIO

CONSTRUCTION COST

Description	Factor	% of TOTAL	PER UNIT	PER SQ FT
Acquisition Cost (site or bldg)		0.00%	\$0	\$0.00
Off-Sites		0.00%	0	0.00
Sitework		7.41%	7,379	6.87
Direct Construction		51.94%	51,747	48.17
Contingency	5.00%	2.97%	2,956	2.75
General Req'ts	6.00%	3.56%	3,548	3.30
Contractor's G & A	2.00%	1.19%	1,183	1.10
Contractor's Profit	6.00%	3.56%	3,548	3.30
Indirect Construction		4.28%	4,261	3.97
Ineligible Costs		6.25%	6,226	5.80
Developer's G & A	13.48%	10.80%	10,760	10.02
Developer's Profit	0.00%	0.00%	0	0.00
Interim Financing		5.24%	5,216	4.86
Reserves		2.81%	2,797	2.60
TOTAL COST	100.00%	\$99,620	\$92.74	
Construction Cost Recap		70.63%	\$70,360	\$65.50

SOURCES OF FUNDS

Bank of America (MRB-financing)	10.70%	\$10,660	\$9.92
HUD/DHA/HOI	40.69%	\$40,535	\$37.73
HOI Development Loan	14.40%	\$14,350	\$13.36
HTC Syndication Proceeds	47.76%	\$47,574	\$44.29
Deferred Developer Fees	1.18%	\$1,178	\$1.10
Additional (Excess) Funds Req'd	-14.73%	(\$14,676)	(\$13.66)
TOTAL SOURCES			

TDHCA	APPLICANT
\$427,176	\$427,176
1,740	
226,920	275,232
\$655,836	\$702,408
(19,667)	(32,028)
0	
\$636,169	\$670,380
\$42,289	\$29,030
31,808	34,000
\$107,111	107,900
55,024	68,520
134,352	185,600
52,801	72,608
36,470	15,000
0	0
29,000	29,000
33,640	29,000
\$522,495	\$570,658
\$113,674	\$99,722
\$88,491	\$0
97,802	0
34,623	0
(\$107,242)	\$99,722
0.51	N/A
1.28	

Comptroller's Region	3	
IREM Region	Dallas	
\$0.00	Per Unit Per Month	
\$263.63	Per Public Housing Unit Per Month	
-4.56%	of Potential Gross Income	
PER SQ FT	PER UNIT	% OF EGI
\$0.23	\$250	4.33%
0.27	293	5.07%
0.87	930	16.10%
0.55	591	10.22%
1.49	1,600	27.69%
0.58	626	10.83%
0.12	129	2.24%
0.00	0	0.00%
0.23	250	4.33%
0.23	250	4.33%
\$4.58	\$4,919	85.12%
\$0.80	\$860	14.88%
\$0.00	\$0	0.00%
\$0.00	\$0	0.00%
\$0.00	\$0	0.00%
\$0.80	\$860	14.88%

TDHCA	APPLICANT
\$0	\$0
0	0
856,000	856,000
6,002,633	7,053,903
342,932	474,371
411,518	509,594
137,173	158,198
411,518	474,594
494,302	494,302
722,171	722,171
1,248,146	1,248,146
0	0
605,099	605,099
324,481	662,023
\$11,555,973	\$13,258,401
\$8,161,774	\$9,526,660

PER SQ FT	PER UNIT	% of TOTAL
\$0.00	\$0	0.00%
0.00	0	0.00%
6.87	7,379	6.46%
56.61	60,810	53.20%
3.81	4,089	3.58%
4.09	4,393	3.84%
1.27	1,364	1.19%
3.81	4,091	3.58%
3.97	4,261	3.73%
5.80	6,226	5.45%
10.02	10,760	9.41%
0.00	0	0.00%
4.86	5,216	4.56%
5.31	5,707	4.99%
\$106.40	\$114,297	100.00%
\$76.45	\$82,126	71.85%

RECOMMENDED

\$1,236,580	Developer Fee Available
4,702,037	\$1,248,146
0	% of Dev. Fee Deferred
5,057,756	45%
559,600	15-Yr Cumulative Cash Flow
0	\$578,955
\$11,555,973	

MULTIFAMILY COMPARATIVE ANALYSIS(continued)
Mill City Parc Apartments, Dallas, 4% HTC #060404

DIRECT CONSTRUCTION COST ESTIMATE

Residential Cost Handbook

Average Quality Town Houses Basis

CATEGORY	FACTOR	UNITS/SQ FT	PER SF	AMOUNT
Base Cost			\$55.15	\$6,872,447
Adjustments				
Exterior Wall Finish	2.80%		\$1.54	\$192,429
Elderly/9-Ft. Ceilings	0.00%		0.00	0
Roofing			0.00	0
Subfloor			(0.92)	(114,225)
Floor Cover			2.81	350,151
Porches/Balconies	\$19.78	11,274	1.79	223,000
Plumbing	\$815	(131)	(0.86)	(106,765)
Built-In Appliances	\$2,200	116	2.05	255,200
Stairs/Fireplaces			0.00	0
Enclosed Corridors			0.00	0
Heating/Cooling			2.20	274,140
Garages/Carports			0.00	0
Comm &/or Aux Bldgs			0.00	0
Other:			0.00	0
SUBTOTAL			63.77	7,946,377
Current Cost Multiplier	1.03		1.91	238,391
Local Multiplier	0.90		(6.38)	(794,638)
TOTAL DIRECT CONSTRUCTION COSTS			\$59.31	\$7,390,130
Plans, specs, survy, bld prm	3.90%		(\$2.31)	(\$288,215)
Interim Construction Interest	3.38%		(2.00)	(249,417)
Contractor's OH & Profit	11.50%		(6.82)	(849,865)
NET DIRECT CONSTRUCTION COSTS			\$48.17	\$6,002,633

PAYMENT COMPUTATION

Primary	\$1,236,580	Amort	360
Int Rate	5.95%	DCR	1.28

Secondary	\$4,702,037	Amort	660
Int Rate	0.50%	Subtotal DCR	0.61

Additional	\$1,664,544	Amort	660
Int Rate	0.50%	Aggregate DCR	0.51

RECOMMENDED FINANCING STRUCTURE:

Primary Debt Service	\$88,491
Secondary Debt Service	0
Additional Debt Service	0
NET CASH FLOW	\$25,183

Primary	\$1,236,580	Amort	360
Int Rate	5.95%	DCR	1.28

Secondary	\$4,702,037	Amort	
Int Rate		Subtotal DCR	1.28

Additional		Amort	
Int Rate		Aggregate DCR	1.28

OPERATING INCOME & EXPENSE PROFORMA: RECOMMENDED FINANCING STRUCTURE

INCOME at 3.00%	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 15	YEAR 20	YEAR 30
POTENTIAL GROSS RENT	\$427,176	\$439,991	\$453,191	\$466,787	\$480,790	\$557,368	\$646,142	\$749,056	\$1,006,668
Secondary Income	1,740	1,792	1,846	1,901	1,958	2,270	2,632	3,051	4,100
Other Support Income: HUD Or	226,920	237,547	248,645	260,235	272,338	341,348	426,909	532,848	825,795
POTENTIAL GROSS INCOME	655,836	679,330	703,682	728,923	755,087	900,986	1,075,683	1,284,955	1,836,564
Vacancy & Collection Loss	(19,667)	(20,371)	(21,102)	(21,858)	(22,643)	(27,018)	(32,257)	(38,532)	(55,074)
Employee or Other Non-Rental	0	0	0	0	0	0	0	0	0
EFFECTIVE GROSS INCOME	\$636,169	\$658,959	\$682,580	\$707,065	\$732,444	\$873,968	\$1,043,426	\$1,246,422	\$1,781,490
EXPENSES at 4.00%									
General & Administrative	\$42,289	\$43,981	\$45,740	\$47,570	\$49,472	\$60,191	\$73,231	\$89,097	\$131,885
Management	31,808	32,948	34,129	35,353	36,622	43,698	52,171	62,321	89,074
Payroll & Payroll Tax	107,111	111,396	115,851	120,485	125,305	152,453	185,482	225,667	334,042
Repairs & Maintenance	55,024	57,225	59,514	61,894	64,370	78,316	95,284	115,927	171,600
Utilities	134,352	139,726	145,315	151,127	157,172	191,224	232,653	283,058	418,996
Water, Sewer & Trash	52,801	54,913	57,110	59,394	61,770	75,153	91,435	111,244	164,669
Insurance	36,470	37,928	39,446	41,023	42,664	51,908	63,154	76,836	113,736
Property Tax	0	0	0	0	0	0	0	0	0
Reserve for Replacements	29,000	30,160	31,366	32,621	33,926	41,276	50,219	61,099	90,441
Other	33,640	34,986	36,385	37,840	39,354	47,880	58,254	70,874	104,911
TOTAL EXPENSES	\$522,495	\$543,262	\$564,856	\$587,309	\$610,656	\$742,099	\$901,882	\$1,096,124	\$1,619,355
NET OPERATING INCOME	\$113,674	\$115,697	\$117,725	\$119,756	\$121,787	\$131,869	\$141,544	\$150,298	\$162,135
DEBT SERVICE									
First Lien Financing	\$88,491	\$88,491	\$88,491	\$88,491	\$88,491	\$88,491	\$88,491	\$88,491	\$88,491
Second Lien	0	0	0	0	0	0	0	0	0
Other Financing	0	0	0	0	0	0	0	0	0
NET CASH FLOW	\$25,183	\$27,206	\$29,234	\$31,265	\$33,297	\$43,379	\$53,054	\$61,808	\$73,644
DEBT COVERAGE RATIO	1.28	1.31	1.33	1.35	1.38	1.49	1.60	1.70	1.83

HTC ALLOCATION ANALYSIS - Mill City Parc Apartments, Dallas, 4% HTC #060404

CATEGORY	APPLICANT'S TOTAL AMOUNTS	TDHCA TOTAL AMOUNTS	APPLICANT'S REHAB/NEW ELIGIBLE BASIS	TDHCA REHAB/NEW ELIGIBLE BASIS
(1) Acquisition Cost				
Purchase of land				
Purchase of buildings				
(2) Rehabilitation/New Construction Cost				
On-site work	\$856,000	\$856,000	\$856,000	\$856,000
Off-site improvements				
(3) Construction Hard Costs				
New structures/rehabilitation hard costs	\$7,053,903	\$6,002,633	\$7,053,903	\$6,002,633
(4) Contractor Fees & General Requirements				
Contractor overhead	\$158,198	\$137,173	\$158,198	\$137,173
Contractor profit	\$474,594	\$411,518	\$474,594	\$411,518
General requirements	\$509,594	\$411,518	\$474,594	\$411,518
(5) Contingencies				
	\$474,371	\$342,932	\$395,495	\$342,932
(6) Eligible Indirect Fees				
	\$494,302	\$494,302	\$494,302	\$494,302
(7) Eligible Financing Fees				
	\$605,099	\$605,099	\$605,099	\$605,099
(8) All Ineligible Costs				
	\$722,171	\$722,171		
(9) Developer Fees				
Developer overhead	\$1,248,146	\$1,248,146	\$1,248,146	\$1,248,146
Developer fee				
(10) Development Reserves				
	\$662,023	\$324,481		
TOTAL DEVELOPMENT COSTS	\$13,258,401	\$11,555,973	\$11,760,331	\$10,509,321

Deduct from Basis:			
All grant proceeds used to finance costs in eligible basis			
B.M.R. loans used to finance cost in eligible basis			
Non-qualified non-recourse financing			
Non-qualified portion of higher quality units [42(d)(3)]			
Historic Credits (on residential portion only)			
TOTAL ELIGIBLE BASIS		\$11,760,331	\$10,509,321
High Cost Area Adjustment		130%	130%
TOTAL ADJUSTED BASIS		\$15,288,431	\$13,662,117
Applicable Fraction		100%	100%
TOTAL QUALIFIED BASIS		\$15,288,431	\$13,662,117
Applicable Percentage		3.56%	3.56%
TOTAL AMOUNT OF TAX CREDITS		\$544,268	\$486,371

Syndication Proceeds	1.0399	\$5,659,822	\$5,057,756
Total Tax Credits (Eligible Basis Method)		\$544,268	\$486,371
Syndication Proceeds		\$5,659,822	\$5,057,756
Requested Tax Credits		\$530,686	
Syndication Proceeds		\$5,518,582	
Gap of Syndication Proceeds Needed			\$5,617,356
Total Tax Credits (Gap Method)			\$540,184

Applicant Evaluation

Project ID # **060404**

Name: **Mill City Park Apartments**

City: **Dallas**

LIHTC 9% LIHTC 4% HOME BOND HTF SECO ESGP Other

No Previous Participation in Texas Members of the development team have been disbarred by HUD

National Previous Participation Certification Received: N/A Yes No

Noncompliance Reported on National Previous Participation Certification: Yes No

Portfolio Management and Compliance

Total # of Projects monitored: 6

Projects zero to nine: 6
grouped ten to nineteen: 0
by score twenty to twenty-nine: 0

Projects in Material Noncompliance

Yes No

in noncompliance: 0

monitored with a score less than thirty: 6

not yet monitored or pending review: 5

Projects not reported Yes
in application No

of projects not reported 0

Portfolio Monitoring

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Single Audit

Not applicable
Review pending
No unresolved issues
Issues found regarding late cert
Issues found regarding late audit
Unresolved issues found that
warrant disqualification
(Comments attached)

Portfolio Analysis

Not applicable
No unresolved issues
Not current on set-ups
Not current on draws
Not current on match

Reviewed by Patricia Murphy

Date 4/20/2006

Multifamily Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewer R Meyer
Date 4/19/2006

Single Family Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewer Sandy M. Garcia
Date 4/18/2006

Real Estate Analysis (Cost Certification and Workout)

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewer David Burrell
Date 4/20/2006

Community Affairs

No relationship
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewer EEF
Date 4/21/2006

Office of Colonia Initiatives

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewer Raul Gonzales
Date 4/24/2006

Financial Administration

No delinquencies found
Delinquencies found

Reviewer Melissa M. Whitehead
Date 4/19/2006

Acting Executive Director William Dally

Executed: Tuesday, April 25, 2006

MULTIFAMILY FINANCE PRODUCTION DIVISION

BOARD ACTION REQUEST

May 4, 2006

Action Item

Presentation, Discussion and Possible Approval for the issuance of 4% Housing Tax Credits for Artisan at Military.

Summary of the Transaction

The application was received on March 3, 2006. The Issuer for this transaction is San Antonio HFC. The development is to be located at 7423 Yarrow Blvd. in San Antonio. Demographics for the census tract include AMFI of \$37,280; the total population is 7,889; the percent of population that is minority is 94.60%; the percent of population that is below the poverty line is 18.48%; the number of owner occupied units is 1301; the number of renter units is 919 and the number of vacant units is 35. The percent of population that is minority for the entire City of San Antonio is 68% (Census information from FFIEC Geocoding for 2005). The development is new construction and will consist of 252 total units targeting the general population, with all affordable. The site is currently zoned for such a development. The Department has received one letter of support from a local neighborhood association and no letters in opposition. The bond priority for this transaction is:

- Priority 1A:** Set aside **50%** of units that cap rents at 30% of **50%** AMFI **and** Set aside **50%** of units that cap rents at 30% of **60%** AMFI (MUST receive 4% Housing Tax Credits)
- Priority 1B:** Set aside **15%** of units that cap rents at 30% of **30%** AMFI **and** Set aside **85%** of units that cap rents at 30% of **60%** AMFI (MUST receive 4% Housing Tax Credits)
- Priority 1C:** Set aside **100%** of units that cap rents at 30% of **60%** AMFI (Only for projects located in a **census tract with median income that is greater** than the median income of the county MSA, or PMSA that the QCT is located in. (MUST receive 4% Housing Tax Credits)
- Priority 2:** Set aside **100%** of units that cap rents at 30% of **60%** AMFI (MUST receive 4% Housing Tax Credits)
- Priority 3:** Any qualified residential rental development.

Recommendation

Staff recommends the Board approve the issuance of Housing Tax Credits for Artisan at Military.



MULTIFAMILY FINANCE PRODUCTION DIVISION

May 4, 2006

Development Information, Public Input and Board Summary

Artisan at Military, TDHCA Number 060409

BASIC DEVELOPMENT INFORMATION

Site Address: 7423 Yarrow Blvd. Development #: 060409
 City: San Antonio Region: 9 Population Served: Family
 County: Bexar Zip Code: 78224 Allocation: Urban/Exurban
 HTC Set Asides: At-Risk Nonprofit USDA Rural Rescue Purpose/Activity: NC
 HOME Set Asides: CHDO Preservation General
 Bond Issuer: San Antonio HFC

HTC Purpose/Activity: NC=New Construction, ACQ=Acquisition, R=Rehabilitation, NC/ACQ=New Construction and Acquisition, NC/R=New Construction and Rehabilitation, ACQ/R=Acquisition and Rehabilitation

OWNER AND DEVELOPMENT TEAM

Owner: ARDC Military, Ltd.
 Ryan Wilson - Phone: (210) 694-2223
 Developer: Franklin Development Company
 Housing General Contractor: Galaxy Builders, Ltd.
 Architect: Gonzalez Newell Bender, Inc.
 Market Analyst: Butler-Burgher, Inc.
 Syndicator: MMA Financial
 Supportive Services: TBD
 Consultant: N/A

UNIT/BUILDING INFORMATION

<u>30%</u>	<u>40%</u>	<u>50%</u>	<u>60%</u>	<u>Eff</u>	<u>1 BR</u>	<u>2 BR</u>	<u>3 BR</u>	<u>4 BR</u>	<u>5 BR</u>	Total Restricted Units:	252	
0	0	0	252	0	48	116	88	0	0	Market Rate Units:	0	
Type of Building: <input checked="" type="checkbox"/> 5 units or more per building											Owner/Employee Units:	0
<input type="checkbox"/> Duplex <input type="checkbox"/> Detached Residence											Total Development Units:	252
<input type="checkbox"/> Triplex <input type="checkbox"/> Single Room Occupancy											Total Development Cost:	\$24,997,251
<input type="checkbox"/> Fourplex <input type="checkbox"/> Transitional											Number of Residential Buildings:	13
<input type="checkbox"/> Townhome												

Note: If Development Cost = \$0, an Underwriting Report has not been completed.

FUNDING INFORMATION

	<u>Applicant Request</u>	<u>Department Analysis</u>	<u>Amort</u>	<u>Term</u>	<u>Rate</u>
9% Housing Tax Credits-Credit Ceiling:	\$0	\$0	0	0	0.00%
4% Housing Tax Credits with Bonds:	\$742,261	\$742,261	0	0	0.00%
TDHCA Bond Allocation Amount:	\$0	\$0	0	0	0.00%
HOME Activity Fund Loan Amount:	\$0	\$0	0	0	0.00%
HOME CHDO Operating Grant Amount:	\$0	\$0	0	0	0.00%
Hurricane Rita Housing Tax Credits:	\$0	\$0	0	0	0.00%
Housing Trust Fund Loan Amount:	\$0	\$0	0	0	0.00%



MULTIFAMILY FINANCE PRODUCTION DIVISION

May 4, 2006

Development Information, Public Input and Board Summary

Artisan at Military, TDHCA Number 060409

PUBLIC COMMENT SUMMARY

Guide: "O" = Oppose, "S" = Support, "N" = Neutral, "NC" or Blank = No comment

State/Federal Officials with Jurisdiction:

TX Senator: Madla, District 19

NC Points: 0

US Representative: Cuellar, District 28, NC

TX Representative: Leibowitz, District 117

NC Points: 0

US Senator: NC

Local Officials and Other Public Officials:

Mayor/Judge: Phil Hardberger - NC

Resolution of Support from Local Government

Andrew Cameron, Housing and Community Development Director, City of San Antonio - The number of units and purpose are consistent with the local consolidated plan.

Individuals/Businesses: In Support: 0

In Opposition: 0

Neighborhood Input:

South Park Neighborhood Association S

General Summary of Comment:

The development will operate in harmony with the desires of the Neighbors and Businesses in the area and will be beneficial to the community.

CONDITIONS OF COMMITMENT

Per §50.12(c) of the Qualified Allocation Plan and Rules, all Tax Exempt Bond Development Applications "must provide an executed agreement with a qualified service provider for the provision of special supportive services that would otherwise not be available for the tenants. The provision of such services will be included in the Declaration of Land Use Restrictive Covenants ("LURA")."

Receipt, review, and acceptance prior to start of construction of evidence that all Phase I Environmental Site Assessment and subsequent environmental investigation report recommendations have been carried out. In addition, the ESA provider must comment on the issues of lead in the drinking water and radon.

Receipt, review, and acceptance by closing of an executed land lease or other evidence that the development will receive a 100% property tax exemption.

Receipt, review, and acceptance of the San Antonio Housing Authority's most recent financial statements.

Should the terms and rates of the proposed debt or syndication change, the transaction should be re evaluated and an adjustment to the credit amount may be warranted.



MULTIFAMILY FINANCE PRODUCTION DIVISION

May 4, 2006

Development Information, Public Input and Board Summary

Artisan at Military, TDHCA Number 060409

RECOMMENDATION BY THE EXECUTIVE AWARD AND REVIEW ADVISORY COMMITTEE IS BASED ON:

9% HTC Competitive Cycle: Score: Meeting a Required Set-Aside Credit Amount: \$0

Recommendation:

HOME Activity Funds Loan: Loan Amount: \$0

HOME CHDO Operating Expense Grant Grant Amount: \$0

Recommendation:

Housing Trust Fund Loan: Meeting a Required Set-Aside Loan Amount: \$0

Recommendation:

4% Housing Tax Credits with Bond Issuance: Credit Amount: \$742,261

Recommendation: Recommend approval of a Housing Tax Credit allocation not to exceed \$742,261 annually for ten years, subject to conditions.

Private Activity Bond Issuance with TDHCA: Bond Amount: \$0

Recommendation:

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

DATE: April 26, 2006

PROGRAM: 4% HTC

FILE NUMBER: 060409

DEVELOPMENT NAME

Artisan at Military

APPLICANT

Name: ARDC Military, Ltd. **Contact:** Ryan Wilson
Address: 2511 N Loop 1604 W, Suite 202
City: San Antonio **State:** TX **Zip:** 78258
Phone: (210) 694-2223 **Fax:** (210) 694-2225 **Email:** ryan@franklindevelopment.net

KEY PARTICIPANTS

Name: 252 ARDC Military, LLC **Title:** 0.01% Managing General Partner of Applicant
Name: Las Varas Public Facility Corp **Title:** Nonprofit sole member of GP
Name: San Antonio Housing Authority **Title:** Parent of Public Facility Corporation
Name: Franklin Development Company **Title:** Developer
Name: Aubra Franklin **Title:** Special Limited Partner & principal of Developer

PROPERTY LOCATION

Location: 7423 Yarrow Boulevard
City: San Antonio **Zip:** 78224
County: Bexar **Region:** 3 QCT DDA

REQUEST

<u>Program</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Amortization</u>	<u>Term</u>
HTC	\$742,261	N/A	N/A	N/A
Proposed Use of Funds:	New construction	Type:	Multifamily	
Target Population:	Family	Other:	Urban/Exurban	

RECOMMENDATION

RECOMMEND APPROVAL OF A HOUSING TAX CREDIT ALLOCATION NOT TO EXCEED \$742,261 ANNUALLY FOR TEN YEARS, SUBJECT TO CONDITIONS.

CONDITIONS

1. Receipt, review, and acceptance prior to start of construction of evidence that all Phase I Environmental Site Assessment and subsequent environmental investigation report recommendations have been carried out. In addition, the ESA provider must comment on the issues of lead in the drinking water and radon.
2. Receipt, review and acceptance by closing of an executed land lease or other evidence that the development will received a 100% property tax exemption.
3. Receipt, review and acceptance of the San Antonio Housing Authority's most recent audited financial statements.
4. Should the terms and rates of the proposed debt or syndication change, the transaction should be re-

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

evaluated and an adjustment to the credit/allocation amount may be warranted.

REVIEW of PREVIOUS UNDERWRITING REPORTS

An application was submitted during 2005 requesting a 4% Housing Tax Credit allocation. The file (05448) was not forwarded to the Real Estate Analysis division for underwriting. The development failed to meet the deadline for erecting signage on the proposed property.

DEVELOPMENT SPECIFICATIONS

IMPROVEMENTS

Total Units: 252 **# Res Bldgs** 13 **# Non-Res Bldgs** 2 **Age:** N/A yrs **Vacant:** N/A at / /
Net Rentable SF: 253,244 **Av Un SF:** 1,005 **Common Area SF:** 6,479 **Gross Bldg SF:** 259,723

ARCHITECTURAL REVIEW

The building and unit plans are comparable to other modern apartment developments. They appear to provide acceptable access and storage. The elevations reflect attractive buildings.

STRUCTURAL MATERIALS

The structures will be constructed on a concrete slab. According to the plans provided in the application the exterior will be 13.7% masonry veneer, 73.2% cement fiber, and 13.1% stucco. The interior wall surfaces will be drywall and the roofs will be finished with composite shingles.

UNIT FEATURES

The interior flooring will be carpet and resilient covering. Threshold criteria for the 2006 QAP requires all development units to include: mini blinds or window coverings for all windows, a dishwasher, a disposal, a refrigerator, an oven/range, an exhaust/vent fan in bathrooms, and a ceiling fan in each living area and bedroom. New construction units must also include three networks: one for phone service, one for data service, and one for TV service. In addition, each unit will include: laundry connections a ceiling fixture in each room, an individual heating and air conditioning unit, individual water heater, and nine-foot ceilings.

ONSITE AMENITIES

In order to meet threshold criteria for total units of 200 or more, the Applicant has elected to provide an accessible walking path, community laundry room, controlled access gates, an enclosed sun porch or covered community porch, an equipped business center or computer learning center, full perimeter fencing, a furnished community room, a furnished fitness center, a swimming pool, and a furnished and staffed children's activity center.

Uncovered Parking: 258 spaces **Carports:** 50 spaces **Garages:** 100 spaces

PROPOSAL and DEVELOPMENT PLAN DESCRIPTION

Description: Artisan at Military Drive is a 19-unit per acre new construction development located in southwest San Antonio. The development is comprised of 13 evenly distributed garden style residential buildings as follows:

<u>No. of Buildings</u>	<u>No. of Floors</u>	<u>1BR</u>	<u>2BR</u>	<u>3BR</u>
1	3	16	8	0
1	3	12	12	0
4	3	0	24	0
1	3	16	0	8
1	3	4	0	8
4	3	0	0	12
1	3	0	0	24

The development includes a 6,479-square foot community buildings and a cabana by the swimming pool.

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

SITE ISSUES			
SITE DESCRIPTION			
Total Size:	13.41 acres	Scattered sites?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Flood Zone:	Zone X	Within 100-year floodplain?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Current Zoning:	I-2 (requesting revert back to MF)	Needs to be re-zoned?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A
SITE and NEIGHBORHOOD CHARACTERISTICS			
Location: The subject site is an undeveloped tract of land located on Yarrow Blvd., south of SW Military Dr., San Antonio,			
Adjacent Land Uses:			
North: Target store;			
South: vacant land;			
East: Yarrow Boulevard immediately adjacent and vacant land beyond; and			
West: Southwest General Hospital.			
Site Access: The site will have two entrances along Yarrow Boulevard. From SW Military Dr., one can easily connect to Interstate 35 (0.4 miles south), and to all part of San Antonio.			
Public Transportation: The nearest bus stop is located at the intersection of Yarrow and SW Military Dr., just north of the site.			
Shopping & Services: The subject site is served by the South San Independent School District. An elementary, middle and high school are located within two miles. The site is within one mile of a Target, and HEB and a local mall. Southwest General Hospital is also within one mile of the site.			
Zoning: According to the Applicant, the site does not need to be rezoned. Properties in San Antonio were given a five year grace period to document their request to remain under their pre-2001 Unified Development Code (UDC) designation. A "Reservation of Development Preservation Rights" signed by a City employee approves the MF-33 designation. In addition, the Applicant stated and the Underwriter verified that the City approved the site zoning to MF-33 through the permit process.			
TDHCA SITE INSPECTION			
Inspector:	Manufactured Housing Staff	Date:	12/5/2005
Overall Assessment:	<input type="checkbox"/> Excellent <input checked="" type="checkbox"/> Acceptable <input type="checkbox"/> Questionable <input type="checkbox"/> Poor <input type="checkbox"/> Unacceptable		
Comments:	_____		
HIGHLIGHTS of SOILS & HAZARDOUS MATERIALS REPORT(S)			
A Phase I Environmental Site Assessment report dated August 18, 2005 was prepared by Alpha Testing, Inc and contained the following findings and recommendations:			
Findings:			
<p>Noise: "A noise evaluation conducted in accordance to the HUD Noise Guidebook's Noise Assessment Guidelines reveals the Site has normal acceptable levels of roadway noise. However, additional sources of noise, which require evaluation, include a Union Pacific railroad line located approximately 1,500 feet east of the Site, and an airfield associated with Lackland Air Force Base, (AFB) located approximately 2.5-miles northwest of the Site. According to representatives with Union Pacific, the railroad company no longer releases train schedule or rail line usage information to the public due to the current national security threat level in-place. Additionally, ALPHA has submitted a request to the Communications Relations Department of Lackland AFB for information related to noise contour lines, Runway Clear Zone, Clear Zone and Accident Potential Zone associated with AFB's airfield; however, this information is pending. It should be noted that a complete noise analysis in accordance with the HUD Noise Guidebook's Noise Assessment Guidelines and HUD Form 4128 requirements cannot be completed due to the absence of required railroad data"</p>			
Floodplain: "Based on a review of the Federal Emergency Management Agency's (FEMA) Flood			

Insurance Rate Map (FIRM), the Site is located within Zone X, which is outside the 500-year floodplain zone” (p. 2).

Asbestos-Containing Materials (ACM): “No structures or illegal dumping were observed during the completion of the Site reconnaissance; therefore, asbestos is not applicable to the Site” (p. 23).

Lead-Based Paint (LBP): “No structures were observed during the completion of the Site reconnaissance; therefore, lead-based paint is not applicable to the Site” (p. 23).

Lead in Drinking Water: Not discussed in ESA.

Radon: Not discussed in ESA.

Recognized Environmental Concerns (RECs): “This assessment has revealed evidence of recognized environmental conditions in connection with the site. The presence of former on-site ponds associated with former eastern adjacent industrial concrete manufacturing facility, and the former presence and historical usage of a petroleum UST system associated with the western adjacent property constitute RECs” (p. 2).

Recommendations: “ALPHA recommends and Environmental Site Investigation (ESI) be performed to evaluate the presence of petroleum hydrocarbons, volatile organic compounds (VOCs) and RCRA metals in the on-site soil and groundwater as a result of a potential release associated with the former on-site ponds and former western adjacent UST system.

Additionally, a threatened/endangered species assessment and a noise assessment should be conducted on the Site” (p. 3).

Receipt, review, and acceptance prior to start of construction of evidence that all Phase I Environmental Site Assessment and subsequent environmental investigation report recommendations have been carried out is a condition of this report. In addition, the ESA provider must comment on the issues of lead in the drinking water and radon.

The Phase I Environmental Site Assessment was revised on November 4, 2005. “ALPHA Testing, Inc has conducted an Environmental Site Investigation (ESI) at the Artisan at Military property located at the southwest quadrant of the SW Military Drive and Yarrow Boulevard in San Antonio...Three soil borings/monitor wells were advanced at the northeastern, southeastern and western sides of the Site to assess potential impacts from the former on-site industrial ponds and a former western adjacent UST system...

Based on the results of the ESI, the on-site soil in the vicinity of soil borings...does not appear to be affected by a release of petroleum hydrocarbons...

Based on the results of the ESI, the on-site soil in the vicinity of soil boring MW-1 does appear to be affected by the release of VOCs (benzene and toluene); however, the identified concentrations...do not exceed the applicable TRRP Tier 1 Residential Soil Critical PCLs...

Based on the results of the ESI, the on-site soil in the vicinity of soil borings MW-1 and MW-3 does appear to be affected by elevated concentrations of RCRA metals (arsenic, barium, cadmium, chromium, lead and selenium). The identified [RCRA metals] concentrations do not exceed the applicable TRRP Tier 1 Residential Soil Critical PCLs and/or TRRP Texas-Specific Median Background Concentrations...

Based on the results of the ESI, the on-site groundwater in the vicinity of monitor wells MW-1 and MW-2 does appear to be affected by the elevated concentrations of RECREA metals (barium) The identified barium concentrations do not exceed the applicable TRRP Tier 1 Residential Groundwater Critical PCL...

The initial detection of TPH in the on-site groundwater in the vicinity of monitor well MW-2 is considered inconclusive based on the results of subsequent laboratory analyses...

Based on the results of the ESI, no additional site investigation appears to be warranted at this time” (pp. 2-4).

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

INCOME SET-ASIDE

The Applicant has elected the 40% at 60% or less of area median gross income (AMGI) set-aside. To qualify as a Priority 2 Private Activity Bond allocation for a Qualified Residential Rental Project, the Applicant has elected to set-aside 100% of the units with rent and income restrictions at 60% of area median family income.

MAXIMUM ELIGIBLE INCOMES						
	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons
60% of AMI	\$22,320	\$25,500	\$28,680	\$31,860	\$34,380	\$36,960

MARKET HIGHLIGHTS

A market feasibility study dated January 16, 2006 was prepared by Apartment MarketData, LLC (“Market Analyst”) and included the following findings:

Secondary Market Information: A secondary market boundary was not identified by the Market Analyst.

Definition of Primary Market Area (PMA): “For this analysis, we utilized a “primary market area” encompassing 24.46 square miles. The boundaries of the Primary Market Area are as follows: North: Highway 90; East: Pleasanton Road; South: Loop 410; and West: Quintana Road” (p. 3). This area encompasses approximately 24 square miles and is equivalent to a circle with a radius of three miles. “At the same time, the PMA was limited to a population of 100,000; and may not be inclusive of the entire area that the analyst expects the subject to draw the majority of its residents” (p. 3).

Population: The estimated 2005 population of the PMA was 93,938 and is expected to increase to approximately 98,184 by 2010. Within the primary market area there were estimated to be 27,266 households in 2005.

Total Market Demand: The Market Analyst utilized a household size-appropriate adjustment rate of 93.13% (p. 51). The Analyst’s income band of \$19,851 to \$33,360 (p. 45) results in an income eligible adjustment rate of 22.69% (p. 45). However, the Market Analyst utilized a combined income-eligible renter (tenure appropriate) adjustment rate of 11.05% (p. 51). The Market Analyst indicates a turnover rate of 74.9% applies based on the 2005 IREM figure for San Antonio (p. 50).

In addition, “we assess that the submarket could immediately to absorb 234 units without the overall market occupancy falling below 93%” (p. 14).

MARKET DEMAND SUMMARY				
Type of Demand	Market Analyst		Underwriter	
	Units of Demand	% of Total Demand	Units of Demand	% of Total Demand
Household Growth	22	1%	21	1%
Resident Turnover	2,118	99%	1,850	99%
TOTAL DEMAND	2,140	100%	1,871	100%

p. 52

Inclusive Capture Rate: The Market Analyst calculated an inclusive capture rate of 11.8% based upon 2,140 units of demand and 252 unstabilized affordable housing in the PMA (including the subject) (p. 53). The Underwriter calculated an inclusive capture rate of 13.5% based upon a revised demand estimate for 1,871 affordable units.

Unit Mix Conclusion: “Based on 1) the number of persons per household who we view as the renter population profile, specifically that of the renter household market, and 2) our experience of the percentage of apartment units in demand based on household size, multiplied by the percentage of total sub-market household size, we have determined that a mirror image of the demography would contain 35.3% one bedrooms, 38.5% two bedrooms, 19.0% three bedrooms, and 7.2% four bedrooms. From our above analysis, we conclude that the unit mix of the subject will vary from the demographic make-up of the Primary Market Area” (p. 94).

Market Rent Comparables: The Market Analyst surveyed five comparable apartment projects totaling 896

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units in the market area.

RENT ANALYSIS (net tenant-paid rents)					
Unit Type (% AMI)	Proposed	Program Max	Differential	Est. Market	Differential
1-Bedroom (60%)	\$541	\$540	\$1	\$655	-\$114
2-Bedroom (60%)	\$648	\$649	-\$1	\$805	-\$157
3-Bedroom (60%)	\$743	\$743	\$0	\$930	-\$187

(NOTE: Differentials are amount of difference between proposed rents and program limits and average market rents, e.g., proposed rent = \$500, program max = \$600, differential = -\$100)

Primary Market Occupancy Rates: “The current occupancy of the market area is 95.4% as a result of solid demand” (p. 10).

Absorption Projections: “The affordable project most recently built with LIHTC’s was Rosemont at Palo Alto (2004), which is 96% occupied. This project also reach a stabilized occupancy of 90% in just 5 ½ months of leasing” (p. 7). “Absorption in the Primary Market Area is nearly impossible to calculate for the trade area. Only one new project has been built since 1990, Hunter’s Glen T/H (LIHTC). As such, there has not been adequate new supply to determine a reasonable absorption rate for the sub-market. We do know that Hunter’s Glen T/H is 100% occupied today, indicating demand for newer rental units with modern amenities” (p. 11). “We estimate that the project would achieve a lease rate of approximately 7% to 10% of its units per month as they come on line for occupancy from construction” (p. 87).

Unstabilized, Under Construction, and Planned Development: The Alhambra, a 140-unit mixed income development, was awarded tax credits in 2005. However, because The Alhambra targets the elderly population, the unstabilized units are not included in the capture rate analysis for the subject development.

Market Impact: “The proposed project is not likely to have a dramatically detrimental effect on the balance of supply and demand in this market. Existing “affordable” housing projects have an overall occupancy of 998.1%. This typifies the demand for affordable rental housing, as there is a shortage of affordable housing in this market” (p. 14).

Market Study Analysis/Conclusions: The Underwriter found the market study provided sufficient information on which to base a funding recommendation.

OPERATING PROFORMA ANALYSIS

Income: The Applicant’s projected rents collected per unit were calculated by subtracting tenant-paid utility allowances as of May 5, 2005, maintained by the San Antonio Housing Authority, from the 2006 program gross rent limits. Tenants will be required to pay electric and natural gas (water heater) costs. As a result, the Applicant’s potential gross rent is comparable to the Underwriter’s estimate. However, the Applicant’s secondary income projection at \$28.38 per unit per month exceeds the current TDHCA underwriting guideline of \$15 per unit per month. Upon further analysis, the Underwriter was able to justify secondary income of up to \$20 per unit per month for developments in the San Antonio region offering leased covered parking. The Applicant’s vacancy and collection loss assumptions are in line with current TDHCA underwriting guidelines. Overall, the Applicant’s effective gross income is within 5% of the Underwriter’s estimate.

Expenses: The Applicant’s total annual operating expense projection at \$2,872 per unit is not within 5% of the Underwriter’s estimate of \$3,209, derived from the TDHCA database and third-party data sources. It should be noted the Underwriter utilized a reserve for replacement expense of \$250 per unit annually based on a requirement of the permanent lender. Also, the Applicant anticipates a 100% property tax exemption based on the ownership structure including a subsidiary of the San Antonio Housing Authority as sole member of the General Partner. It is anticipated that the partnership will lease the property from the San Antonio Housing Authority to obtain a property tax exemption. Absent a 100% property tax exemption the Underwriter conducted additional analysis that reflects that the proposed development would not be financially feasible. Therefore receipt, review and acceptance by closing of an executed land lease or other evidence that the development will received a 100% property tax exemption is a condition of this report.

Conclusion: The Applicant’s gross income is within 5% of the Underwriter’s estimate; however, their annual

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operating expense and net operating income are not within 5% of the Underwriter's estimate. Therefore, the Underwriter's Year 1 proforma will be used to determine the development's debt service capacity and long term feasibility. The proforma and estimated debt service result in a debt coverage ratio (DCR) below the current underwriting minimum guideline of 1.10. Therefore, the recommended financing structure reflects a decrease in the permanent mortgage based on the interest rate and amortization period indicated in the permanent financing documentation submitted at application. This is discussed in more detail in the conclusion to the "Financing Structure Analysis" section (below).

Long-Term Feasibility: The underwriting 30-year proforma utilizes a 3% annual growth factor for income and a 4% annual growth factor for expenses in accordance with current TDHCA guidelines. As noted above, the Underwriter's base year effective gross income, expense and net operating income were utilized resulting in a debt coverage ratio that remains above 1.10 and continued positive cashflow. Therefore, the development can be characterized as feasible for the long-term.

ACQUISITION VALUATION INFORMATION			
ASSESSED VALUE			
Land:	\$205,200	Assessment for the Year of:	2005
Building:	\$0	Valuation by:	Bexar County Appraisal District
Total Assessed Value:	\$205,200	Tax Rate:	3.117074
EVIDENCE of SITE or PROPERTY CONTROL			
Type of Site Control:	Purchase and Sale Contract (13.411 acres)		
Contract Expiration:	5/16/2006	Valid through Board Date?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Acquisition Cost:	\$1,320,000	Other:	_____
Seller:	Alamo Concrete Products, Ltd	Related to Development Team?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

CONSTRUCTION COST ESTIMATE EVALUATION
<p>Acquisition Value: The site cost of \$98,427 per acre or \$5,238 per unit is assumed to be reasonable since the acquisition is an arm's-length transaction. As discussed above, it is anticipated that the San Antonio Housing Authority or a subsidiary will take title to the property and lease it to the partnership in order to secure a property tax exemption but documentation of this arrangement has not yet been provided.</p> <p>Sitework Cost: The Applicant's claimed sitework costs of \$4,019 per unit are within current Department guidelines. Therefore, further third party substantiation is not required.</p> <p>Direct Construction Cost: The Applicant's direct construction cost estimate is \$404K or 4% higher than the Underwriter's Marshall & Swift <i>Residential Cost Handbook</i>-derived estimate. It should be noted both the Applicant and the Underwriter excluded cost for construction of garages from eligible basis.</p> <p>Interim Financing Fees: The Underwriter reduced the Applicant's eligible interim financing fees by \$171,089 to bring the eligible interest expense down to one year of fully drawn interest expense. This results in an equivalent reduction to the Applicant's eligible basis estimate.</p> <p>Fees: The Applicant's contractor's and developer's fees for general requirements, general and administrative expenses, and profit are all within the maximums allowed by TDHCA guidelines.</p> <p>Contingency: The Applicant overstated eligible contingency cost by \$70,461. Contingency for new construction developments is limited to 5% of eligible sitework and direct construction costs.</p> <p>Conclusion: The Applicant's total development cost is within 5% of the Underwriter's estimate; therefore, the Applicant's cost schedule will be used to determine the development's need for permanent funds and to calculate eligible basis. An eligible basis of \$21,398,702, which takes in to account a below-market federal source of funds, supports annual tax credits of \$761,794. This figure will be compared to the Applicant's request and the tax credits calculated based on the gap in need for permanent funds to determine the recommended allocation.</p>

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
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FINANCING STRUCTURE

PERMANENT BOND FINANCING

Source: MMA Financial (Issuer: San Antonio HFC) **Contact:** Richard A Monfred
Tax-Exempt: \$15,000,000 **Interest Rate:** 5.9%, fixed, lender's estimate **Amort:** 480 months
Taxable: \$377,719 **Interest Rate:** 9.0%, fixed, lender's estimate **Amort:** 360 months
Documentation: Signed Term Sheet LOI Firm Commitment Conditional Commitment Application
Comments: Blended rate: 5.91%; initial minimum 1.10 DCR; \$250 per unit replacement reserve

TAX CREDIT SYNDICATION

Source: MMA Financial **Contact:** Marie H Keutmann
Proceeds: \$7,081,208 **Net Syndication Rate:** 95.4% **Anticipated HTC:** \$676,133/year
Documentation: Signed Term Sheet LOI Firm Commitment Conditional Commitment Application
Comments: \$0.35 - \$0.60 timing adjuster; \$9.90 - \$10.9 basis adjuster

OTHER

Amount: \$2,538,504 **Source:** Deferred Developer Fee

FINANCING STRUCTURE ANALYSIS

Interim to Permanent Bond Financing: The mortgage revenue bonds will be issued by the San Antonio Housing Finance Corporation. The permanent financing commitment is consistent with the terms reflected in the sources and uses of funds listed in the application.

HTC Syndication: The tax credit syndication commitment is consistent with the terms reflected in the sources and uses of funds listed in the application.

Deferred Developer's Fees: The Applicant's proposed deferred developer's fees of \$2,538,504 amount to 92% of the total fees.

Financing Conclusions: As stated above, the proforma analysis results in a debt coverage ratio below the Department's minimum guideline of 1.10. Therefore, receipt, review and acceptance by carryover of documentation including, but not limited to a new permanent loan commitment supporting a debt coverage ratio at a minimum of 1.10 is a condition of this report. The current underwriting analysis assumes a decrease in the permanent loan amount to \$15,300,000 based on the terms reflected in the application materials. This decrease equates to a possible mandatory redemption of bonds in the amount of \$77,719. As a result the development's gap in financing will increase.

The Applicant's total development cost estimate less the permanent loan of \$15,300,000 indicates the need for \$9,697,251 in gap funds. Based on the submitted syndication terms, a tax credit allocation of \$1,016,478 annually would be required to fill this gap in financing. Of the three possible tax credit allocations, the Applicant's request (\$742,261), the gap-driven amount (\$1,016,478), and eligible basis-derived estimate (\$761,794), the Applicant's request of \$742,261 is recommended resulting in proceeds of \$7,081,208 based on a syndication rate of 95.4%.

The Underwriter's recommended financing structure indicates the need for \$2,616,043 in additional permanent funds. Deferred developer fees in this amount do not appear to be repayable from development cashflow within 10 years of stabilized operation, but appear to be repayable within 15 years.

DEVELOPMENT TEAM

IDENTITIES of INTEREST

The Applicant and Developer are related entities. These are common relationships for HTC-funded developments.

APPLICANT'S/PRINCIPALS' FINANCIAL HIGHLIGHTS, BACKGROUND, and EXPERIENCE

Financial Highlights:

The Applicant and General Partner are single-purpose entities created for the purpose of receiving

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assistance from TDHCA and therefore have no material financial statements.

Las Varas Public Facility Corporation, nonprofit sole member of the General Partner, is also a newly-formed entity with no significant financial history.

The San Antonio Housing Authority, parent of Las Varas Public Facility Corporation, submitted an unaudited financial statement dated March 31, 2006 indicating total combined assets of \$161M comprised of \$12.2M in unrestricted current assets, \$377K in restricted current assets, \$147M in capital assets net of depreciation, and \$1.7M in other noncurrent assets. Liabilities totaled \$6.5M for net assets of \$155M. Receipt, review and acceptance of the San Antonio Housing Authority's most recent audited financial statements is a condition of this report.

Aubra L Franklin, Special Limited Partner and the principal of the Developer, submitted an unaudited financial statement as of January 1, 2006.

Background & Experience: Multifamily Production Finance Staff have verified that the Department's experience requirements have been met and Portfolio Management and Compliance staff will ensure that the proposed owners have an acceptable record of previous participation.

SUMMARY OF SALIENT RISKS AND ISSUES

Items identified in previous reports/ or analysis have not been satisfactorily addressed.

The Applicant's estimated operating expenses and operating proforma are more than 5% outside of the Underwriter's verifiable range(s).

The recommended amount of deferred developer fee cannot be repaid within ten years, and any amount unpaid past ten years would be removed from eligible basis.

The anticipated ad valorem property tax exemption may not be received or may be reduced, which could affect the financial feasibility of the development.

Underwriter:

Lisa Vecchiatti

Date: April 26, 2006

Director of Real Estate Analysis:

Tom Gouris

Date: April 26, 2006

MULTIFAMILY COMPARATIVE ANALYSIS

Artisan at Military, San Antonio, 4% HTC #060409

Type of Unit	Number	Bedrooms	No. of Baths	Size in SF	Gross Rent Lmt.	Rent Collected	Rent per Month	Rent per SF	Tnt-Pd Util	Wtr, Swr, Trsh
TC 60%	36	1	1	749	\$597	\$540	\$19,442	\$0.72	\$56.94	\$35.50
TC 60%	12	1	1	750	597	\$540	6,481	0.72	56.94	35.50
TC 60%	116	2	2	984	717	\$649	75,263	0.66	68.18	42.12
TC 60%	88	3	2	1,172	828	\$743	65,408	0.63	84.73	53.28
TOTAL:	252		AVERAGE:	1,005	\$733	\$661	\$166,594	\$0.66	\$71.82	\$44.76

INCOME

Total Net Rentable Sq Ft: 253,244

POTENTIAL GROSS RENT

Secondary Income	Per Unit Per Month:	\$15.00
Other Support Income: covered parking	Per Unit Per Month:	\$5.00

POTENTIAL GROSS INCOME

Vacancy & Collection Loss	% of Potential Gross Income:	-7.50%
Employee or Other Non-Rental Units or Concessions		

EFFECTIVE GROSS INCOME

EXPENSES

	% OF EGI	PER UNIT	PER SQ FT
General & Administrative	4.97%	\$376	0.37
Management	4.22%	319	0.32
Payroll & Payroll Tax	12.01%	908	0.90
Repairs & Maintenance	6.22%	470	0.47
Utilities	2.39%	180	0.18
Water, Sewer, & Trash	4.75%	359	0.36
Property Insurance	3.97%	300	0.30
Property Tax	3.117074	0	0.00
Reserve for Replacements	3.31%	250	0.25
cable, compl fees	0.61%	46	0.05
TOTAL EXPENSES	42.44%	\$3,209	\$3.19
NET OPERATING INC	57.56%	\$4,351	\$4.33

DEBT SERVICE

Tax-exempt bond financing	52.70%	\$3,984	\$3.96
Taxable bond financing	0.00%	\$0	\$0.00
Additional Financing	0.00%	\$0	\$0.00
NET CASH FLOW	4.85%	\$367	\$0.37

AGGREGATE DEBT COVERAGE RATIO

RECOMMENDED DEBT COVERAGE RATIO

CONSTRUCTION COST

Description	Factor	% of TOTAL	PER UNIT	PER SQ FT
Acquisition Cost (site or bldg)		5.46%	\$5,238	\$5.21
Off-Sites		0.00%	0	0.00
Sitework		4.19%	4,019	4.00
Direct Construction		47.02%	45,114	44.89
Contingency	5.00%	2.56%	2,457	2.44
General Req'ts	5.94%	3.04%	2,920	2.91
Contractor's G & A	1.98%	1.01%	973	0.97
Contractor's Profit	5.94%	3.04%	2,920	2.91
Indirect Construction		5.94%	5,696	5.67
Ineligible Costs		4.41%	4,229	4.21
Developer's G & A	2.96%	2.23%	2,139	2.13
Developer's Profit	12.04%	9.08%	8,712	8.67
Interim Financing		8.59%	8,244	8.20
Reserves		3.43%	3,289	3.27
TOTAL COST		100.00%	\$95,950	\$95.48
Construction Cost Recap		60.87%	\$58,403	\$58.12

SOURCES OF FUNDS

Tax-exempt bond financing	62.04%	\$59,524	\$59.23
Taxable bond financing	1.56%	\$1,499	\$1.49
HTC Syndication Proceeds	29.29%	\$28,099	\$27.96
Deferred Developer Fees	10.50%	\$10,073	\$10.02
Additional (Excess) Funds Req'd	-3.38%	(\$3,246)	(\$3.23)
TOTAL SOURCES			

TDHCA	APPLICANT
\$1,999,125	\$1,998,240
45,360	40,824
15,120	45,000
\$2,059,605	\$2,084,064
(154,470)	(156,300)
0	0
\$1,905,135	\$1,927,764
\$94,720	\$81,559
80,429	74,724
228,816	212,001
118,409	109,999
45,484	39,365
90,538	66,164
75,665	65,000
0	0
63,000	65,000
11,552	9,913
\$808,613	\$723,725
\$1,096,521	\$1,204,039
\$1,004,033	\$1,040,349
0	0
0	0
\$92,489	\$163,690
1.09	1.16
1.10	

Comptroller's Region	9	
IREM Region	San Antonio	
\$13.50	Per Unit Per Month	
\$14.88	Per Unit Per Month	
-7.50%	of Potential Gross Income	
PER SQ FT	PER UNIT	% OF EGI
\$0.32	\$324	4.23%
0.30	297	3.88%
0.84	841	11.00%
0.43	437	5.71%
0.16	156	2.04%
0.26	263	3.43%
0.26	258	3.37%
0.00	0	0.00%
0.26	258	3.37%
0.04	39	0.51%
\$2.86	\$2,872	37.54%
\$4.75	\$4,778	62.46%
\$4.11	\$4,128	53.97%
\$0.00	\$0	0.00%
\$0.00	\$0	0.00%
\$0.65	\$650	8.49%

TDHCA	APPLICANT
\$1,320,000	\$1,320,000
0	0
1,012,768	1,012,768
11,368,806	11,772,687
619,079	709,734
735,793	735,793
245,264	245,264
735,793	735,793
1,435,346	1,435,346
1,065,626	1,065,626
539,067	548,869
2,195,475	2,195,475
2,077,434	2,077,434
828,832	1,142,462
\$24,179,284	\$24,997,251
\$15,000,000	\$15,000,000
377,719	377,719
7,081,028	7,081,028
2,538,504	2,538,504
(817,967)	0
\$24,179,284	\$24,997,251

RECOMMENDED

\$15,300,000	Developer Fee Available
0	\$2,744,344
7,081,208	% of Dev. Fee Deferred
2,616,043	95%
0	15-Yr Cumulative Cash Flow
\$24,997,251	\$4,233,374

MULTIFAMILY COMPARATIVE ANALYSIS (continued)
Artisan at Military, San Antonio, 4% HTC #060409

DIRECT CONSTRUCTION COST ESTIMATE

Residential Cost Handbook

Average Quality Multiple Residence Basis

CATEGORY	FACTOR	UNITS/SQ FT	PER SF	AMOUNT
Base Cost			\$48.88	\$12,377,755
Adjustments				
Exterior Wall Finish	1.10%		\$0.54	\$135,660
9-Ft. Ceilings	3.14%		1.53	388,290
Roofing			0.00	0
Subfloor			(0.75)	(189,089)
Floor Cover			2.22	562,202
Porches/Balconies	\$20.33	24,852	2.00	505,241
Plumbing	\$680	612	1.64	416,160
Built-In Appliances	\$1,675	252	1.67	422,100
Exterior Stairs	\$1,650	84	0.55	138,600
Enclosed Corridors			0.00	0
Heating/Cooling			1.73	438,112
Garages/Carports			0.00	0
Comm &/or Aux Bldgs	\$61.63	6,479	1.58	399,285
Fire Sprinkler System	\$1.95	253,244	1.95	493,826
SUBTOTAL			63.53	16,088,142
Current Cost Multiplier	1.03		1.91	482,644
Local Multiplier	0.84		(10.16)	(2,574,103)
TOTAL DIRECT CONSTRUCTION COSTS			\$55.27	\$13,996,683
Plans, specs, survy, bld prm	3.90%		(\$2.16)	(\$545,871)
Interim Construction Interes	3.38%		(1.87)	(472,388)
Contractor's OH & Profit	11.50%		(6.36)	(1,609,619)
NET DIRECT CONSTRUCTION COSTS			\$44.89	\$11,368,806

PAYMENT COMPUTATION

Primary	\$15,377,719	Amort	480
Int Rate	5.91%	DCR	1.09

Secondary		Amort	
Int Rate	0.00%	Subtotal DCR	1.09

Additional	\$7,081,028	Amort	
Int Rate		Aggregate DCR	1.09

RECOMMENDED FINANCING STRUCTURE:

Primary Debt Service	\$998,958
Secondary Debt Service	0
Additional Debt Service	0
NET CASH FLOW	\$97,563

Primary	\$15,300,000	Amort	480
Int Rate	5.91%	DCR	1.10

Secondary	\$0	Amort	0
Int Rate	0.00%	Subtotal DCR	1.10

Additional	\$7,081,028	Amort	0
Int Rate	0.00%	Aggregate DCR	1.10

OPERATING INCOME & EXPENSE PROFORMA: RECOMMENDED FINANCING STRUCTURE

INCOME at 3.00%	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 15	YEAR 20	YEAR 30
POTENTIAL GROSS RENT	\$1,999,125	\$2,059,099	\$2,120,872	\$2,184,498	\$2,250,033	\$2,608,405	\$3,023,856	\$3,505,478	\$4,711,069
Secondary Income	45,360	46,721	48,122	49,566	51,053	59,185	68,611	79,539	106,894
Other Support Income: covered	15,120	15,574	16,041	16,522	17,018	19,728	22,870	26,513	35,631
POTENTIAL GROSS INCOME	2,059,605	2,121,393	2,185,035	2,250,586	2,318,104	2,687,318	3,115,338	3,611,530	4,853,594
Vacancy & Collection Loss	(154,470)	(159,104)	(163,878)	(168,794)	(173,858)	(201,549)	(233,650)	(270,865)	(364,020)
Employee or Other Non-Rental	0	0	0	0	0	0	0	0	0
EFFECTIVE GROSS INCOME	\$1,905,135	\$1,962,289	\$2,021,157	\$2,081,792	\$2,144,246	\$2,485,769	\$2,881,687	\$3,340,665	\$4,489,575
EXPENSES at 4.00%	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 15	YEAR 20	YEAR 30
General & Administrative	\$94,720	\$98,508	\$102,449	\$106,547	\$110,809	\$134,816	\$164,024	\$199,560	\$295,398
Management	80,429	82,842	85,328	87,887	90,524	104,942	121,657	141,033	189,537
Payroll & Payroll Tax	228,816	237,969	247,487	257,387	267,682	325,677	396,235	482,081	713,597
Repairs & Maintenance	118,409	123,145	128,071	133,194	138,521	168,532	205,045	249,469	369,275
Utilities	45,484	47,304	49,196	51,164	53,210	64,738	78,764	95,829	141,850
Water, Sewer & Trash	90,538	94,160	97,926	101,843	105,917	128,864	156,783	190,751	282,358
Insurance	75,665	78,691	81,839	85,113	88,517	107,695	131,027	159,415	235,972
Property Tax	0	0	0	0	0	0	0	0	0
Reserve for Replacements	63,000	65,520	68,141	70,866	73,701	89,669	109,096	132,731	196,475
Other	11,552	12,014	12,495	12,994	13,514	16,442	20,004	24,338	36,027
TOTAL EXPENSES	\$808,613	\$840,154	\$872,931	\$906,995	\$942,396	\$1,141,375	\$1,382,636	\$1,675,207	\$2,460,489
NET OPERATING INCOME	\$1,096,521	\$1,122,135	\$1,148,226	\$1,174,797	\$1,201,850	\$1,344,394	\$1,499,052	\$1,665,458	\$2,029,086
DEBT SERVICE									
First Lien Financing	\$998,958	\$998,958	\$998,958	\$998,958	\$998,958	\$998,958	\$998,958	\$998,958	\$998,958
Second Lien	0	0	0	0	0	0	0	0	0
Other Financing	0	0	0	0	0	0	0	0	0
NET CASH FLOW	\$97,563	\$123,177	\$149,268	\$175,838	\$202,891	\$345,435	\$500,093	\$666,500	\$1,030,127
DEBT COVERAGE RATIO	1.10	1.12	1.15	1.18	1.20	1.35	1.50	1.67	2.03

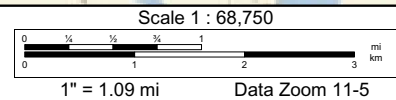
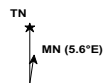
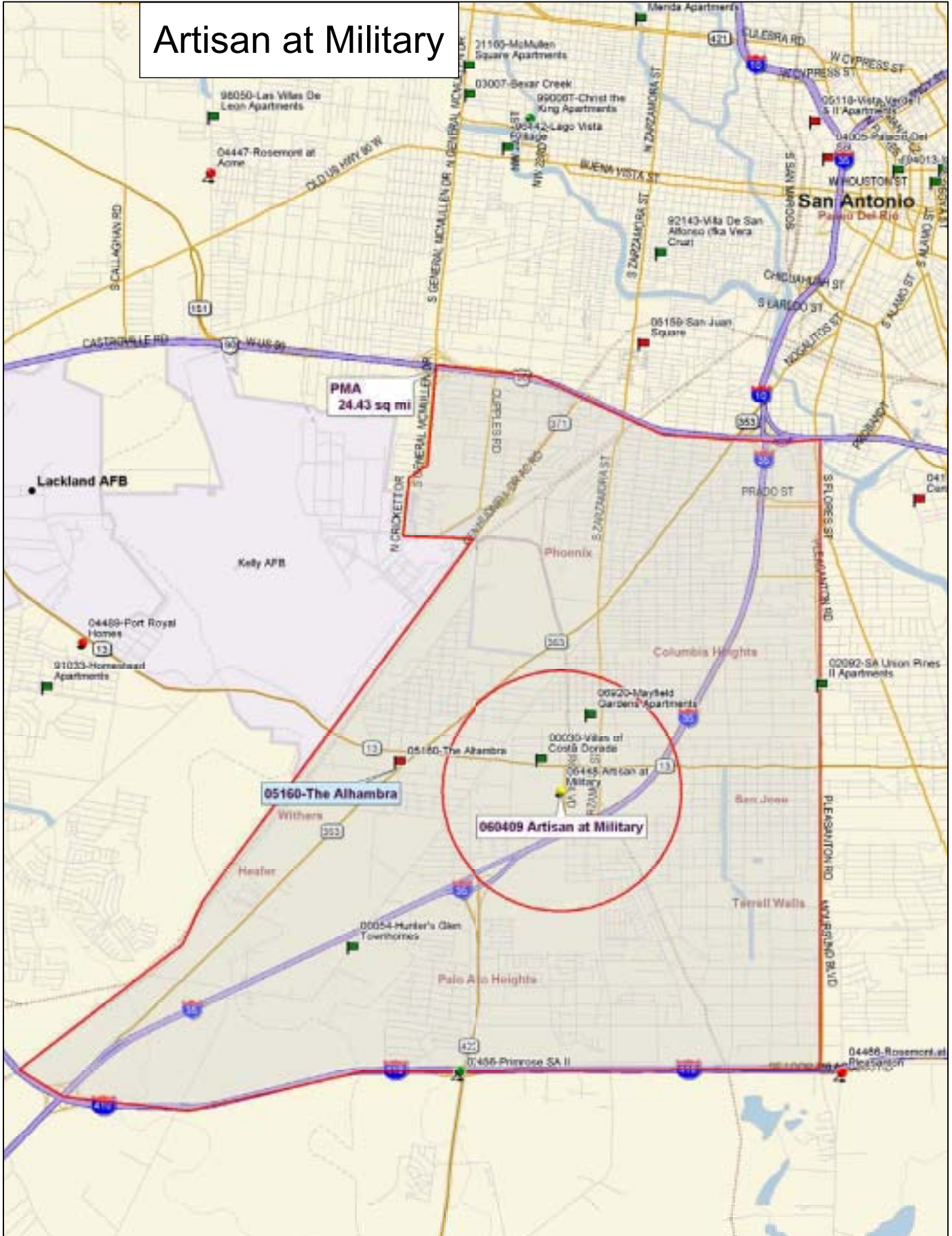
HTC ALLOCATION ANALYSIS - Artisan at Military, San Antonio, 4% HTC #060409

CATEGORY	APPLICANT'S TOTAL AMOUNTS	TDHCA TOTAL AMOUNTS	APPLICANT'S REHAB/NEW ELIGIBLE BASIS	TDHCA REHAB/NEW ELIGIBLE BASIS
(1) Acquisition Cost				
Purchase of land	\$1,320,000	\$1,320,000		
Purchase of buildings				
(2) Rehabilitation/New Construction Cost				
On-site work	\$1,012,768	\$1,012,768	\$1,012,768	\$1,012,768
Off-site improvements				
(3) Construction Hard Costs				
New structures/rehabilitation hard costs	\$11,772,687	\$11,368,806	\$11,772,687	\$11,368,806
(4) Contractor Fees & General Requirements				
Contractor overhead	\$245,264	\$245,264	\$245,264	\$245,264
Contractor profit	\$735,793	\$735,793	\$735,793	\$735,793
General requirements	\$735,793	\$735,793	\$735,793	\$735,793
(5) Contingencies				
	\$709,734	\$619,079	\$639,273	\$619,079
(6) Eligible Indirect Fees				
	\$1,435,346	\$1,435,346	\$1,435,346	\$1,435,346
(7) Eligible Financing Fees				
	\$2,077,434	\$2,077,434	\$2,077,434	\$2,077,434
(8) All Ineligible Costs				
	\$1,065,626	\$1,065,626		
(9) Developer Fees				
Developer overhead	\$548,869	\$539,067	\$548,869	\$539,067
Developer fee	\$2,195,475	\$2,195,475	\$2,195,475	\$2,195,475
(10) Development Reserves				
	\$1,142,462	\$828,832		
TOTAL DEVELOPMENT COSTS	\$24,997,251	\$24,179,284	\$21,398,702	\$20,964,825

Deduct from Basis:			
All grant proceeds used to finance costs in eligible basis			
B.M.R. loans used to finance cost in eligible basis			
Non-qualified non-recourse financing			
Non-qualified portion of higher quality units [42(d)(3)]			
Historic Credits (on residential portion only)			
TOTAL ELIGIBLE BASIS		\$21,398,702	\$20,964,825
High Cost Area Adjustment		100%	100%
TOTAL ADJUSTED BASIS		\$21,398,702	\$20,964,825
Applicable Fraction		100%	100%
TOTAL QUALIFIED BASIS		\$21,398,702	\$20,964,825
Applicable Percentage		3.56%	3.56%
TOTAL AMOUNT OF TAX CREDITS		\$761,794	\$746,348

Syndication Proceeds	0.9540	\$7,267,552	\$7,120,196
Total Tax Credits (Eligible Basis Method)		\$761,794	\$746,348
Syndication Proceeds		\$7,267,552	\$7,120,196
Requested Tax Credits		\$742,261	
Syndication Proceeds		\$7,081,208	
Gap of Syndication Proceeds Needed		\$9,697,251	
Total Tax Credits (Gap Method)		\$1,016,478	

Artisan at Military



Applicant Evaluation

Project ID # **060409**

Name: **Artisan at Military**

City: **San Antonio**

LIHTC 9% LIHTC 4% HOME BOND HTF SECO ESGP Other

No Previous Participation in Texas Members of the development team have been disbarred by HUD

National Previous Participation Certification Received: N/A Yes No

Noncompliance Reported on National Previous Participation Certification: Yes No

Portfolio Management and Compliance

Total # of Projects monitored: 16

Projects in Material Noncompliance

in noncompliance: 0

Projects zero to nine: 16

Yes No

Projects not reported Yes
in application No

grouped ten to nineteen: 0

monitored with a score less than thirty: 16

by score twenty to twenty-nine: 0

not yet monitored or pending review: 11

of projects not reported 0

Portfolio Monitoring

Single Audit

Portfolio Analysis

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Not applicable
Review pending
No unresolved issues
Issues found regarding late cert
Issues found regarding late audit
Unresolved issues found that
warrant disqualification
(Comments attached)

Not applicable
No unresolved issues
Not current on set-ups
Not current on draws
Not current on match

Reviewed by Patricia Murphy

Date 4/24/2006

Multifamily Finance Production

Single Family Finance Production

Real Estate Analysis (Cost Certification and Workout)

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewer A. Martin

Reviewer Eric Pike

Reviewer David Burrell

Date 4/24/2006

Date 4/24/2006

Date 4/24/2006

Community Affairs

Office of Colonia Initiatives

Financial Administration

No relationship
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

No delinquencies found
Delinquencies found

Reviewer EEF

Reviewer Raul Gonzales

Reviewer Melissa Whitehead

Date 4/24/2006

Date 4/24/2006

Date 4/26/2006

Acting Executive Director William Dally

Executed: Tuesday, April 25, 2006

MULTIFAMILY FINANCE PRODUCTION DIVISION

BOARD ACTION REQUEST

May 4, 2006

Action Item

Presentation, Discussion and Possible Approval for the issuance of 4% Housing Tax Credits for Greens Crossing Senior Village.

Summary of the Transaction

The application was received on March 6, 2006. The Issuer for this transaction is Harris County HFC. The development is to be located at the North side of Gears Rd., 0.2 miles west of I 45 in Houston. Demographics for the census tract include AMFI of \$32,675; the total population is 3,839; the percent of population that is minority is 89.35%; the percent of population that is below the poverty line is 25.72%; the number of owner occupied units is 157; the number of renter units is 1,410 and the number of vacant units is 143. The percent of population that is minority for the entire City of Houston is 69% (Census information from FFIEC Geocoding for 2005). The development is new construction and will consist of 240 total units targeting the elderly population, with all affordable - for a Priority 3 bond transaction this means that at least 75% of the units must have rents at 30% of 80% AMFI and that they meet one of the minimum housing tax credit elections. There is no zoning required for the Houston area. The Department has received no letters of support and no letters of opposition. The bond priority for this transaction is:

- Priority 1A:** Set aside **50%** of units that cap rents at 30% of **50%** AMFI **and** Set aside **50%** of units that cap rents at 30% of **60%** AMFI (MUST receive 4% Housing Tax Credits)
- Priority 1B:** Set aside **15%** of units that cap rents at 30% of **30%** AMFI **and** Set aside **85%** of units that cap rents at 30% of **60%** AMFI (MUST receive 4% Housing Tax Credits)
- Priority 1C:** Set aside **100%** of units that cap rents at 30% of **60%** AMFI (Only for projects located in a **census tract with median income that is greater** than the median income of the county MSA, or PMSA that the QCT is located in. (MUST receive 4% Housing Tax Credits)
- Priority 2:** Set aside **100%** of units that cap rents at 30% of **60%** AMFI (MUST receive 4% Housing Tax Credits)
- Priority 3:** Any qualified residential rental development.

Recommendation

Staff recommends the Board approve the issuance of Housing Tax Credits for Greens Crossing Senior Village.



MULTIFAMILY FINANCE PRODUCTION DIVISION

May 4, 2006

Development Information, Public Input and Board Summary

Greens Crossing Senior Village, TDHCA Number 060411

PUBLIC COMMENT SUMMARY

Guide: "O" = Oppose, "S" = Support, "N" = Neutral, "NC" or Blank = No comment

State/Federal Officials with Jurisdiction:

TX Senator: Whitmire, District 15

NC Points: 0

US Representative: Jackson-Lee, District 18, NC

TX Representative: Turner, District 139

NC Points: 0

US Senator: NC

Local Officials and Other Public Officials:

Mayor/Judge: Bill White, Mayor, City of Houston - NC Resolution of Support from Local Government []

Milton Wilson, Jr., Director, Housing and Community Development Department - "The proposed activity for new construction of affordable elderly multifamily rental housing is consistent with the City of Houston's Consolidated Plan."

Nadine Kujawa, Superintendent, Aldine ISD - O

Individuals/Businesses: In Support: 0 In Opposition: 0

Neighborhood Input:

General Summary of Comment:

Aldine ISD will experience a loss of property tax revenue due to the development of this complex. The Greenspoint area currently has an abundance of multifamily units which are unoccupied.

CONDITIONS OF COMMITMENT

Per §50.12(c) of the Qualified Allocation Plan and Rules, all Tax Exempt Bond Development Applications "must provide an executed agreement with a qualified service provider for the provision of special supportive services that would otherwise not be available for the tenants. The provision of such services will be included in the Declaration of Land Use Restrictive Covenants ("LURA")."

Receipt, review, and acceptance by carryover of documentation indication the development meets the minimum parking space requirement for 240 units targeting senior households.

Receipt, review, and acceptance of a new permanent loan commitment supporting a debt coverage ratio at a minimum of 1.10.

Receipt, review, and acceptance of a commitment with terms for the HOME Funds to be provided by The City of Houston-Housing and Community Development Department prior to closing.

Should the terms and rates of the proposed debt or syndication change, the transaction should be re evaluated and an adjustment to the credit amount may be warranted.



MULTIFAMILY FINANCE PRODUCTION DIVISION

May 4, 2006

Development Information, Public Input and Board Summary

Greens Crossing Senior Village, TDHCA Number 060411

RECOMMENDATION BY THE EXECUTIVE AWARD AND REVIEW ADVISORY COMMITTEE IS BASED ON:

9% HTC Competitive Cycle: Score: Meeting a Required Set-Aside Credit Amount: \$0

Recommendation:

HOME Activity Funds Loan: Loan Amount: \$0

HOME CHDO Operating Expense Grant Grant Amount: \$0

Recommendation:

Housing Trust Fund Loan: Meeting a Required Set-Aside Loan Amount: \$0

Recommendation:

4% Housing Tax Credits with Bond Issuance: Credit Amount: \$858,615

Recommendation: Recommend approval of a Housing Tax Credit allocation not to exceed \$858,615 annually for ten years, subject to conditions.

Private Activity Bond Issuance with TDHCA: Bond Amount: \$0

Recommendation:

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

DATE: April 26, 2006

PROGRAM: 4% HTC

FILE NUMBER: 060411

DEVELOPMENT NAME

Greens Crossing Senior Village

APPLICANT

Name: DDC Greens Crossing, Ltd. **Contact:** Colby W. Denison
Address: 3701 North Lamar, Suite 206
City: Austin **State:** TX **Zip:** 78705
Phone: (512) 732-1226 **Fax:** (512) 732-1276 **Email:** colby@denisondevelopment.com

KEY PARTICIPANTS

Name: DDC HCHFC GP, LLC **Title:** 0.01% Managing General Partner of Applicant
Name: DDC Residential, Ltd. **Title:** Developer
Name: Colby W. Denison **Title:** Sole member of MGP; Guarantor

PROPERTY LOCATION

Location: North side of Gears Road mid block between IH45 southbound frontage and Northborough Drive
City: Houston **Zip:** 77067
County: Harris **Region:** 6 **QCT** **DDA**

REQUEST

<u>Program</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Amortization</u>	<u>Term</u>
HTC	\$858,615	N/A	N/A	N/A
Proposed Use of Funds:	<u>New construction</u>	Type:	<u>Multifamily</u>	
Target Population:	<u>Elderly</u>	Other:	<u>Urban/Exurban</u>	

RECOMMENDATION

RECOMMEND APPROVAL OF A HOUSING TAX CREDIT ALLOCATION NOT TO EXCEED \$858,615 ANNUALLY FOR TEN YEARS, SUBJECT TO CONDITIONS.

CONDITIONS

1. Receipt, review and acceptance by carryover of documentation indicating the development meets the minimum parking space requirement for 240 units targeting senior households.
2. Receipt, review, and acceptance of a new permanent loan commitment supporting a debt coverage ratio at a minimum of 1.10.
3. Receipt, review, and acceptance of a commitment with terms for the HOME Funds to be provided by The City of Houston-Housing and Community Development Department prior to closing.
4. Should the terms and rates of the proposed debt or syndication change, the transaction should be re-evaluated and an adjustment to the credit amount may be warranted.

REVIEW of PREVIOUS UNDERWRITING REPORTS

No previous reports.

TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS

DEVELOPMENT SPECIFICATIONS

IMPROVEMENTS

Total Units: 240 **# Res Bldgs** 5 **# Non-Res Bldgs** 1 **Age:** N/A yrs
Net Rentable SF: 189,246 **Av Un SF:** 789 **Common Area SF:** 8,142 **Gross Bldg SF:** 197,388

ARCHITECTURAL REVIEW

The building and unit plans are comparable to other modern apartment developments. They appear to provide acceptable access and storage. The elevations reflect attractive buildings.

STRUCTURAL MATERIALS

The structures will be constructed on a concrete slab. According to the plans provided in the application the exterior will be 40% masonry veneer and 60% cement fiber. The interior wall surfaces will be drywall and the roofs will be finished with composite shingles.

UNIT FEATURES

The interior flooring will be carpet and resilient covering. Threshold criteria for the 2006 QAP requires all development units to include: mini blinds or window coverings for all windows, a dishwasher, a disposal, a refrigerator, an oven/range, an exhaust/vent fan in bathrooms, and a ceiling fan in each living area and bedroom. New construction units must also include three networks: one for phone service, one for data service, and one for TV service. In addition, each unit will include: microwave, an ice maker in the refrigerator, a self-cleaning oven, laundry connections, a ceiling fixture in each room, an individual heating and air conditioning unit, and individual water heaters.

ONSITE AMENITIES

In order to meet threshold criteria for total units of 200 or more, the Applicant has elected to provide controlled access gates, an enclosed sun porch or covered community porch, an equipped business center or computer learning center, full perimeter fencing, a furnished community room, a furnished fitness center, a health screening room, horseshoes, lawn bowling court, croquet court, bocce ball court, putting green, shuffleboard, secured entry to the residential buildings, an activity room, and a swimming pool.

Uncovered Parking: 249 spaces **Carports:** 0 spaces **Garages:** 0 spaces

PROPOSAL and DEVELOPMENT PLAN DESCRIPTION

Description: Green's Crossing Senior Village is a 23.41-unit per acre new construction development located in north Houston. The development is comprised of five connecting elevator-served residential buildings as follows:

<u>No. of Buildings</u>	<u>No. of Floors</u>	<u>1BR</u>	<u>2BR</u>
4-Type I	3	33	15
1-Type II	3	42	6

The development includes a 8,142-square foot community buildings which is connected to all five of the residential buildings.

SITE ISSUES

SITE DESCRIPTION

Total Size: 10.25 acres **Scattered sites?** Yes No
Flood Zone: Zone X **Within 100-year floodplain?** Yes No
Current Zoning: No zoning in Houston **Needs to be re-zoned?** Yes No N/A

SITE and NEIGHBORHOOD CHARACTERISTICS

Location: The subject site is located on the north side of Gears Road, west of IH 45, in the north portion of Houston, Harris County approximately fourteen miles north of the Houston Central Business District.

Adjacent Land Uses:

- **North:** retail development immediately adjacent and Greens Road beyond;
- **South:** Gears Road immediately adjacent and vacant land beyond;

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

- **East:** vacant land immediately adjacent and IH 45 beyond; and
- **West:** multi-tenant office building immediately adjacent.

Site Access: The defined neighborhood is accessible from the Houston Central Business District by proceeding north along Interstate Highway 45 to the central portion of the defined neighborhood.

Public Transportation: The location of the nearest linkage to public transportation was not discussed in the application materials. The neighborhood is well located within the Metropolitan Area's transportation infrastructure.

Shopping & Services: The site is within several miles of major grocery stores, Greenspoint Mall, a library, and a variety of other retail establishments and restaurants. Schools, churches, and hospitals and health care facilities are located within a short driving distance from the site.

TDHCA SITE INSPECTION

Inspector: Manufactured Housing Staff **Date:** 3/14/2006
Overall Assessment: Excellent Acceptable Questionable Poor Unacceptable
Comments: _____

HIGHLIGHTS of SOILS & HAZARDOUS MATERIALS REPORT(S)

A Phase I Environmental Site Assessment report dated March 15, 2006 was prepared by ECS-Texas, LLP and contained the following findings and recommendations: "This assessment has revealed no evidence of recognized environmental conditions in connection with the property. No additional assessment on the subject property is recommended at this time." (p. 15)

INCOME SET-ASIDE

The Applicant has elected the 40% at 60% or less of area median gross income (AMGI) set-aside. In addition to the tax credit restrictions the application qualifies for Private Activity Tax-Exempt Bonds under priority 2 where all 240 units are reserved for households earning 60% or less of AMI.

MAXIMUM ELIGIBLE INCOMES						
	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons
60% of AMI	\$25,620	\$29,280	\$32,940	\$36,600	\$39,540	\$42,480

MARKET HIGHLIGHTS

A market feasibility study dated February 28, 2006 was prepared by Patrick O'Connor & Associates, L.P. ("Market Analyst") and revised and resubmitted on April 25, 2006. Unless otherwise indicated as being part of the original report the following findings are the findings of the revised report:

Definition of Primary Market Area (PMA): The subject's original primary market area (PMA) included those properties bound by Cypress Creek and FM 1960 to the north; Interstate Highway 45 to the east; the Northern Central Railroad tracts to the west; and Beltway 8 to the south. This geographic area essentially is contained within the following zip codes: 77014, 77038, 77066, 77067, and 77090. (p. 37) This area encompasses approximately 47 square miles and is equivalent to a circle with a radius of 3.9 miles and is reflected in the attached map in pink or lighter shading. The revised report reconfigured the market area to include roughly the same land area size but includes zip codes 77088 and 77068 and excludes 77066 and 77086.

Population: The estimated 2005 population of the original PMA was 155,845 and 167,574 in the revised report PMA. The revised PMA population is expected to increase by 8.5% to approximately 181,810 by 2010. Within the primary market area there were estimated to be 8,216 elderly households in 2005.

Total Market Demand: The Market Analyst utilized a renter household percentage of 49.83% (p. 67) and a household size-appropriate adjustment rate of 66.86% (p. 71). The Analyst's income band of \$20,580 to \$32,940 (p. 67) applied to renter households results in an income eligible renter adjustment rate of 7.82% of all elderly households (p. 71). The Market Analyst used a turnover rate of 60%.

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MULTIFAMILY UNDERWRITING ANALYSIS**

In addition, there were a total of 14,898 existing housing vouchers administered by the Housing Authority of the City of Houston. Theoretical demand from Section 8 Vouchers is calculated by multiplying the total number of vouchers by the ratio of income-qualified senior households (below the targeted income band) in the PMA to total number of income eligible voucher households in Houston. The Market Analyst initially failed to consider the senior households targeted in the PMA and thus overestimated the Section 8 Housing Voucher demand figure for the subject development. In the revised report the Market Analyst corrected this by calculating demand from elderly Section 8 Voucher holders within the PMA to be 74 units.

MARKET DEMAND SUMMARY						
Type of Demand	Original Market Analyst		Revised Market Analyst		Underwriter	
	Units of Demand	% of Total Demand	Units of Demand	% of Total Demand	Units of Demand	% of Total Demand
Household Growth	20	3.22%	20	4%	15	2%
Resident Turnover	318	51.16%	386	80.5%	574	86%
Other Sources: Section 8	284	45.62%	74	15.5%	74	11%
TOTAL DEMAND	622	100%	480	100%	664	100%

p. 71

Inclusive Capture Rate: The Market Analyst initially calculated an inclusive capture rate of 97.5% based upon 622 units of demand and 606 unstabilized affordable housing in the PMA (including the subject’s 220 units, Primrose at Bammel’s 210 units and Cornerstone Village’s 156 units) (p. 72). The Analyst’s revised PMA excludes Primrose at Bammel and concludes an inclusive capture rate of 82.43%. The Underwriter calculated an inclusive capture rate of 60% based upon a revised demand estimate for 664 affordable units. The Underwriter’s turnover demand is higher because the Underwriter did not further adjust the income eligible elderly renter households by the 66% appropriate household size percentage used by the Market Analyst as that figure is based on the total population rather than the targeted population and therefore appears to be too conservative. Current Department guidelines allow an inclusive capture rate of up to 100% for developments targeting senior households. The error in the calculation of demand from Section 8 Vouchers in the original market study created a deficiency that was corrected in the revised market study which also included a revision to the primary market area. While the revision to the market area was not requested as part of the deficiency, it was provided and would be difficult to extract from the revisions to the demand from vouchers since it too is based upon the revised market area. Moreover, had the revised market area been suggested in the original study it would have been accepted and therefore the Underwriter finds it difficult to reject the revised market area despite the reduction to the unstabilized supply of comparable units.

Market Rent Comparables: The Market Analyst surveyed five comparable apartment projects totaling 1,064 units in the market area. (p. 48)

RENT ANALYSIS (net tenant-paid rents)					
Unit Type (% AMI)	Proposed	Program Max	Differential	Est. Market	Differential
1-Bedroom (60%) 727 sq.ft.	\$606	\$613	-\$7	\$665	-\$59
1-Bedroom (60%) 733 sq.ft.	\$606	\$613	-\$7	\$670	-\$64
2-Bedroom (60%) 930 sq.ft.	\$726	\$736	-\$10	\$755	-\$29
2-Bedroom (60%) 975 sq.ft.	\$726	\$736	-\$10	\$765	-\$39

(NOTE: Differentials are amount of difference between proposed rents and program limits and average market rents, e.g., proposed rent = \$500, program max = \$600, differential = -\$100)

Primary Market Occupancy Rates: “The average occupancy for apartments in the subject’s primary market area was reported at 90.88% in the most recent O’Connor & Associates Apartment Survey (December 2005). The occupancy is skewed downward by several older, inferior complexes.” (p. 41)

Absorption Projections: “Considering the strong absorption history of similar properties and the lack of available quality affordable units in this market, we project that the subject property will lease an average of 20-30 units per month until achieving stabilized occupancy. We anticipate that the subject property will achieve stabilized occupancy within eight to twelve months following completion.” (p. 77)

Unstabilized, Under Construction, and Planned Development: There is only one Seniors HTC project

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

within the PMA: Cornerstone Village [156 tax credit units], which is “non-stabilized” per the TDHCA definition. There are two other HTC Seniors projects located within relatively close proximity to the subject, although outside the PMA; Primrose del Sol FKA Primrose at Aldine Bender (248 units, which reported a current occupancy of 97%) and Primrose @ Bammel (210 tax credit units, which is currently under-construction.) If either of these two developments were included in the inclusive capture rate calculation it is likely that the Analyst’s inclusive capture rate calculation would exceed 100%. If Primrose del Sol was added to the supply of unstabilized units, the Underwriter’s inclusive capture rate would rise to a still marginally acceptable rate of 97% because the Underwriter concluded a higher turnover demand.

Market Impact: “Based on the high occupancy levels of the existing properties in the market, along with the strong recent absorption history, we project that the subject property will have minimal sustained negative impact upon the existing apartment market. Any negative impact from the subject property should be of reasonable scope and limited duration.” (p. 12)

Other Information: The Department commissioned a market study for the Houston-Baytown-Sugar Land Metropolitan Statistical Area (MSA) which was completed by Vogt, Williams & Bowen. The proposed development is located in the west #15 submarket within the Houston MSA. According to the Vogt, Williams & Bowen market study; there is immediate need for -3 units of one-bedroom targeted senior units at the 60% income level; and -1 units of demand for two-bedroom units at the 60% income level. There is a total immediate need for 89 affordable units targeting seniors at all income ranges at or below 60% in this subregion and a four year cumulative need for 195 affordable units targeting seniors at all income ranges at or below 60% in this subregion. This would suggest a limited demand for senior units and a marginal need for the subject. The Market Analysis was commissioned prior to the completion of the Department’s study and the original report was completed prior to the release of the Department’s report and therefore was not considered by the Market Analyst.

Market Study Analysis/Conclusions: The Underwriter found the revised market study provided sufficient information on which to base a funding recommendation.

OPERATING PROFORMA ANALYSIS

Income: The Applicant’s rent projections are slightly lower than the maximum rents allowed under HTC guidelines, due to the higher utility allowance numbers that the Applicant used. The Applicant’s projected rents collected per unit were calculated by subtracting tenant-paid utility allowances as of April, 2005 maintained by Harris County Housing Authority, from the 2006 program gross rent limits; where as the Underwriter used the utility allowances as of March 2006 maintained by the Housing Authority of the City of Houston. Tenants will be required to pay electric, water, and sewer costs. The Applicant included significant secondary income in the form of cable revenue. The Applicant provided the participation rate at a similar development and included the offsetting cost of cable in the anticipated operating expenses. The Applicant also included secondary income from the lease of storage units based on average rental rates for storage units in the area; however this information does not appear to be specific to demand from low-income households and therefore was given limited weight in the Underwriter’s estimate.

Expenses: The Applicant’s total annual operating expense projection at \$4,056 per unit is not within 5% of the Underwriter’s estimate of \$4,287, derived from the TDHCA database. In addition, the Applicant’s line item expenses varied significantly when compared to the Underwriter’s estimates, particularly: general and administrative (\$27K lower); payroll (\$39K lower); utilities (\$23K lower); and property taxes (\$45K higher).

Conclusion: The Applicant’s gross income is within 5% of the Underwriter’s estimate; however, their annual operating expense and net operating income are not within 5% of the Underwriter’s estimate. Therefore, the Underwriter’s Year 1 proforma will be used to determine the development’s debt service capacity and long term feasibility. The proforma and estimated debt service result in a debt coverage ratio (DCR) within the current underwriting guideline of 1.10 to 1.30.

Long-Term Feasibility: The underwriting 30-year proforma utilizes a 3% annual growth factor for income and a 4% annual growth factor for expenses in accordance with current TDHCA guidelines. As noted above, the Underwriter’s base year effective gross income, expense and net operating income were utilized resulting in a debt coverage ratio that remains above 1.10 and continued positive cashflow after an adjustment was

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

made to the debt service amount. Therefore, the development can be characterized as feasible for the long-term.

ACQUISITION VALUATION INFORMATION			
ASSESSED VALUE			
Land: (10.25) acres	\$570,850	Assessment for the Year of:	2005
Tax Rate:	2.98174	Valuation by:	Harris County Appraisal District
EVIDENCE of SITE or PROPERTY CONTROL			
Type of Site Control:	Earnest money contract (10.25 acres)		
Contract Expiration:	5/31/2006	Valid through Board Date?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Acquisition Cost:	\$1,425,494	Other:	_____
Seller:	SV Houston GC Land Limited Partnership	Related to Development Team?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

CONSTRUCTION COST ESTIMATE EVALUATION	
Acquisition Value:	The site cost of \$139,073 per acre or \$5,940 per unit is assumed to be reasonable since the acquisition is an arm's-length transaction.
Sitework Cost:	The Applicant's claimed sitework costs of \$7,500 per unit are within current Department guidelines. Therefore, further third party substantiation is not required.
Direct Construction Cost:	The Applicant's direct construction cost estimate is \$464.9K or 4.6% lower than the Underwriter's Marshall & Swift <i>Residential Cost Handbook</i> -derived estimate.
Fees:	The Applicant's contractor's and developer's fees for general requirements, general and administrative expenses, and profit are all within the maximums allowed by TDHCA guidelines.
Conclusion:	The Applicant's total development cost is within 5% of the Underwriter's estimate; therefore, the Applicant's cost schedule will be used to determine the development's need for permanent funds and to calculate eligible basis. An eligible basis of \$18,552,621 supports annual tax credits of \$858,615. This figure will be compared to the Applicant's request and the tax credits calculated based on the gap in need for permanent funds to determine the recommended allocation.

FINANCING STRUCTURE	
INTERIM TO PERMANENT FINANCING	
Source:	MMA Financial, LLC Contact: Chris Tawa
Principal:	\$9,800,000 Interest Rate: 6.15%, fixed Amort: 480 months
Documentation:	<input type="checkbox"/> Signed <input type="checkbox"/> Term Sheet <input type="checkbox"/> LOI <input type="checkbox"/> Firm Commitment <input checked="" type="checkbox"/> Conditional Commitment <input type="checkbox"/> Application
Comments:	1 st lien
ADDITIONAL PERMANENT FINANCING	
Source:	City of Houston Housing and Community Development Contact: Milton Winston
Principal:	\$1,000,000 Interest Rate: 4.75%, fixed; Applicant's estimate Amort: 480 months
Documentation:	<input type="checkbox"/> Signed <input type="checkbox"/> Term Sheet <input type="checkbox"/> LOI <input type="checkbox"/> Firm Commitment <input type="checkbox"/> Conditional Commitment <input checked="" type="checkbox"/> Application
Comments:	Interest rate cap requirement with an initial strike rate of 5% for the first five years

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

TAX CREDIT SYNDICATION

Source: MMA Financial **Contact:** Marie Keutmann
Proceeds: \$8,414,000 **Net Syndication Rate:** 98% **Anticipated HTC:** \$858,615/year
Documentation: Signed Term Sheet LOI Firm Commitment Conditional Commitment Application
Comments: _____

OTHER

Amount: \$2,270,571 **Source:** Deferred Developer Fee

FINANCING STRUCTURE ANALYSIS

Interim to Permanent Financing: Private Activity Bonds issued by Harris County Housing Finance Corporation and originated by MMA Financial in the amount of \$9,800,000 will finance the construction and permanent phases of the development. The permanent financing commitment is consistent with the terms reflected in the sources and uses of funds listed in the application.

Funding by Local Political Subdivision: The Applicant has applied to the City of Houston HCCD for \$1,000,000 in subordinate second lien loan HOME funds to finance the construction and permanent phases of the development. The requested loan terms are a fixed interest rate of AFR, a 24-month construction term and a 40-year fully amortizing permanent phase. Receipt, review, and acceptance of a written commitment from the City of Houston HCCD with final terms is a condition of this report. Since the funds will be repaid at AFR, the loan will not be characterized as below-market federal funds. Therefore, the development's estimated eligible basis is unaffected. It should be noted that without these HOME funds this transaction would be considered infeasible given the current financing structure.

HTC Syndication: The tax credit syndication commitment is consistent with the terms reflected in the sources and uses of funds listed in the application.

Deferred Developer's Fees: The Applicant's proposed deferred developer's fees of \$2,270,571 amount to 94% of the total fees.

Financing Conclusions: The Applicant's total development cost estimate less the permanent loan of \$9,800,000 and the HOME Loan of \$1,000,000 indicates the need for \$10,684,572 in gap funds. Based on the submitted syndication terms, a tax credit allocation of \$1,090,371 annually would be required to fill this gap in financing. Of the three possible tax credit allocations, the Applicant's request (\$858,615), the gap-driven amount (\$1,090,371), and eligible basis-derived estimate (\$858,615), the Applicant's request of \$858,615, which equals the eligible basis-derived estimate, is recommended resulting in proceeds of \$8,413,586 based on a syndication rate of 98%.

The Underwriter's recommended financing structure indicates the need for \$2,270,983 in additional permanent funds. Deferred developer fees in this amount do not appear to be repayable from development cashflow within in ten years of stabilized operation, but appear to be repayable within fifteen years of stabilized operation.

DEVELOPMENT TEAM

IDENTITIES of INTEREST

- The Applicant, Developer, and General Contractor are related entities. These are common relationships for HTC-funded developments.

APPLICANT'S/PRINCIPALS' FINANCIAL HIGHLIGHTS, BACKGROUND, and EXPERIENCE

Financial Highlights:

- The Applicant and General Partner are single-purpose entities created for the purpose of receiving assistance from TDHCA and therefore have no material financial statements.
- The principal of the General Partner, Colby W. Denison, submitted an unaudited financial statement as of January 31, 2006 and is anticipated to be guarantor of the development.

Background & Experience: Multifamily Production Finance Staff have verified that the Department's

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

experience requirements have been met and Portfolio Management and Compliance staff will ensure that the proposed owners have an acceptable record of previous participation.

SUMMARY OF SALIENT RISKS AND ISSUES

- The Applicant's estimated operating expenses and operating proforma are more than 5% outside of the Underwriter's verifiable ranges.
- The development would need to capture a majority of the projected market area demand (i.e., capture rate exceeds 50%).
- The recommended amount of deferred developer fee cannot be repaid within ten years, and any amount unpaid past ten years would be removed from eligible basis.

Underwriter:	_____	Date:	April 26, 2006
	<i>Carl Hoover</i>		
Director of Real Estate Analysis:	_____	Date:	April 26, 2006
	<i>Tom Gouris</i>		

MULTIFAMILY COMPARATIVE ANALYSIS

Greens Crossing Senior Village, Houston, 4% HTC #060411

Type of Unit	Number	Bedrooms	No. of Baths	Size in SF	Gross Rent Lmt.	Rent Collected	Rent per Month	Rent per SF	Tnt-Pd Util	Trash Only
TC (60%)	126	1	1	727	\$686	\$613	\$77,238	\$0.84	\$73.00	\$13.31
TC (60%)	48	1	1	733	686	\$613	29,424	0.84	73.00	13.31
TC (60%)	42	2	2	930	823	\$736	30,912	0.79	87.00	13.31
TC (60%)	24	2	2	975	823	\$736	17,664	0.75	87.00	13.31
TOTAL:	240		AVERAGE:	789	\$724	\$647	\$155,238	\$0.82	\$76.85	\$13.31

INCOME Total Net Rentable Sq Ft: **189,246**

POTENTIAL GROSS RENT

Secondary Income Per Unit Per Month: \$15.00

Other Support Income: Cable \$25.50

POTENTIAL GROSS INCOME

Vacancy & Collection Loss % of Potential Gross Income: -7.50%

Employee or Other Non-Rental Units or Concessions

TDHCA	APPLICANT
\$1,862,856	\$1,840,320
43,200	138,492
73,440	
\$1,979,496	\$1,978,812
(148,462)	(148,416)
0	
\$1,831,034	\$1,830,396

Comptroller's Region **6**

IREM Region **Houston**

\$48.09 Per Unit Per Month

\$0.00 Per Unit Per Month

EFFECTIVE GROSS INCOME

EXPENSES

	% OF EGI	PER UNIT	PER SQ FT
General & Administrative	4.30%	\$328	0.42
Management	3.72%	284	0.36
Payroll & Payroll Tax	11.27%	860	1.09
Repairs & Maintenance	5.35%	408	0.52
Utilities	3.57%	272	0.35
Water, Sewer, & Trash	2.88%	220	0.28
Property Insurance	3.62%	276	0.35
Property Tax 2.98174	13.68%	1,044	1.32
Reserve for Replacements	2.62%	200	0.25
Other: compl fees & Cable	5.18%	395	0.50
TOTAL EXPENSES	56.19%	\$4,287	\$5.44
NET OPERATING INC	43.81%	\$3,342	\$4.24

TDHCA	APPLICANT
\$78,789	\$51,400
68,054	64,064
\$206,394	167,477
97,962	113,340
65,376	42,000
52,805	41,040
66,213	56,400
250,466	295,000
48,000	48,000
94,820	94,820
\$1,028,878	\$973,541
\$802,155	\$856,855

PER SQ FT	PER UNIT	% OF EGI
\$0.27	\$214	2.81%
0.34	267	3.50%
0.88	698	9.15%
0.60	472	6.19%
0.22	175	2.29%
0.22	171	2.24%
0.30	235	3.08%
1.56	1,229	16.12%
0.25	200	2.62%
0.50	395	5.18%
\$5.14	\$4,056	53.19%
\$4.53	\$3,570	46.81%

DEBT SERVICE

MMA Financial	36.01%	\$2,747	\$3.48
City of Houston-HCCD	3.05%	\$233	\$0.30
Additional Financing	0.00%	\$0	\$0.00
NET CASH FLOW	4.74%	\$362	\$0.46

\$659,390	\$659,390
55,891	55,891
0	0
\$86,875	\$141,574
1.12	1.20
1.12	

\$3.48	\$2,747	36.02%
\$0.30	\$233	3.05%
\$0.00	\$0	0.00%
\$0.75	\$590	7.73%

AGGREGATE DEBT COVERAGE RATIO

RECOMMENDED DEBT COVERAGE RATIO

CONSTRUCTION COST

Description	Factor	% of TOTAL	PER UNIT	PER SQ FT
Acquisition Cost (site or bldg)		6.49%	\$5,940	\$7.53
Off-Sites		0.00%	0	0.00
Sitework		8.20%	7,500	9.51
Direct Construction		46.10%	42,165	53.47
Contingency	4.81%	2.61%	2,386	3.03
General Req'ts	5.77%	3.13%	2,864	3.63
Contractor's G & A	1.92%	1.04%	955	1.21
Contractor's Profit	5.77%	3.13%	2,864	3.63
Indirect Construction		5.21%	4,761	6.04
Ineligible Costs		4.36%	3,985	5.05
Developer's G & A	2.92%	2.20%	2,017	2.56
Developer's Profit	11.66%	8.82%	8,066	10.23
Interim Financing		6.19%	5,663	7.18
Reserves		2.51%	2,292	2.91
TOTAL COST		100.00%	\$91,456	\$115.98
Construction Cost Recap		64.22%	\$58,733	\$74.48

TDHCA	APPLICANT
\$1,425,494	\$1,425,494
0	0
1,800,000	1,800,000
10,119,545	9,654,695
572,735	572,735
687,282	687,282
229,094	229,094
687,282	687,282
1,142,600	1,142,600
956,456	956,456
483,981	483,981
1,935,926	1,935,926
1,359,027	1,359,027
550,000	550,000
\$21,949,422	\$21,484,572

PER SQ FT	PER UNIT	% of TOTAL
\$7.53	\$5,940	6.63%
0.00	0	0.00%
9.51	7,500	8.38%
51.02	40,228	44.94%
3.03	2,386	2.67%
3.63	2,864	3.20%
1.21	955	1.07%
3.63	2,864	3.20%
6.04	4,761	5.32%
5.05	3,985	4.45%
2.56	2,017	2.25%
10.23	8,066	9.01%
7.18	5,663	6.33%
2.91	2,292	2.56%
\$113.53	\$89,519	100.00%
\$72.03	\$56,796	63.45%

2006 QAP \$50.9(i)(8) points awarded for costs less than \$0.00 per square foot

SOURCES OF FUNDS

MMA Financial	44.65%	\$40,833	\$51.78
City of Houston-HCCD	4.56%	\$4,167	\$5.28
HTC Syndication Proceeds	38.33%	\$35,058	\$44.46
Deferred Developer Fees	10.34%	\$9,461	\$12.00
Additional (Excess) Funds Req'd	2.12%	\$1,937	\$2.46
TOTAL SOURCES			

\$9,800,000	\$9,800,000
1,000,000	1,000,000
8,414,000	8,414,000
2,270,572	2,270,572
464,850	0
\$21,949,422	\$21,484,572

RECOMMENDED	
\$9,800,000	Developer Fee Available
1,000,000	\$2,419,907
8,413,589	% of Dev. Fee Deferred
2,270,983	94%
0	15-Yr Cumulative Cash Flow
\$21,484,572	\$2,747,854

MULTIFAMILY COMPARATIVE ANALYSIS (continued)

Greens Crossing Senior Village, Houston, 4% HTC #060411

DIRECT CONSTRUCTION COST ESTIMATE

Residential Cost Handbook
Average Quality Multiple Residence Basis

CATEGORY	FACTOR	UNITS/SQ FT	PER SF	AMOUNT
Base Cost			\$50.37	\$9,531,416
Adjustments				
Exterior Wall Finish	3.20%		\$1.61	\$305,005
Elderly	3.00%		1.51	285,942
Roofing			0.00	0
Subfloor			(0.75)	(141,304)
Floor Cover			2.22	420,126
Porches/Balconies	\$20.33	19,938	2.14	405,340
Plumbing	\$680	198	0.71	134,640
Built-In Appliances	\$1,675	240	2.12	402,000
Stairs/Fireplaces			0.00	0
Enclosed Corridors	\$40.45	27,720	5.92	1,121,141
Heating/Cooling			1.73	327,396
Garages/Carpools		0	0.00	0
Comm &/or Aux Bldgs	\$59.76	8,142	2.57	486,566
Other: Elevators	\$52,750.00	5	1.39	263,750
SUBTOTAL			71.56	13,542,019
Current Cost Multiplier	1.03		2.15	406,261
Local Multiplier	0.89		(7.87)	(1,489,622)
TOTAL DIRECT CONSTRUCTION COSTS			\$65.83	\$12,458,658
Plans, specs, survy, bld prm	3.90%		(2.57)	(\$485,888)
Interim Construction Interes	3.38%		(2.22)	(420,480)
Contractor's OH & Profit	11.50%		(7.57)	(1,432,746)
NET DIRECT CONSTRUCTION COSTS			\$53.47	\$10,119,545

PAYMENT COMPUTATION

Primary	\$9,800,000	Amort	480
Int Rate	6.15%	DCR	1.22

Secondary	\$1,000,000	Amort	480
Int Rate	4.75%	Subtotal DCR	1.12

Additional	\$8,414,000	Amort	
Int Rate		Aggregate DCR	1.12

RECOMMENDED FINANCING STRUCTURE:

Primary Debt Service	\$659,390
Secondary Debt Service	55,891
Additional Debt Service	0
NET CASH FLOW	\$86,875

Primary	\$9,800,000	Amort	480
Int Rate	6.15%	DCR	1.22

Secondary	\$1,000,000	Amort	480
Int Rate	4.75%	Subtotal DCR	1.12

Additional	\$8,414,000	Amort	0
Int Rate	0.00%	Aggregate DCR	1.12

OPERATING INCOME & EXPENSE PROFORMA: RECOMMENDED FINANCING STRUCTURE

INCOME at 3.00%	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 15	YEAR 20	YEAR 30
POTENTIAL GROSS RENT	\$1,862,856	\$1,918,742	\$1,976,304	\$2,035,593	\$2,096,661	\$2,430,605	\$2,817,737	\$3,266,529	\$4,389,942
Secondary Income	43,200	44,496	45,831	47,206	48,622	56,366	65,344	75,751	101,804
Other Support Income: Cable	73,440	75,643	77,912	80,250	82,657	95,823	111,085	128,777	173,066
POTENTIAL GROSS INCOME	1,979,496	2,038,881	2,100,047	2,163,049	2,227,940	2,582,793	2,994,165	3,471,058	4,664,812
Vacancy & Collection Loss	(148,462)	(152,916)	(157,504)	(162,229)	(167,096)	(193,709)	(224,562)	(260,329)	(349,861)
Employee or Other Non-Rental	0	0	0	0	0	0	0	0	0
EFFECTIVE GROSS INCOME	\$1,831,034	\$1,885,965	\$1,942,544	\$2,000,820	\$2,060,845	\$2,389,084	\$2,769,603	\$3,210,729	\$4,314,951
EXPENSES at 4.00%									
General & Administrative	\$78,789	\$81,940	\$85,218	\$88,627	\$92,172	\$112,141	\$136,437	\$165,996	\$245,715
Management	68,054	70,095	72,198	74,364	76,595	88,795	102,938	119,333	160,373
Payroll & Payroll Tax	206,394	214,650	223,236	232,165	241,452	293,763	357,408	434,841	643,671
Repairs & Maintenance	97,962	101,880	105,955	110,193	114,601	139,430	169,638	206,390	305,508
Utilities	65,376	67,991	70,711	73,539	76,481	93,050	113,210	137,737	203,885
Water, Sewer & Trash	52,805	54,917	57,114	59,398	61,774	75,158	91,441	111,252	164,680
Insurance	66,213	68,861	71,616	74,480	77,460	94,242	114,659	139,501	206,495
Property Tax	250,466	260,485	270,904	281,740	293,010	356,491	433,726	527,694	781,117
Reserve for Replacements	48,000	49,920	51,917	53,993	56,153	68,319	83,120	101,129	149,695
Other	94,820	98,613	102,557	106,660	110,926	134,958	164,198	199,771	295,711
TOTAL EXPENSES	\$1,028,878	\$1,069,353	\$1,111,426	\$1,155,161	\$1,200,624	\$1,456,348	\$1,766,775	\$2,143,645	\$3,156,850
NET OPERATING INCOME	\$802,155	\$816,612	\$831,118	\$845,659	\$860,221	\$932,736	\$1,002,828	\$1,067,084	\$1,158,101
DEBT SERVICE									
First Lien Financing	\$659,390	\$659,390	\$659,390	\$659,390	\$659,390	\$659,390	\$659,390	\$659,390	\$659,390
Second Lien	55,891	55,891	55,891	55,891	55,891	55,891	55,891	55,891	55,891
Other Financing	0	0	0	0	0	0	0	0	0
NET CASH FLOW	\$86,875	\$101,331	\$115,837	\$130,378	\$144,940	\$217,455	\$287,547	\$351,803	\$442,820
DEBT COVERAGE RATIO	1.12	1.14	1.16	1.18	1.20	1.30	1.40	1.49	1.62

HTC ALLOCATION ANALYSIS - Greens Crossing Senior Village, Houston, 4% HTC #060411

CATEGORY	APPLICANT'S TOTAL AMOUNTS	TDHCA TOTAL AMOUNTS	APPLICANT'S REHAB/NEW ELIGIBLE BASIS	TDHCA REHAB/NEW ELIGIBLE BASIS
(1) Acquisition Cost				
Purchase of land	\$1,425,494	\$1,425,494		
Purchase of buildings				
(2) Rehabilitation/New Construction Cost				
On-site work	\$1,800,000	\$1,800,000	\$1,800,000	\$1,800,000
Off-site improvements				
(3) Construction Hard Costs				
New structures/rehabilitation hard costs	\$9,654,695	\$10,119,545	\$9,654,695	\$10,119,545
(4) Contractor Fees & General Requirements				
Contractor overhead	\$229,094	\$229,094	\$229,094	\$229,094
Contractor profit	\$687,282	\$687,282	\$687,282	\$687,282
General requirements	\$687,282	\$687,282	\$687,282	\$687,282
(5) Contingencies				
	\$572,735	\$572,735	\$572,735	\$572,735
(6) Eligible Indirect Fees				
	\$1,142,600	\$1,142,600	\$1,142,600	\$1,142,600
(7) Eligible Financing Fees				
	\$1,359,027	\$1,359,027	\$1,359,027	\$1,359,027
(8) All Ineligible Costs				
	\$956,456	\$956,456		
(9) Developer Fees				
Developer overhead	\$483,981	\$483,981	\$483,981	\$483,981
Developer fee	\$1,935,926	\$1,935,926	\$1,935,926	\$1,935,926
(10) Development Reserves				
	\$550,000	\$550,000		
TOTAL DEVELOPMENT COSTS	\$21,484,572	\$21,949,422	\$18,552,621	\$19,017,472

Deduct from Basis:			
All grant proceeds used to finance costs in eligible basis			
B.M.R. loans used to finance cost in eligible basis			
Non-qualified non-recourse financing			
Non-qualified portion of higher quality units [42(d)(3)]			
Historic Credits (on residential portion only)			
TOTAL ELIGIBLE BASIS		\$18,552,621	\$19,017,472
High Cost Area Adjustment		130%	130%
TOTAL ADJUSTED BASIS		\$24,118,407	\$24,722,713
Applicable Fraction		100%	100%
TOTAL QUALIFIED BASIS		\$24,118,407	\$24,722,713
Applicable Percentage		3.56%	3.56%
TOTAL AMOUNT OF TAX CREDITS		\$858,615	\$880,129

Syndication Proceeds	0.9799	\$8,413,589	\$8,624,398
Total Tax Credits (Eligible Basis Method)		\$858,615	\$880,129
Syndication Proceeds		\$8,413,589	\$8,624,398
Requested Tax Credits		\$858,615	
Syndication Proceeds		\$8,413,586	
Gap of Syndication Proceeds Needed		\$10,684,572	
Total Tax Credits (Gap Method)		\$1,090,371	

Applicant Evaluation

Project ID # **060411**

Name: **Green Crossing Senior Village**

City: **Houston**

LIHTC 9% LIHTC 4% HOME BOND HTF SECO ESGP Other

No Previous Participation in Texas Members of the development team have been disbarred by HUD

National Previous Participation Certification Received: N/A Yes No

Noncompliance Reported on National Previous Participation Certification: Yes No

Portfolio Management and Compliance

Total # of Projects monitored: 3

Projects in Material Noncompliance

in noncompliance: 0

Projects zero to nine: 3
grouped ten to nineteen: 0
by score twenty to twenty-nine: 0

Yes No

monitored with a score less than thirty: 3

Projects not reported Yes
in application No

not yet monitored or pending review: 6

of projects not reported 0

Portfolio Monitoring

Single Audit

Portfolio Analysis

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Not applicable
Review pending
No unresolved issues
Issues found regarding late cert
Issues found regarding late audit
Unresolved issues found that warrant disqualification (Comments attached)

Not applicable
No unresolved issues
Not current on set-ups
Not current on draws
Not current on match

Reviewed by Patricia Murphy

Date 4/20/2006

Multifamily Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer R Meyer
Date 4/19/2006

Single Family Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer Sandy M. Garcia
Date 4/20/2006

Real Estate Analysis (Cost Certification and Workout)

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer David Burrell
Date 4/20/2006

Community Affairs

No relationship
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer EEF
Date 4/21/2006

Office of Colonia Initiatives

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer Raul Gonzales
Date 4/24/2006

Financial Administration

No delinquencies found
Delinquencies found

Reviewer Melissa M. Whitehead
Date 4/19/2006

Acting Executive Director William Dally

Executed: Tuesday, April 25, 2006

MULTIFAMILY FINANCE PRODUCTION DIVISION

BOARD ACTION REQUEST

May 4, 2006

Action Item

Presentation, Discussion and Possible Approval for the issuance of 4% Housing Tax Credits and HOME Rental Development funds for Northwest Residential Apartments.

Summary of the Transaction

This application involves the award of both 4% Housing Tax Credits and 2006 HOME Rental Development funds. The applicant, Northwest Residential, L.P. submitted their application for 4% Housing Tax Credits and HOME Rental Development funds on December 12, 2005. The development is to be located at 120 River Bend Drive in Georgetown, Williamson County, Texas, and includes the new construction of 180 units targeted to low income families. Demographics for the census tract include AMFI of \$66,034; the total population is 6,158; the percent of population that is minority is 23.38%; the percent of population that is below the poverty line is 6.74%; the number of owner occupied units is 1,225; the number of renter units is 1,128 and the number of vacant units is 117. The percent of population that is minority for the entire City of Georgetown is 23% (Census information from FFIEC Geocoding for 2005). The Issuer for this transaction is Capital Area HFC and the HOME request is \$1.95 million. The site is currently zoned for such a development. The Department has received no letters of support and no letters in opposition. The bond priority for this transaction is:

- Priority 1A:** Set aside **50%** of units that cap rents at 30% of **50%** AMFI **and** Set aside **50%** of units that cap rents at 30% of **60%** AMFI (MUST receive 4% Housing Tax Credits)
- Priority 1B:** Set aside **15%** of units that cap rents at 30% of **30%** AMFI **and** Set aside **85%** of units that cap rents at 30% of **60%** AMFI (MUST receive 4% Housing Tax Credits)
- Priority 1C:** Set aside **100%** of units that cap rents at 30% of **60%** AMFI (Only for projects located in a **census tract with median income that is greater** than the median income of the county MSA, or PMSA that the QCT is located in. (MUST receive 4% Housing Tax Credits)
- Priority 2:** Set aside **100%** of units that cap rents at 30% of **60%** AMFI (MUST receive 4% Housing Tax Credits)
- Priority 3:** Any qualified residential rental development.

The HOME Rental Development Notice of Funding Availability (NOFA) was presented on a first come, first served basis for an amount of \$3,000,000. The Board awarded one application at the March 2006 Board meeting in the amount of \$420,000 to the Hayden Ridge development. This leaves a balance of \$2,580,000 available before this award.

The applicant submitted the application for funds in a timely manner on December 13, 2005, in order to be able to complete all the requirements for all three programs applied for stay within the timeline of the private activity bond reservation. The applicant followed the rules and requirements as set forth by the Department.

Recommendation

Staff recommends that the Board approve the allocation of 4% Housing Tax Credits in the amount of \$555,569 and an award of 2006 HOME Rental Development funds in the amount of \$1,950,000 for the Northwest Residential Apartments (aka Cypress Creek at River Bend). The award of HOME funds is conditioned on the terms and conditions of the Department's underwriting analysis and all applicable HOME program rules and regulations. If the Board approves this application, the remaining balance of the HOME Rental Development NOFA will be \$630,000, for general set-aside applications, including the 9% HTC applications requesting HOME Rental Development funds.



MULTIFAMILY FINANCE PRODUCTION DIVISION

May 4, 2006

Development Information, Public Input and Board Summary

Northwest Residential, TDHCA Number 060401

BASIC DEVELOPMENT INFORMATION

Site Address: 120 River Bend Drive Development #: 060401
 City: Georgetown Region: 7 Population Served: Family
 County: Williamson Zip Code: 78628 Allocation: Urban/Exurban
 HTC Set Asides: At-Risk Nonprofit USDA Rural Rescue Purpose/Activity: NC
 HOME Set Asides: CHDO Preservation General
 Bond Issuer: Capital Area HFC

HTC Purpose/Activity: NC=New Construction, ACQ=Acquisition, R=Rehabilitation, NC/ACQ=New Construction and Acquisition, NC/R=New Construction and Rehabilitation, ACQ/R=Acquisition and Rehabilitation

OWNER AND DEVELOPMENT TEAM

Owner: Northwest Residential LP
 Stuart Shaw - Phone: (512) 220-8000
 Developer: SSFP Northwest IV LP
 Housing General Contractor: Galaxy Builders, Ltd.
 Architect: Chiels Architects, Inc.
 Market Analyst: O'Connor and Associates
 Syndicator: Paramount Financial Group
 Supportive Services: TBD
 Consultant: N/A

UNIT/BUILDING INFORMATION

<u>30%</u>	<u>40%</u>	<u>50%</u>	<u>60%</u>	<u>Eff</u>	<u>1 BR</u>	<u>2 BR</u>	<u>3 BR</u>	<u>4 BR</u>	<u>5 BR</u>	Total Restricted Units:	180
0	0	90	90	0	36	72	64	8	0	Market Rate Units:	
Type of Building:										Owner/Employee Units:	0
<input type="checkbox"/> Duplex	<input checked="" type="checkbox"/> 5 units or more per building									Total Development Units:	180
<input type="checkbox"/> Triplex	<input type="checkbox"/> Detached Residence									Total Development Cost:	\$17,721,072
<input type="checkbox"/> Fourplex	<input type="checkbox"/> Single Room Occupancy									Number of Residential Buildings:	10
	<input type="checkbox"/> Transitional										
	<input type="checkbox"/> Townhome										

Note: If Development Cost = \$0, an Underwriting Report has not been completed.

FUNDING INFORMATION

	<u>Applicant Request</u>	<u>Department Analysis</u>	<u>Amort</u>	<u>Term</u>	<u>Rate</u>
9% Housing Tax Credits-Credit Ceiling:	\$0	\$0	0	0	0.00%
4% Housing Tax Credits with Bonds:	\$564,368	\$555,569	0	0	0.00%
TDHCA Bond Allocation Amount:	\$0	\$0	0	0	0.00%
HOME Activity Fund Loan Amount:	\$1,950,000	\$1,950,000	40	40	1.00%
HOME CHDO Operating Grant Amount:	\$0	\$0	0	0	0.00%
Hurricane Rita Housing Tax Credits:	\$0	\$0	0	0	0.00%
Housing Trust Fund Loan Amount:	\$0	\$0	0	0	0.00%



MULTIFAMILY FINANCE PRODUCTION DIVISION

May 4, 2006

Development Information, Public Input and Board Summary
Northwest Residential, TDHCA Number 060401

PUBLIC COMMENT SUMMARY

Guide: "O" = Oppose, "S" = Support, "N" = Neutral, "NC" or Blank = No comment

State/Federal Officials with Jurisdiction:

TX Senator: Ogden, District 5

Points: 0

US Representative: Carter, District 31, NC

TX Representative: Gattis, District 20

Points: 0

US Senator: NC

Local Officials and Other Public Officials:

Mayor/Judge: George Nelon, Mayor, City of Georgetown - NC

Resolution of Support from Local Government

Edward G. Polasck, Chief Long Range Planner, City of Georgetown - The proposed development is consistent with the local Plan.

Individuals/Businesses: In Support: 0

In Opposition: 0

Neighborhood Input:

General Summary of Comment:

CONDITIONS OF COMMITMENT

Per §50.12(c) of the Qualified Allocation Plan and Rules, all Tax Exempt Bond Development Applications "must provide an executed agreement with a qualified service provider for the provision of special supportive services that would otherwise not be available for the tenants. The provision of such services will be included in the Declaration of Land Use Restrictive Covenants ("LURA")."

Review, receipt, and acceptance of the cost and plan for funding the extension of River Bend Drive through the larger site controlled by the Developer.

Review, receipt and acceptance of documentation confirming that the minor debris has been disposed of in accordance with local, state and federal regulations as recommended in the Phase I ESA.

Should the terms and rates of the proposed debt or syndication change, the transaction should be re evaluated and an adjustment to the credit amount may be warranted.



MULTIFAMILY FINANCE PRODUCTION DIVISION

May 4, 2006

Development Information, Public Input and Board Summary
Northwest Residential, TDHCA Number 060401

RECOMMENDATION BY THE EXECUTIVE AWARD AND REVIEW ADVISORY COMMITTEE IS BASED ON:

9% HTC Competitive Cycle: Score: Meeting a Required Set-Aside Credit Amount: \$0

Recommendation:

HOME Activity Funds Loan: Loan Amount: \$1,950,000

HOME CHDO Operating Expense Grant Grant Amount: \$0

Recommendation: Recommend approval of a HOME award not to exceed \$1,950,000, structured as a 40-year term loan, fully amortizing over 40 years at 1% interest, subject to conditions

Housing Trust Fund Loan: Meeting a Required Set-Aside Loan Amount: \$0

Recommendation:

4% Housing Tax Credits with Bond Issuance: Credit Amount: \$555,569

Recommendation: Recommend approval of a Housing Tax Credit allocation not to exceed \$555,569 annually for ten years, subject to conditions

Private Activity Bond Issuance with TDHCA: Bond Amount: \$0

Recommendation:

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

DATE: April 26, 2006 **PROGRAM:** 4% HTC and HOME **FILE NUMBER:** 060401

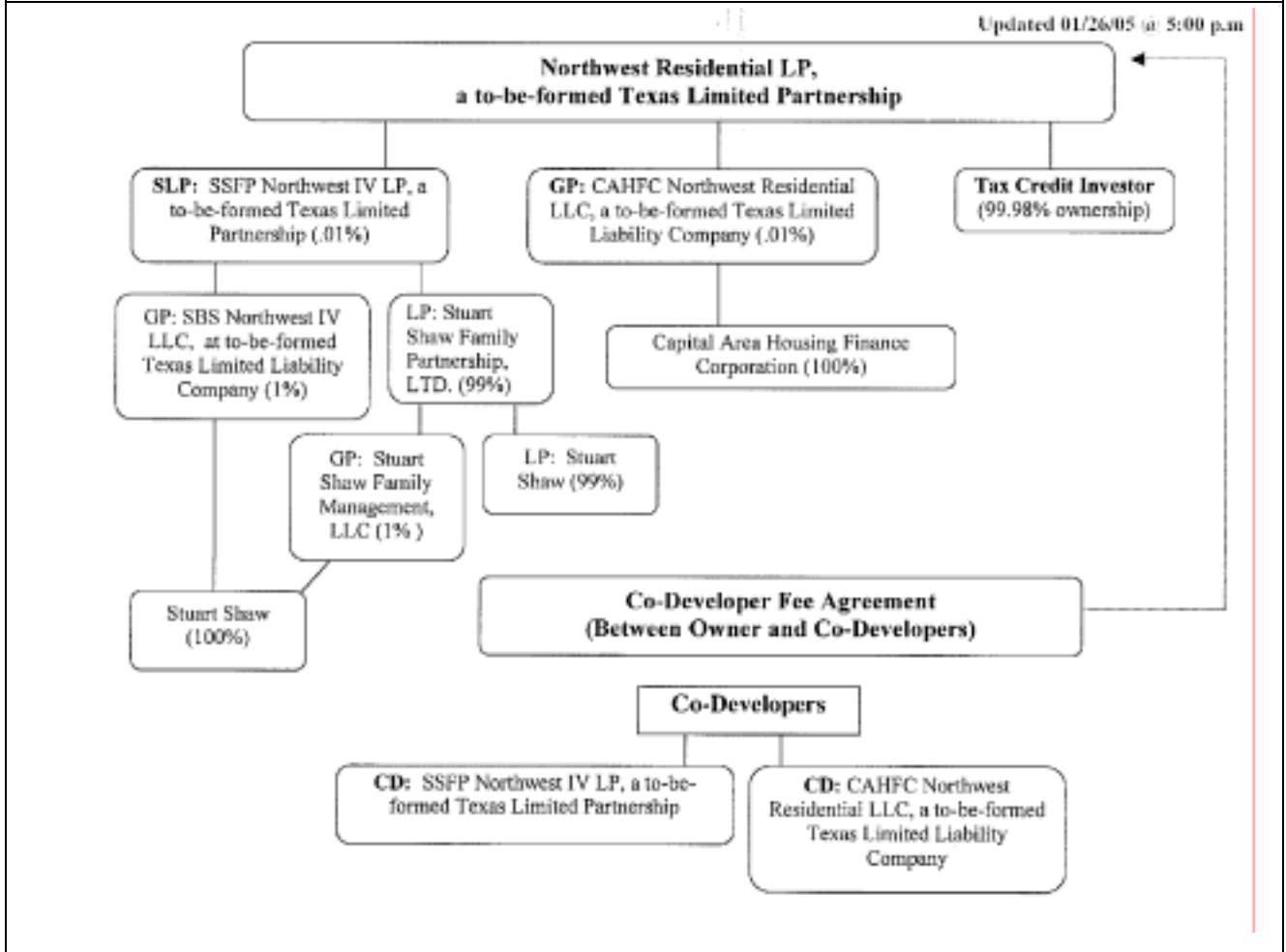
DEVELOPMENT NAME

Northwest Residential (Cypress Creek at River Bend)

APPLICANT

Name: Northwest Residential LP **Contact:** Stuart Shaw
Address: PO Box 2217
City: Austin **State:** TX **Zip:** 78768
Phone: (512) 220-8000 **Fax:** (512) 329-9002 **Email:** stuart@bonnercarrington.com

KEY PARTICIPANTS



PROPERTY LOCATION

Location: 120 River Bend Drive
City: Georgetown **Zip:** 78628
County: Williamson **Region:** 7 QCT DDA

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

REQUEST				
Program	Amount	Interest Rate	Amortization	Term
HTC	\$556,980	N/A	N/A	N/A
HOME (RHD)	\$1,950,000	1%	40 yrs	40 yrs
Proposed Use of Funds:	<u>New construction</u>	Type:	<u>Multifamily</u>	
Target Population:	<u>Family</u>	Other:	<u>Urban/Exurban</u>	

RECOMMENDATION

- RECOMMEND APPROVAL OF A HOUSING TAX CREDIT ALLOCATION NOT TO EXCEED \$555,569 ANNUALLY FOR TEN YEARS, SUBJECT TO CONDITIONS.
- RECOMMEND APPROVAL OF A HOME AWARD NOT TO EXCEED \$1,950,000, STRUCTURED AS A 40-YEAR TERM LOAN, FULLY AMORTIZING OVER 40 YEARS AT 1% INTEREST, SUBJECT TO CONDITIONS.

CONDITIONS

1. Review, receipt and acceptance of the cost and plan for funding the extension of River Bend Drive through the larger site controlled by the Developer.
2. Review, receipt and acceptance of documentation confirming that the minor debris has been disposed of in accordance with local, state and federal regulations as recommended in the Phase I ESA.
3. Should the terms and rates of the proposed debt or syndication change, the transaction should be re-evaluated and an adjustment to the credit allocation amount may be warranted.

REVIEW of PREVIOUS UNDERWRITING REPORTS

Northwest Residential was submitted and underwritten in the 2005 4% HTC cycle (05429). The underwriting analysis recommended the project be approved subject to the following conditions:

- Review, receipt and acceptance of the cost and plan for funding the extension of River Bend Drive through the larger site controlled by the Developer.
- Review, receipt and acceptance of documentation confirming that the minor debris has been disposed of in accordance with local, state and federal regulations as recommended in the Phase I ESA.
- Should the terms and rates of the proposed debt or syndication change, the transaction should be re-evaluated and an adjustment to the credit amount may be warranted.

The project received an allocation of tax credits, but returned the allocation due to the lender and syndicator's concerns about the market rents and ability to service the entire \$10.8M in proposed bonds. The Applicant has revised their financing structure in the current application by replacing \$2.13M in bond debt with \$1.95M in TDHCA HOME funds plus a slightly higher deferral of developer fee.

DEVELOPMENT SPECIFICATIONS

IMPROVEMENTS						
Total Units:	<u>18</u>	# Res Bldgs	<u>10</u>	# Non-Res Bldgs	<u>3</u>	Age: <u>N/A</u> yrs
Vacant:	<u>N/A</u>	at				
Net Rentable SF:	<u>188,336</u>	Av Un SF:	<u>1,046</u>	Common Area SF:	<u>4,455</u>	Gross Bldg SF: <u>192,791</u>

ARCHITECTURAL REVIEW

The building and unit plans are comparable to other modern apartment developments. They appear to provide acceptable access and storage. The elevations reflect attractive buildings

STRUCTURAL MATERIALS

The structures will be constructed on a concrete slab subfloor. According to the plans provided in the application the exterior will be 65% hardiplank, 5% masonry veneer, and 30% stucco. The roofs will be

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

finished with composite shingles.

UNIT FEATURES

The interior flooring will be approximately 75% carpet, and 25% resilient covering. Threshold criteria for the 2006 QAP requires all development units to include: mini blinds or window coverings for all windows, a dishwasher, a disposal, a refrigerator, an oven/range, an exhaust/vent fan in bathrooms, and a ceiling fan in each living area and bedroom. New construction units must also include three networks: one for phone service, one for data service, and one for TV service. In addition, each unit will include: an ice maker in the refrigerator, laundry connections, a ceiling fixture in each room, a forced air unit, and an individual water heater.

ONSITE AMENITIES

In order to meet threshold criteria for total units of 150 or more, the Applicant has elected to a barbecue and picnic table for every 50 units, community laundry room, enclosed sun porch or covered community porch, an equipped business center or computer learning center, full perimeter fencing, a furnished community room, a furnished fitness center, a swimming pool, one children's playground equipped for 5 to 12 year olds.

Uncovered Parking: 263 spaces **Carports:** 100 spaces **Garages:** 20 spaces

PROPOSAL and DEVELOPMENT PLAN DESCRIPTION

Description: The subject is immediately adjacent to the proposed 201-unit senior development called River Bend Residential that will be owned and developed by the same principals of the subject, though operated as a separate facility. The subject is an 18-unit per acre new construction development of 180 units of affordable housing located in Georgetown. The development is comprised of nine evenly distributed garden style residential buildings as follows:

<u>No. of Buildings</u>	<u>No. of Floors</u>	<u>1BR</u>	<u>2BR</u>	<u>3BR</u>	<u>4BR</u>
3	3	12	0	8	0
5	3	0	12	8	0
1	3	12	0	0	8

The development includes a 3,721-square foot community building, a separate 249-square foot laundry building, and a separate 485-square foot maintenance/mail building.

SITE ISSUES

SITE DESCRIPTION

Total Size: 10 acres	Scattered sites?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Flood Zone: Zone X	Within 100-year floodplain?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Current Zoning: MF/Multifamily District	Needs to be re-zoned?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A

SITE and NEIGHBORHOOD CHARACTERISTICS

Location: Georgetown is approximately 28 miles north from Austin in Williamson County. The site is an irregularly-shaped parcel located in the northern area of the city, approximately three miles from the central business district. The site is situated on the southwest side of Northwest Boulevard. A larger 31 acres is being acquired and the remaining 21 acres will be used concurrently for the proposed seniors development, River Bend Residential (4% HTC #05424).

Adjacent Land Uses:

- **Northwest:** future extension of River Bend Drive and proposed senior development (River Bend Residential);
- **Southwest:** residential development;
- **East and Northeast:** commercial development; and
- **Southeast:** residential development.

Site Access: Access to the property is from one main entry from the east or west from River Bend Drive. Access to Interstate Highway 35 is one mile east, which provides connections to all other major roads serving the Georgetown area.

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

Public Transportation: According to the Appraiser, "Transportation within Georgetown exists in the form of taxi service and private vehicles."

Shopping & Services: The site is within two miles of major grocery/pharmacies, shopping centers, and a variety of other retail establishments and restaurants. Schools, churches, and hospitals and health care facilities are located within a short driving distance from the site.

Special Site Characteristics: The following issues have been identified as potentially bearing on the viability of the site for the proposed development:

- **Road Extension:** The site plan calls for the extension of River Bend Drive; however, the cost for this improvement does not appear in the construction costs of the subject. Receipt, review and acceptance of documentation of the cost of the River Bend Drive extension is a condition of this report.

TDHCA SITE INSPECTION

Inspector: TDHCA Staff

Date: 04/07/2006

Overall Assessment: Excellent Acceptable Questionable Poor Unacceptable

Comments: Good location; near store, schools, and restaurants

HIGHLIGHTS of SOILS & HAZARDOUS MATERIALS REPORT(S)

A Phase I Environmental Site Assessment report for a 31 acre site which contains the subject 10 acre site, dated March 24, 2005 was prepared by HBC Terracon and contained the following findings and recommendations:

Findings and Conclusions:

- "The site consists of approximately 31 acres of undeveloped land bound to the northeast by Northwest Boulevard, to the southeast by Westwood Drive, and to the southwest by River Bend Drive in Georgetown, Williamson County, Texas. The site is generally undeveloped and thickly covered with trees and grasses. An asphalt-paved drive enter the site from the south and bisects the site on the southwest corner. Minor dumping was noted throughout the site. Discarded materials included concrete debris, metal debris, household trash, tires, and some auto parts. These materials should be removed and disposed of in accordance with applicable local, state, and federal regulations.
- Based on the site reconnaissance, no evidence of surficial staining, distressed vegetation, underground/above ground storage tanks, elevators, hydraulic lifts, emergency generators, water wells, septic systems, grit traps, cisterns, landfilling, hazardous waste disposal, or hazardous waste storage was noted on the site
- The site has generally been undeveloped since at least 1972 except for an asphalt-paved driveway that appeared in the 1984 aerial photograph. The surrounding properties were undeveloped, rural lands from at least 1972. Residential development occurred on surrounding properties starting in the mid-1980's.
- Terracon reviewed a previous Phase I ESA performed for the site by Phase Engineering, Inc. (PEI) in April 2000. According to the PEI report, no evidence of recognized environmental conditions were identified in connection with the site, and no further assessment was recommended.
- Review of the regulatory databases did not identify regulated facilities on the site. The regulatory review identified three (3) TCEQ LPST facilities within the specified search radii. Based upon facility characteristics, environmental setting, and distance from the site, the identified facilities do not appear to present environmental concerns to the site as specified within the text of the report.
- A noise survey was not conducted at the site because it is not adjacent to or in close proximity to industrial zones, major highways, active rail lines, or civil and military airfields.

Based on the information reviewed, the site is considered to have a low potential for elevated levels of radon gas. Note, however, testing would be required to confirm specific site concentrations of radon gas.

No structures were noted on the site; therefore sampling and testing for asbestos were not performed.

No structures were noted on the site; therefore sampling and testing for lead-based paint were not

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

performed.

The site is currently undeveloped; therefore testing for lead in drinking water was not performed” (p. 18-19).

Recommendations: “Based on the scope of services and limitations of this assessment, Terracon did not identify recognized environmental conditions in connection with this site, which in our opinion, require additional investigation at this time” (p. 19).

INCOME SET-ASIDE

The Applicant has elected the 40% at 60% or less of area median gross income (AMGI) set-aside. This application was filed under the Priority 1 set aside with the Bond Review Board. To qualify as a Priority 1 Private Activity Bond allocation for a Qualified Residential Rental Project, the Applicant has elected to set-aside 50% of the units with rent and income restrictions at 50% of area median family income and the remaining 50% of the units with rent and income restrictions at 60% of area median family income (§ 1372.0321, Texas Government Code).

HOME assisted rental developments at a minimum must set-aside at least 20% of HOME assisted units with rent and income restrictions at 50% or less of area median family income and all remaining units with rent and income restrictions at 80% or less of area median family income. These minimum requirements affect only those units which are HOME assisted and do not supersede the minimum affordability requirements for applicants jointly applying for HOME and Housing Tax Credits or any other federal, state or local affordable housing programs unless the HOME requirements are more restrictive.

All of the units (100% of the total) will be reserved for low-income tenants. Ninety units (50%) will be reserved for households earning 50% or less of AMI and 90 units (50%) will be reserved for households earning 60% or less of AMI. Of the units reserved for households earning 50% or less of AMI, eight (21% of 37 HOME units) will also be restricted to the Low HOME rent limits. Of the units reserved for households earning 60% or less of AMI, 29 (79% of 37 HOME units) will also be restricted to the High HOME rent limits.

MAXIMUM ELIGIBLE INCOMES						
	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons
60% of AMI	\$29,880	\$34,140	\$38,400	\$42,660	\$46,080	\$49,500

MARKET HIGHLIGHTS

A new market feasibility study dated November 15, 2005 was prepared by O’Connor and Associates (“Market Analyst”) and included the following findings:

Definition of Primary Market Area (PMA): “For the purposes of this report, we will define the *primary market* as the aggregated area of the following zip codes: 78628 (where the subject site is located), 78626, and 78681” (p. 31). This area encompasses approximately 268.34 square miles, which is equivalent to a nine-mile radius.

Population: The estimated 2005 population of the PMA was 95,672 and is expected to increase by 20% to approximately 114,804 by 2010. Within the primary market area there were estimated to be 33,267 households in 2005.

Total Market Demand: The Market Analyst utilized a household size-appropriate adjustment rate of 98.7% (p. 86). The tenure appropriate adjustment rates used are specific to the income-eligible population (p. 84). The Analyst’s income band of \$20,811 to \$49,500 (p. 84) results in an income eligible renter adjustment rate of 8.37% (p. 84). The Market Analyst indicates a turnover rate of 55% applies based on interviews with comparable properties’ leasing agents (p. 85).

In addition, “The demand created by Section 8 voucher holders will be additional demand for rent-restricted units. The number of Section 8 vouchers available was determined by contacting the local housing authority with jurisdiction over the subject’s location, which in this case was the Georgetown Housing Authority, as well as the Round Rock Housing Authority since Round Rock falls within the primary market area. The Georgetown Housing Authority reported a total of 84 Section 8 vouchers issued, and the Round Rock

TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS

Housing Authority reported a total of 76 Section 8 vouchers, thus a total of 160 vouchers are issued in the primary market area.” (p. 85). The Underwriter found the Section 8 voucher demand analysis performed by the Market Analyst to be incomplete; a deficiency request has been forwarded to the Market Analyst.

MARKET DEMAND SUMMARY				
Type of Demand	Market Analyst		Underwriter	
	Units of Demand	% of Total Demand	Units of Demand	% of Total Demand
Household Growth	114	6%	104	6%
Resident Turnover	1,512	81%	1,525	94%
Other Sources: 10% other sources	163	9%	N/A	
Other Sources: Section 8	88	4%	N/A	
TOTAL DEMAND	1,877	100%	1,629	100%

p. 86

Inclusive Capture Rate: The Market Analyst calculated an inclusive capture rate of 9.59% based upon 1,877 units of demand and 180 unstabilized affordable housing in the PMA (including the subject) (p. 86). The Underwriter calculated an inclusive capture rate of 11% based upon a revised demand estimate for 1,629 affordable units.

Unit Mix Conclusion: “Two of the comparable properties have a 1-bedroom to 2-bedroom unit ratio of less than 0.35 (i.e. the number of two-bedroom units at the property is significantly greater than the number of one bedroom), and one comparable has a 1-bedroom to 2-bedroom ratio greater than one. The subject property has a 1-bedroom to 2-bedroom ratio of 0.50. The percentage of one-bedroom units at the subject is similar to those found at the comparable properties. The percentage of two-bedroom units is towards the lower end when compared to the comparable properties, while the percentage of three bedrooms is towards the higher end when compared to the comparable properties. The subject will contain 4% four-bedroom units, while none of the comparable properties contain four-bedroom units” (p. 82).

Market Rent Comparables: The Market Analyst surveyed five comparable apartment projects totaling 1,032 units in the market area (p. 53).

RENT ANALYSIS (net tenant-paid rents)					
Unit Type (% AMI)	Proposed	Program Max	Differential	Est. Market	Differential
1-BR (50%/Low HOME)	\$516	\$576	-\$60	\$587	-\$71
1-BR (50%)	\$516	\$584	-\$68	\$587	-\$71
1-BR (60%/High HOME)	\$556	\$576	-\$20	\$587	-\$31
1-BR (60%)	\$556	\$718	-\$162	\$587	-\$31
2-BR (50%/Low HOME)	\$600	\$698	-\$98	\$720	-\$120
2-BR (50%)	\$600	\$698	-\$98	\$720	-\$120
2-BR (60%/High HOME)	\$669	\$702	-\$33	\$720	-\$51
2-BR (60%)	\$669	\$858	-\$189	\$720	-\$51
3-BR (50%/Low HOME)	\$690	\$800	-\$110	\$820	-\$130
3-BR (50%)	\$690	\$800	-\$110	\$820	-\$130
3-BR (60%/High HOME)	\$752	\$969	-\$217	\$820	-\$68
3-BR (60%)	\$752	\$985	-\$233	\$820	-\$68
4-BR (50%)	\$745	\$879	-\$134	\$871	-\$126
4-BR (60%)	\$795	\$1,085	-\$290	\$871	-\$76

(NOTE: Differentials are amount of difference between proposed rents and program limits and average market rents, e.g., proposed rent =\$500, program max =\$600, differential = -\$100)

Primary Market Occupancy Rates: “...the closest HTC property, Georgetown Place, has current occupancy at 90%. The rent comparables reported current occupancies ranging from 79% to 95%, with a median occupancy of 94%. Given the physical characteristics of the subject (i.e. location, good curb appeal, new condition, amenities, etc.), the strong occupancies reported at nearby apartments, and that the subject will adjust will follow recommendations and adjust downward their proposed rents, a stabilized occupancy level of 92.5% is reasonable and achievable for the proposed subject property. This indicates a vacancy/collection loss of 7.5%” (p. 91).

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

Absorption Projections: “Considering the strong absorption history of properties in the market area and the need for quality affordable units in this market, **we project that the subject property will lease an average of 12 to 14 units per months until achieving stabilized occupancy.** We anticipate that the subject property will achieve stabilized occupancy within 12 to 14 months after pre-leasing starts” (p. 91).

Unstabilized, Under Construction, and Planned Development: “Since the subject property is an HTC project, all properties that are not HTC are considered non-comparable for capture rate estimations. We are not aware of any other proposed, under-construction, or unstabilized new comparable projects in the primary market area” (p. 86). There are three HTC developments that were approved in Georgetown in 2005 though all of them are targeting elderly households. River Bend Residential (05424) is new construction of 201 units immediately adjacent to the subject, San Gabriel Seniors (05142) is new construction of 100 units near downtown and Wesleyan Retirement (05142) is the rehabilitation of 50 units downtown.

Market Impact: “Based on our analysis of the subject property's primary market area, there is sufficient demand to construct and successfully absorb the proposed Cypress Creek at River Bend Apartments...we project that the subject property will have minimal sustained negative impact upon the existing apartment market” (p. 88).

Market Study Analysis/Conclusions: The Underwriter found the market study provided sufficient information on which to base a funding recommendation.

OPERATING PROFORMA ANALYSIS

Income: The Applicant’s projected rents collected per unit do not appear to be based on current HTC rent limits, HOME rent limits, or the market rent conclusions indicated in the Market Study. For each unit type, the Underwriter utilized the lesser of the Market Analyst’s market rent conclusion or the rents calculated by subtracting tenant-paid utility allowances as of January 30, 3006, maintained by the Housing Authority of the City of Georgetown, from the 2006 program gross rent limits. The Applicant’s proposed rents appear to be much lower than the underwritten rents. Tenants will be required to pay electric, natural gas, water, and sewer costs. However, the Applicant’s secondary income and vacancy and collection loss assumptions are in line with current TDHCA underwriting guidelines. Due to the difference in potential tenant-paid rent for each unit type, the Applicant’s effective gross rent is not within 5% of the Underwriter’s estimate.

Expenses: The Applicant’s total expense estimate of \$3,222 per unit is not within 5% of the Underwriter’s database-derived estimate of \$3,618 per unit. The Applicant’s budget shows several line item estimates that also deviate significantly when compared to the database averages, particularly: payroll (\$49K higher) and water, sewer and trash (\$16K lower). The Applicant indicates that the owner of the General Partner, Capital Area Housing Finance Corporation, is exempt from property taxes and submitted the relevant legislation documentation. A 100% exemption typically requires either the exempt entity to own, or have owned the property, and lease to the partnership; or the entity to secure an agreement for tax abatement from each of the local taxing authorities. The Applicant did not include a lease or other documentation of such an arrangement, therefore the underwriting analysis assumes a 50% property tax exemption. Should a 100% exemption be achieved, an additional \$59K in NOI could be achieved.

Conclusion: The Applicant’s estimated effective gross income, total operating expense, and net operating income are each inconsistent with the Underwriter’s expectations. Therefore, the Underwriter’s NOI will be used to evaluate debt service capacity. In both the Applicant’s and the Underwriter’s income and expense estimates there is sufficient net operating income to service the proposed first lien permanent mortgage at a debt coverage ratio that is within the TDHCA underwriting guidelines of 1.10 to 1.30. If the 100% exemption is achieved, the DCR will be 1.33 and a reduction in the substantial projected deferred developer fee would occur before reduction in tax credits would be recommended.

Long-Term Feasibility: The underwriting 30-year proforma utilizes a 3% annual growth factor for income and a 4% annual growth factor for expenses in accordance with current TDHCA guidelines. As noted above, the Underwriter’s base year effective gross income, expense and net operating income were utilized resulting in a debt coverage ratio that remains above 1.10 and continued positive cashflow. Therefore, the development can be characterized as feasible for the long-term.

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

ACQUISITION VALUATION INFORMATION			
APPRAISED VALUE			
Land Only: 9.6175 acres	\$1,040,000	Date of Valuation:	12/06/2005
Appraiser: L Kyle Lewallen & Mark Fugina	Firm: Butler Burgher, Inc	City:	Austin
APPRAISAL ANALYSIS/CONCLUSIONS			
An appraisal, provided by the purchaser, was performed by Butler Burgher, Inc and dated December 6, 2005. Six land sales dating from 2003 to 2005 for 6.0 to 17.6 acres were used to determine the underlying value of the land. In this case the value is higher than the purchase price, and higher than the acquisition value used in the underwriting analysis.			
ASSESSED VALUE			
Land: 31.0964 acres	\$948,192	Assessment for the Year of:	2004
1 acre:	\$30,492	Valuation by:	Williamson County Appraisal District
Total: prorated 10 acres	\$304,920	Tax Rate:	2.613477
EVIDENCE of SITE or PROPERTY CONTROL			
Type of Site Control:	Agreement of Sale and Purchase (10 acres)		
Contract Expiration:	02/21/2007	Valid through Board Date?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Acquisition Cost:	\$600,000	Other:	
Seller: Bonner Carrington, LP		Related to Development Team?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

CONSTRUCTION COST ESTIMATE EVALUATION	
<p>Acquisition Value: The principal of the seller, Bonner Carrington LP, is also a principal of the co-developer, SSFP Northwest IV LP, therefore the transaction represents an identity of interest. The Applicant submitted a Purchase and Sale Agreement between Bonner Carrington LP and Dedicated Investments, LLC for a 31.0964 acre tract containing the subject 10- acre site. According to the contract, the purchase price for the 31.0964 acre tract will be prorated, based on the number of days of the year, between \$1,000,000 and \$1,100,000 if closing occurs in 2005 and between \$1,100,000 and \$1,200,000 if closing occurs in 2006. The Applicant also submitted a Purchase and Sale Agreement between Bonner Carrington LP and Northwest Residential LP, the Applicant, reflecting a purchase price of \$600,000 for the subject 10-acres. The Underwriter calculated the land acquisition cost for the subject 10-acres by multiplying the December 31, 2006 price for the 31.0964 acres of \$38,590 per acre times the subject 10- acres to achieve a prorated land value of \$385,897.</p>	
<p>Sitework Cost: The Applicant claimed sitework costs of over \$11K per unit and provided sufficient third party certification through a detailed certified cost estimate by ICI Construction to justify these costs. In addition, these costs have been reviewed by the Applicant's CPA, Novogradac & Company, to preliminarily opine that all of the total \$2,000,780 will be considered eligible. The CPA has indicated that this opinion of eligibility has taken into account the effect of the recent IRS Technical Advisory Memorandums on the eligibility of sitework costs. None of these costs appear to include the costs of extending River Bend Drive which would be ineligible.</p>	
<p>Direct Construction Cost: The Applicant's direct construction cost estimate is \$412K or just under 5% lower than the Underwriter's Marshall & Swift <i>Residential Cost Handbook</i>-derived estimate. Cost for constructing covered parking was excluded from eligible basis by the Applicant.</p>	
<p>Fees: The Applicant's contractor general requirements, contractor general and administrative fees, and contractor profit exceed the 6%, 2%, and 6% maximums allowed by HTC guidelines by \$26K based on their own construction costs. Consequently the Applicant's eligible fees in these areas have been reduced by the same amount with the overage effectively moved to ineligible costs. The Applicant's developer fees also exceed 15% of the Applicant's adjusted eligible basis by \$5K and therefore the eligible portion of the Applicant's developer fee must be reduced by the same amount. Finally, the Applicant's contingency</p>	

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
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exceeds 5% of eligible sitework and direct construction cost; therefore, their eligible basis estimate was reduced by \$9K.

Conclusion: The Applicant's total development cost is within 5% of the Underwriter's estimate; therefore, the Applicant's cost schedule, adjusted for overstated acquisition cost, will be used to determine the development's need for permanent funds and to calculate eligible basis. An eligible basis of \$15,605,863, adjusted by the Underwriter based on Department guidelines, supports annual tax credits of \$555,569. This figure will be compared to the Applicant's request and the tax credits calculated based on the gap in need for permanent funds to determine the recommended allocation.

FINANCING STRUCTURE

INTERIM TO PERMANENT BOND FINANCING

Source:	Newman Capital (GMAC)	Contact:	Paul Weissman
Tax-Exempt:	\$8,050,000	Interest Rate:	6.45%, fixed, lender's estimate
		Amort:	480 months
Taxable:	\$620,000	Interest Rate:	8.0%, fixed, lender's estimate
		Amort:	480 months
Documentation:	<input type="checkbox"/> Signed <input type="checkbox"/> Term Sheet <input type="checkbox"/> LOI <input type="checkbox"/> Firm Commitment <input type="checkbox"/> Conditional Commitment <input type="checkbox"/> Application		
Comments:	Blended rate: 6.50%; 36-month interim period; Guarantors: Bonner Carrington and Stuart Shaw		

TAX CREDIT SYNDICATION

Source:	Paramount Financial Group	Contact:	Dale E Cook
Proceeds:	\$5,360,957	Net Syndication Rate:	95%
		Anticipated HTC:	\$564,368/year
Documentation:	<input checked="" type="checkbox"/> Signed <input type="checkbox"/> Term Sheet <input checked="" type="checkbox"/> LOI <input type="checkbox"/> Firm Commitment <input type="checkbox"/> Conditional Commitment <input type="checkbox"/> Application		
Comments:			

OTHER

Amount:	\$175,000	Source:	GIC Proceeds
Amount:	\$1,851,088	Source:	Deferred Developer Fee

FINANCING STRUCTURE ANALYSIS

Interim to Permanent Bond Financing: The tax-exempt bonds are to be issued by Capital Area HFC and purchased by Newman Capital. The permanent financing commitment is consistent with the terms reflected in the sources and uses of funds listed in the application.

HTC Syndication: The tax credit syndication commitment is consistent with the terms reflected in the sources and uses of funds listed in the application. However, the anticipated tax credit allocation and syndication proceeds listed in the commitment are inconsistent with the Applicant's estimates.

GIC Income: The Applicant included \$175,000 in anticipated income from investment of the bond proceeds in a guaranteed investment contract (GIC) during the construction phase; the Underwriter has included this amount in deferred developer fee in the recommended financing structure.

Deferred Developer's Fees: The Applicant's proposed deferred developer's fees of \$1,851,088 amount to 91% of the total fees.

Financing Conclusions: The Applicant's total development cost estimate, adjusted for overstated acquisition cost, less the permanent mortgage of \$8,670,000 and requested HOME allocation of \$1,950,000 indicates the need for \$7,315,175 in gap funds. Based on the submitted syndication terms, a tax credit allocation of \$770,096 annually would be required to fill this gap in financing. Of the three possible tax credit allocations, Applicant's request (\$556,980), the gap-driven amount (\$770,096), and eligible basis-derived estimate (\$555,569), the eligible basis-derived estimate of \$555,569 is recommended resulting in proceeds of \$5,277,376 based on a syndication rate of 95%.

The development demonstrates a need for the requested HOME funds and appears to be able to support the

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
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requested terms of 1% interest amortized fully over a 40-year repayment term. The recommended HOME award of \$1,950,000 is below the 2006 221(d)(3) basic limit for non-elevator served buildings. In addition, the HOME award is below the prorata share of development cost based on the number HOME units to total units. While the property may be able to provide sufficient cash flow to repay the increase in deferred fees or other cash flow financing from the applicant that would be required if the HOME funds are not approved as recommended, there would be an insufficient amount of contractor and developer fee available to defer to replace the HOME funds. Therefore, without the HOME funds the transaction would have to be deemed financially infeasible as currently structured. At a minimum and if all contractor and developer fees could be deferred, HOME award of at least \$317,196 would have to be approved to provide sufficient additional financing to satisfy the developments uses of funds. This amount increases by \$214,103 if the difference in acquisition price used by the Applicant is considered. Moreover deferral of 100% of contractor fee in addition to the developer fee is extraordinarily rare and not generally advised.

According to the HUD website as of March 2, 2006, the “Cash on Cash Return (on equity), which calculates the percent of return on equity given the amount invested by the developer (developer equity) and the cash flow at the end of the each year considers the developer fee a development cost and not a form of financing or equity for the project.” Therefore, the equity would consist of \$0 and a return on equity calculation is not possible.

The Underwriter’s recommended financing structure indicates the need for \$1,823,696 in additional permanent funds. Deferred developer fees in this amount appear to be repayable from development cashflow within ten years of stabilized operation.

DEVELOPMENT TEAM

IDENTITIES of INTEREST

- The Applicant and bond issuer are related entities. The Special Limited Partner and Developer are also related. These are common relationships for HTC-funded developments.
- The seller is regarded as a related party; this issue is addressed in the “Construction Cost Estimate Evaluation” section of this report.

APPLICANT’S/PRINCIPALS’ FINANCIAL HIGHLIGHTS, BACKGROUND, and EXPERIENCE

Financial Highlights:

- The Applicant and General Partner are single-purpose entities created for the purpose of receiving assistance from TDHCA and therefore have no material financial statements.
- The principal of the General Partner, Capital Area Housing Finance Corporation, submitted an unaudited financial statement as of December 31, 2006 reporting total assets of \$1.8M comprised of \$586K in current assets, \$414K in fixed assets, and \$805K in other assets. Liabilities totaled \$62K, resulting in net assets of \$1.7M.

Background & Experience: Multifamily Production Finance Staff have verified that the Department’s experience requirements have been met and Portfolio Management and Compliance staff will ensure that the proposed owners have an acceptable record of previous participation.

SUMMARY OF SALIENT RISKS AND ISSUES

- Items identified in previous reports/ or analysis have not been satisfactorily addressed.
- The Applicant’s estimated income, operating expenses, and operating proforma are more than 5% outside of the Underwriter’s verifiable range(s).
- The development could potentially achieve an excessive profit level (i.e., a DCR above 1.30) if the maximum tax credit rents and a 100% property tax exemption can be achieved in this market.
- The recommended amount of deferred developer fee cannot be repaid within ten years, and any amount unpaid past ten years would be removed from eligible basis.
- The seller of the property has an identity of interest with the Applicant.

TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS

- The anticipated ad valorem property tax exemption may not be received or may be reduced, which could affect the financial feasibility of the development.

Underwriter:	_____	Date:	April 26, 2006
	<i>Diamond Thompson</i>		
Reviewing Underwriter:	_____	Date:	April 26, 2006
	<i>Lisa Vecchietti</i>		
Director of Real Estate Analysis:	_____	Date:	April 26, 2006
	<i>Tom Gouris</i>		

MULTIFAMILY COMPARATIVE ANALYSIS

Northwest Residential, Georgetown, 4% HTCIHOME #060401

Type of Unit	Number	Bedrooms	No. of Baths	Size in SF	Gross Rent Lmt.	Rent Collected	Rent per Month	Rent per SF	Tnt-Pd Util	Trash
LH/TC50%	2	1	1	708	\$658	\$576	\$1,152	\$0.81	\$82.00	\$13.00
TC50%	16	1	1	708	666	\$584	9,344	0.82	\$82.00	\$13.00
HH/TC60%	8	1	1	708	658	\$576	4,608	0.81	82.00	\$13.00
TC60%	10	1	1	708	800	\$587	5,870	0.83	82.00	\$13.00
LH/TC50%	5	2	2	1,031	800	\$698	3,490	0.68	102.00	\$13.00
TC50%	31	2	2	1,031	800	\$698	21,638	0.68	102.00	\$13.00
HH/TC60%	15	2	2	1,031	804	\$702	10,530	0.68	102.00	\$13.00
TC60%	21	2	2	1,031	960	\$720	15,120	0.70	102.00	\$13.00
LH/TC50%	1	3	2	1,215	924	\$800	800	0.66	124.00	\$13.00
TC50%	31	3	2	1,215	924	\$800	24,800	0.66	124.00	\$13.00
HH/TC60%	6	3	2	1,215	1,093	\$820	4,920	0.67	124.00	\$13.00
TC60%	26	3	2	1,215	1,109	\$820	21,320	0.67	124.00	\$13.00
TC50%	4	4	2	1,357	1031	\$871	3,484	0.64	152.00	\$13.00
TC60%	4	4	2	1,357	1,237	\$871	3,484	0.64	152.00	\$13.00
TOTAL:	180		AVERAGE:	1,046	\$890	\$725	\$130,560	\$0.69	\$108.04	\$13.00

INCOME

Total Net Rentable Sq Ft: 188,336

POTENTIAL GROSS RENT

Secondary Income Per Unit Per Month: \$15.00
Other Support Income: \$0.00

POTENTIAL GROSS INCOME

Vacancy & Collection Loss % of Potential Gross Income: -7.50%
Employee or Other Non-Rental Units or Concessions: 0

EFFECTIVE GROSS INCOME

EXPENSES

	% OF EGI	PER UNIT	PER SQ FT
General & Administrative	5.51%	\$453	0.43
Management	3.74%	307	0.29
Payroll & Payroll Tax	12.73%	1,046	1.00
Repairs & Maintenance	5.49%	451	0.43
Utilities	2.35%	193	0.18
Water, Sewer, & Trash	3.51%	288	0.28
Property Insurance	3.47%	285	0.27
Property Tax 2.613477	3.98%	327	0.31
Reserve for Replacements	2.43%	200	0.19
Supp serv, compl fees, sec	0.83%	68	0.06
TOTAL EXPENSES	44.03%	\$3,618	\$3.46
NET OPERATING INC	55.97%	\$4,599	\$4.40

DEBT SERVICE

Tax-Exempt Bond Financing	41.18%	\$3,384	\$3.23
TDHCA HOME	4.00%	\$329	\$0.31
Other Annual Required Payment	0.00%	\$0	\$0.00
NET CASH FLOW	10.79%	\$887	\$0.85

AGGREGATE DEBT COVERAGE RATIO

RECOMMENDED DEBT COVERAGE RATIO

CONSTRUCTION COST

Description	Factor	% of TOTAL	PER UNIT	PER SQ FT
Acquisition Cost (site or bldg)		2.13%	\$2,144	\$2.05
Off-Sites		0.00%	0	0.00
Sitework		11.03%	11,115	10.62
Direct Construction		46.01%	46,354	44.30
Contingency	4.89%	2.79%	2,810	2.69
General Req'ts	5.87%	3.35%	3,372	3.22
Contractor's G & A	1.96%	1.12%	1,124	1.07
Contractor's Profit	5.87%	3.35%	3,372	3.22
Indirect Construction		6.04%	6,088	5.82
Ineligible Costs		7.38%	7,437	7.11
Developer's G & A	1.55%	1.20%	1,210	1.16
Developer's Profit	13.00%	10.05%	10,124	9.68
Interim Financing		3.61%	3,637	3.48
Reserves		1.94%	1,950	1.86
TOTAL COST		100.00%	\$100,738	\$96.28
Construction Cost Recap		67.65%	\$68,149	\$65.13

SOURCES OF FUNDS

Tax-Exempt Bond Financing	44.39%	\$44,722	\$42.74
Taxable Bond Financing	3.42%	\$3,444	\$3.29
TDHCA HOME	10.75%	\$10,833	\$10.35
HTC Syndication Proceeds	29.17%	\$29,384	\$28.08
GIC Proceeds	0.97%	\$972	\$0.93
Deferred Developer Fees	10.21%	\$10,284	\$9.83
Additional (Excess) Funds Req'd	1.09%	\$1,099	\$1.05
TOTAL SOURCES			

TDHCA	APPLICANT
\$1,566,720	\$1,407,408
32,400	32,412
0	0
\$1,599,120	\$1,439,820
(119,934)	(107,988)
0	0
\$1,479,186	\$1,331,832
\$81,542	\$65,860
55,261	53,273
188,245	237,607
81,211	73,725
34,776	28,260
51,852	35,370
51,374	37,620
58,803	0
36,000	36,000
12,240	12,240
\$651,305	\$579,955
\$827,881	\$751,877
\$609,109	\$609,109
59,168	59,168
0	17,505
\$159,603	\$66,095
1.24	1.10
1.24	

Comptroller's Region	7	
IREM Region	Austin	
\$15.01 Per Unit Per Month		
\$0.00 Per Unit Per Month		
-7.50% of Potential Gross Income		
PER SQ FT	PER UNIT	% OF EGI
\$0.35	\$366	4.95%
0.28	296	4.00%
1.26	1,320	17.84%
0.39	410	5.54%
0.15	157	2.12%
0.19	197	2.66%
0.20	209	2.82%
0.00	0	0.00%
0.19	200	2.70%
0.06	68	0.92%
\$3.08	\$3,222	43.55%
\$3.99	\$4,177	56.45%
\$3.23	\$3,384	45.73%
\$0.31	\$329	4.44%
\$0.09	\$97	1.31%
\$0.35	\$367	4.96%

	TDHCA	APPLICANT	RECOMMENDED	
PER SQ FT	\$385,897	\$600,000	\$8,670,000	Developer Fee Available
PER UNIT	0	0	\$0	\$2,035,549
% of TOTAL	2,000,780	2,000,780	1,950,000	% of Dev. Fee Deferred
	8,343,651	7,931,807	5,277,376	90%
	505,869	505,869	0	
	607,043	607,043	0	
	202,348	202,348	1,823,696	15-Yr Cumulative Cash Flow
	607,043	607,043	0	
	1,095,921	1,095,921		
	1,338,590	1,338,590		
	217,820	0		
	1,822,246	2,040,066		
	654,625	654,625		
	351,083	351,083		
	\$18,132,915	\$17,935,175	\$17,721,072	\$4,422,522

MULTIFAMILY COMPARATIVE ANALYSIS (continued)
Northwest Residential, Georgetown, 4% HTC/HOME #060401

DIRECT CONSTRUCTION COST ESTIMATE

Residential Cost Handbook

Average Quality Multiple Residence Basis

CATEGORY	FACTOR	UNITS/SQ FT	PER SF	AMOUNT
Base Cost			\$48.64	\$9,160,628
Adjustments				
Exterior Wall Finish	0.40%		\$0.19	\$36,643
9-Ft. Ceilings	3.05%		1.48	279,399
Roofing			0.00	0
Subfloor			(0.81)	(153,408)
Floor Cover			2.22	418,106
Porches/Balconies	\$17.09	27,799	2.52	474,983
Plumbing	\$680	432	1.56	293,760
Built-In Appliances	\$1,675	180	1.60	301,500
Exterior Stairs	\$1,650	72	0.63	118,800
Enclosed Corridors			0.00	0
Heating/Cooling			1.73	325,821
Garages/Carports			0.00	0
Comm &/or Aux Bldgs	\$64.12	4,455	1.52	285,643
Other:			0.00	0
SUBTOTAL			61.28	11,541,876
Current Cost Multiplier	1.03		1.84	346,256
Local Multiplier	0.86		(8.58)	(1,615,863)
TOTAL DIRECT CONSTRUCTION COSTS			\$54.54	\$10,272,269
Plans, specs, survy, bld prm	3.90%		(\$2.13)	(\$400,619)
Interim Construction Interest	3.38%		(1.84)	(346,689)
Contractor's OH & Profit	11.50%		(6.27)	(1,181,311)
NET DIRECT CONSTRUCTION COSTS			\$44.30	\$8,343,651

PAYMENT COMPUTATION

Primary	\$8,670,000	Amort	480
Int Rate	6.50%	DCR	1.36

Secondary	\$1,950,000	Amort	480
Int Rate	1.00%	Subtotal DCR	1.24

Additional		Amort	0
Int Rate	0.00%	Aggregate DCR	1.24

RECOMMENDED FINANCING STRUCTURE:

Primary Debt Service	\$609,109
Secondary Debt Service	59,168
Additional Debt Service	0
NET CASH FLOW	\$159,603

Primary	\$8,670,000	Amort	480
Int Rate	6.50%	DCR	1.36

Secondary	\$1,950,000	Amort	480
Int Rate	1.00%	Subtotal DCR	1.24

Additional	\$0	Amort	0
Int Rate	0.00%	Aggregate DCR	1.24

OPERATING INCOME & EXPENSE PROFORMA: RECOMMENDED FINANCING STRUCTURE

INCOME at 3.00%	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 15	YEAR 20	YEAR 30
POTENTIAL GROSS RENT	\$1,566,720	\$1,613,722	\$1,662,133	\$1,711,997	\$1,763,357	\$2,044,214	\$2,369,805	\$2,747,253	\$3,692,078
Secondary Income	32,400	33,372	34,373	35,404	36,466	42,275	49,008	56,814	76,353
Other Support Income:	0	0	0	0	0	0	0	0	0
POTENTIAL GROSS INCOME	1,599,120	1,647,094	1,696,506	1,747,402	1,799,824	2,086,489	2,418,812	2,804,067	3,768,431
Vacancy & Collection Loss	(119,934)	(123,532)	(127,238)	(131,055)	(134,987)	(156,487)	(181,411)	(210,305)	(282,632)
Employee or Other Non-Rental	0	0	0	0	0	0	0	0	0
EFFECTIVE GROSS INCOME	\$1,479,186	\$1,523,562	\$1,569,268	\$1,616,346	\$1,664,837	\$1,930,002	\$2,237,402	\$2,593,762	\$3,485,799
EXPENSES at 4.00%	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 15	YEAR 20	YEAR 30
General & Administrative	\$81,542	\$84,804	\$88,196	\$91,724	\$95,393	\$116,060	\$141,205	\$171,798	\$254,302
Management	55,261	56,919	58,626	60,385	62,197	72,103	83,587	96,900	130,226
Payroll & Payroll Tax	188,245	195,775	203,606	211,750	220,220	267,931	325,979	396,604	587,070
Repairs & Maintenance	81,211	84,460	87,838	91,352	95,006	115,589	140,632	171,100	253,270
Utilities	34,776	36,167	37,614	39,118	40,683	49,497	60,221	73,268	108,454
Water, Sewer & Trash	51,852	53,926	56,083	58,326	60,660	73,802	89,791	109,244	161,708
Insurance	51,374	53,429	55,566	57,789	60,101	73,121	88,963	108,238	160,218
Property Tax	58,803	61,155	63,602	66,146	68,791	83,695	101,828	123,890	183,387
Reserve for Replacements	36,000	37,440	38,938	40,495	42,115	51,239	62,340	75,847	112,271
Other	12,240	12,730	13,239	13,768	14,319	17,421	21,196	25,788	38,172
TOTAL EXPENSES	\$651,305	\$676,805	\$703,308	\$730,854	\$759,484	\$920,460	\$1,115,743	\$1,352,676	\$1,989,080
NET OPERATING INCOME	\$827,881	\$846,757	\$865,961	\$885,493	\$905,353	\$1,009,543	\$1,121,659	\$1,241,086	\$1,496,719
DEBT SERVICE	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 15	YEAR 20	YEAR 30
First Lien Financing	\$609,109	\$609,109	\$609,109	\$609,109	\$609,109	\$609,109	\$609,109	\$609,109	\$609,109
Second Lien	59,168	59,168	59,168	59,168	59,168	59,168	59,168	59,168	59,168
Other Financing	0	0	0	0	0	0	0	0	0
NET CASH FLOW	\$159,603	\$178,479	\$197,683	\$217,215	\$237,075	\$341,265	\$453,381	\$572,809	\$828,441
DEBT COVERAGE RATIO	1.24	1.27	1.30	1.33	1.35	1.51	1.68	1.86	2.24

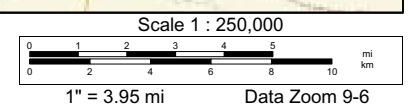
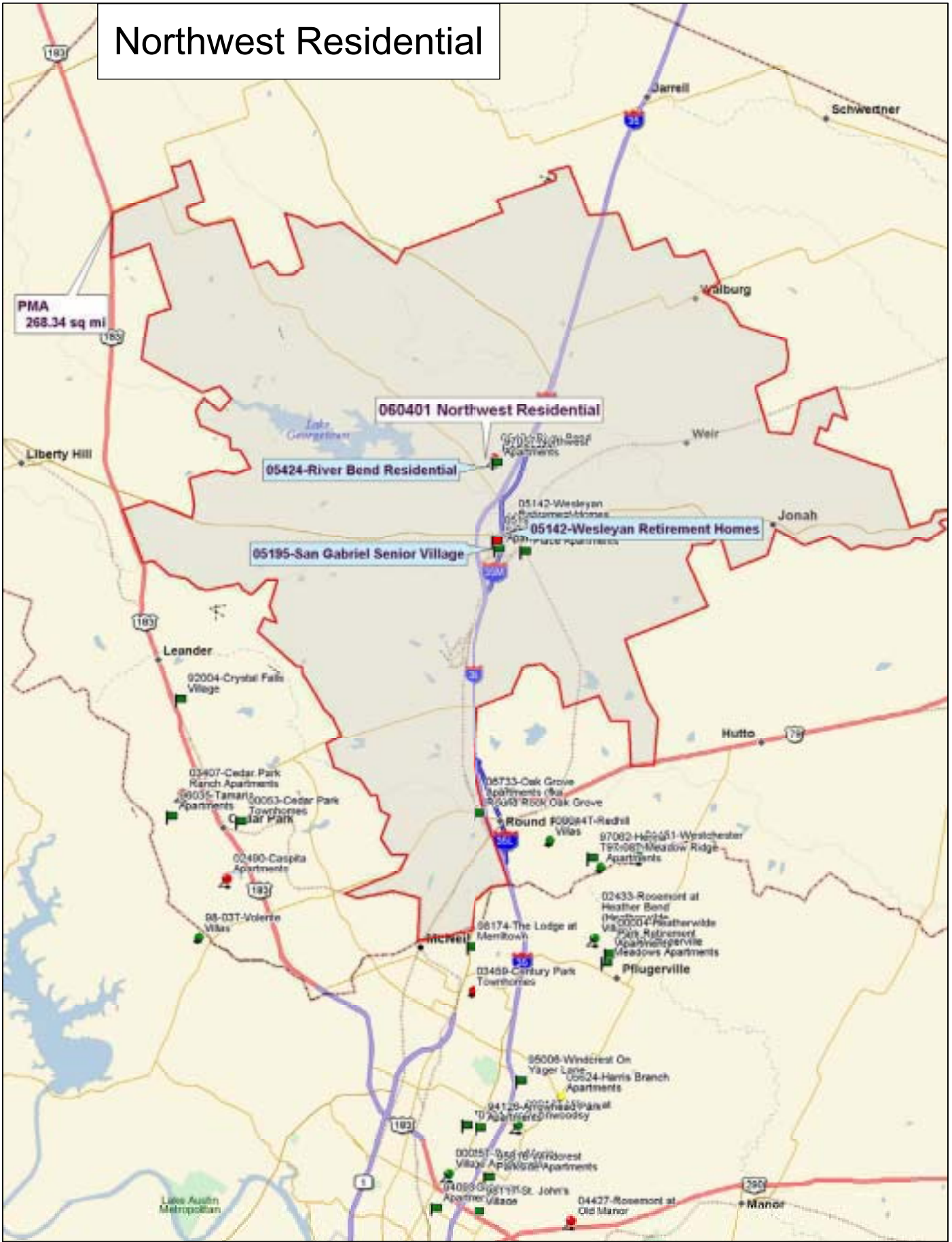
HTC ALLOCATION ANALYSIS - Northwest Residential, Georgetown, 4% HTC/HOME #060401

CATEGORY	APPLICANT'S TOTAL AMOUNTS	TDHCA TOTAL AMOUNTS	APPLICANT'S REHAB/NEW ELIGIBLE BASIS	TDHCA REHAB/NEW ELIGIBLE BASIS
(1) Acquisition Cost				
Purchase of land	\$600,000	\$385,897		
Purchase of buildings				
(2) Rehabilitation/New Construction Cost				
On-site work	\$2,000,780	\$2,000,780	\$2,000,780	\$2,000,780
Off-site improvements				
(3) Construction Hard Costs				
New structures/rehabilitation hard costs	\$7,931,807	\$8,343,651	\$7,931,807	\$8,343,651
(4) Contractor Fees & General Requirements				
Contractor overhead	\$202,348	\$202,348	\$198,652	\$202,348
Contractor profit	\$607,043	\$607,043	\$595,955	\$607,043
General requirements	\$607,043	\$607,043	\$595,955	\$607,043
(5) Contingencies				
	\$505,869	\$505,869	\$496,629	\$505,869
(6) Eligible Indirect Fees				
	\$1,095,921	\$1,095,921	\$1,095,921	\$1,095,921
(7) Eligible Financing Fees				
	\$654,625	\$654,625	\$654,625	\$654,625
(8) All Ineligible Costs				
	\$1,338,590	\$1,338,590		
(9) Developer Fees				
			\$2,035,549	
Developer overhead		\$217,820		\$217,820
Developer fee	\$2,040,066	\$1,822,246		\$1,822,246
(10) Development Reserves				
	\$351,083	\$351,083		
TOTAL DEVELOPMENT COSTS	\$17,935,175	\$18,132,915	\$15,605,873	\$16,057,346

Deduct from Basis:			
All grant proceeds used to finance costs in eligible basis			
B.M.R. loans used to finance cost in eligible basis			
Non-qualified non-recourse financing			
Non-qualified portion of higher quality units [42(d)(3)]			
Historic Credits (on residential portion only)			
TOTAL ELIGIBLE BASIS		\$15,605,873	\$16,057,346
High Cost Area Adjustment		100%	100%
TOTAL ADJUSTED BASIS		\$15,605,873	\$16,057,346
Applicable Fraction		100%	100%
TOTAL QUALIFIED BASIS		\$15,605,873	\$16,057,346
Applicable Percentage		3.56%	3.56%
TOTAL AMOUNT OF TAX CREDITS		\$555,569	\$571,642

Syndication Proceeds	0.9499	\$5,277,376	\$5,430,048
Total Tax Credits (Eligible Basis Method)		\$555,569	\$571,642
Syndication Proceeds		\$5,277,376	\$5,430,048
Requested Tax Credits		\$556,980	
Syndication Proceeds		\$5,290,778	
Gap of Syndication Proceeds Needed		\$7,315,175	
Total Tax Credits (Gap Method)		\$770,096	

Northwest Residential



Applicant Evaluation

Project ID # **060401**

Name: **Northwest Residential**

City: **Georgetown**

LIHTC 9% LIHTC 4% HOME BOND HTF SECO ESGP Other

No Previous Participation in Texas Members of the development team have been disbarred by HUD

National Previous Participation Certification Received: N/A Yes No

Noncompliance Reported on National Previous Participation Certification: Yes No

Portfolio Management and Compliance

Total # of Projects monitored: 1

Projects in Material Noncompliance

in noncompliance: 0

Projects zero to nine: 1
grouped ten to nineteen: 0
by score twenty to twenty-nine: 0

Yes No

monitored with a score less than thirty: 1

Projects not reported Yes
in application No

not yet monitored or pending review: 3

of projects not reported 0

Portfolio Monitoring

Single Audit

Portfolio Analysis

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Not applicable
Review pending
No unresolved issues
Issues found regarding late cert
Issues found regarding late audit
Unresolved issues found that warrant disqualification (Comments attached)

Not applicable
No unresolved issues
Not current on set-ups
Not current on draws
Not current on match

Reviewed by Patricia Murphy

Date 4/20/2006

Multifamily Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer R Meyer
Date 4/19/2006

Single Family Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer Sandy M. Garcia
Date 4/20/2006

Real Estate Analysis (Cost Certification and Workout)

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer David Burrell
Date 4/20/2006

Community Affairs

No relationship
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer EEF
Date 4/21/2006

Office of Colonia Initiatives

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer Raul Gonzales
Date 4/24/2006

Financial Administration

No delinquencies found
Delinquencies found

Reviewer Melissa M. Whitehead
Date 4/24/2006

Acting Executive Director William Dally

Executed: Tuesday, April 25, 2006

**Housing Tax Credit Program
Board Action Request
May 4, 2006**

Action Item

Request, review, and board determination of one (1) four percent (4%) tax credit application with TDHCA as the Issuer.

Recommendation

Staff is recommending that the board review and approve the issuance of one (1) four percent (4%) Tax Credit Determination Notice with **TDHCA** as the Issuer for the tax exempt bond transaction known as:

Development No.	Name	Location	Issuer	Total Units	LI Units	Total Development	Applicant Proposed Tax Exempt Bond Amount	Requested Credit Allocation	Recommended Credit Allocation
060609	The Residences at Sunset Pointe	Fort Worth	TDHCA	224	224	\$21,740,542	\$15,000,000	\$670,194	\$670,194



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MULTIFAMILY FINANCE PRODUCTION DIVISION

2006 Private Activity Multifamily Housing Revenue Bonds

**The Residences at Sunset Pointe
Between the 5000 and 6000 blocks of Sycamore School Road & approximately 50
yards west of the northwest corner of Granbury Road & Sycamore School Road
Fort Worth, Texas**

**Sunset Pointe Housing Partnership, Ltd.
224 Units
Priority 3
\$15,000,000 Tax Exempt – Series 2006**

TABLE OF EXHIBITS

TAB 1	TDHCA Board Presentation
TAB 2	Bond Resolution
TAB 3	HTC Profile and Board Summary
TAB 4	Sources & Uses of Funds Estimated Cost of Issuance
TAB 5	Department's Real Estate Analysis
TAB 6	TDHCA Compliance Summary Report
TAB 7	Public Input and Hearing Transcript (March 23, 2006)

MULTIFAMILY FINANCE PRODUCTION DIVISION

BOARD ACTION REQUEST

May 4, 2006

Action Item

Presentation, Discussion and Possible Action for the issuance of Multifamily Housing Mortgage Revenue Bonds, Series 2006 and Housing Tax Credits for the Residences at Sunset Pointe Apartments development.

Summary of the Residences at Sunset Pointe Apartments Transaction

The pre-application was received on December 5, 2005. The application was scored and ranked by staff. The application was induced at the January 18th Board meeting and submitted to the Texas Bond Review Board for addition to the 2006 Waiting List. The application received a Reservation of Allocation on February 24, 2006. This application was submitted under the Priority 3 category. Eleven people signed-in at the public hearing on March 23, 2006 with five people speaking for the record. Eight people signed-in as opposed to the development. A copy of the transcript is included in this presentation. The proposed site is located in the Crowley Independent School District. The Department received letters of opposition from State Representative Anna Mowry, County Commissioner Roy Brooks, Councilmember Jungus Jordan, and Superintendent Greg Gibson. A summary of the public comment is as follows: there is no public transportation in the area; there are no sidewalks along Sycamore School Road; a lack of commercial development which affects employment opportunities; the area has seen rapid growth in single family homes; and the school district is not equipped to handle the additional children of a multifamily development.

The proposed development will be located approximately between the 5000 and 6000 blocks of Sycamore School Road and approximately 50 yards west of the northwest corner of Granbury Road and Sycamore School Road, Fort Worth, Tarrant County. Demographics for the census tract (1055.10) include AMFI of \$69,507; the total population is 3,722; the percent of the population that is minority is 38.96%; the number of owner occupied units is 778; the number renter occupied units is 786 and the number of vacant units is 77. (Census Information from FFIEC Geocoding for 2005)

Summary of the Financial Structure

The applicant is requesting the Department's approval and issuance of variable rate tax exempt bonds in the amount of \$15,000,000. Credit enhancement will be provided by Fannie Mae through a standby irrevocable transferable credit enhancement instrument. During the Construction Phase, Fannie Mae will be protected from risk of loss by a Letter of Credit issued by Bank of America, N. A. The Bonds will carry a AAA/A-1+ rating. ARCS Commercial Mortgage Co., L.P. (Fannie Mae DUS Lender) will underwrite the transaction using a debt coverage ratio of 1.20 to 1 (Net Operating Income 1.2 times the debt service) amortized over 30 years. The term of the bonds will be for 33 years. The construction and lease up period is anticipated for twenty-four months with two 6 month extensions followed by a 30 year term and amortization.

Recommendation

Staff recommends the Board approve the issuance of Multifamily Housing Mortgage Revenue Bonds, Series 2006 and Housing Tax Credits for the Residences at Sunset Pointe development because of the demonstrated quality of construction of the proposed 224-unit family development, the feasibility of the development (as demonstrated by the financial commitments from ARCS Commercial Mortgage, Bank of America, Boston Capital and the underwriting report by the Department's Real Estate Analysis Division), the tenant and social services provided by the development and the demand for affordable units as demonstrated by the market study.

MULTIFAMILY FINANCE PRODUCTION DIVISION
BOARD MEMORANDUM
May 4, 2006

DEVELOPMENT: The Residences at Sunset Pointe, Fort Worth, Tarrant County, Texas

PROGRAM: Texas Department of Housing & Community Affairs
2006 Private-Activity Multifamily Revenue Bonds
(Reservation received 02/24/2006)

ACTION
REQUESTED:

Approve the issuance of multifamily housing revenue bonds (the "Bonds") by the Texas Department of Housing and Community Affairs (the "Department"). The Bonds will be issued under Chapter 1371 of the Texas Government Code and under Chapter 2306 of the Texas Government Code, the Department's enabling legislation which authorizes the Department to issue its revenue bonds for its public purposes as defined therein.

PURPOSE:

The proceeds of the Bonds will be used to fund a mortgage loan (the "Mortgage Loan") to Sunset Pointe Housing Partnership, Ltd., a Texas limited partnership (the "Borrower"), to finance the acquisition, construction, equipping and long-term financing of a new, 224-unit multifamily residential rental development to be located approximately between the 5000 and 6000 blocks of Sycamore School Road and approximately 50 yards west of the northwest corner of Granbury Road and Sycamore School Road, Fort Worth, Tarrant County, Texas (the "Development"). The Bonds will be tax-exempt by virtue of the Development qualifying as a residential rental Development. *(The Department's revenue bonds are solely obligations of the Department, and do not create an obligation, debt, or liability of the State of Texas or a pledge or loan of the faith, credit or taxing power of the State of Texas.)*

BOND AMOUNT: \$15,000,000 Series 2006 Tax Exempt bonds (*)
\$15,000,000 Total bonds

The aggregate principal amount of the Bonds will be determined by the Department based on its rules, underwriting, the cost of construction of the Development and the amount for which Bond Counsel can deliver its Bond Opinion.

ANTICIPATED
CLOSING DATE:

The Department received a volume cap allocation for the Bonds on February 24, 2006, pursuant to the Texas Bond Review Board's 2006 Private Activity Bond Allocation Program. While the Department is required to deliver the Bonds on or before July 24, 2006, the anticipated closing date is June 7, 2006.

BORROWER:

Sunset Pointe Housing Partnership, Ltd., a Texas limited partnership, the general partner of which is NDG – Sunset Pointe LLC of which Robert G. Hoskins holds 50% Ownership and Sandra K. Hoskins holds 50% Ownership as the managing general partner. Boston Capital Corporation or an affiliate thereof will be providing the equity for the transaction by purchasing a 99.99% limited partnership interest in the Borrower.

COMPLIANCE

HISTORY:

The Compliance Status Summary completed on April 25, 2006 reveals that the principals of the general partner above have a total of four (4) properties being monitored by the Department. Two (2) of the properties have not been monitored at this time.

ISSUANCE TEAM:

ARCS Commercial Mortgage Co., L.P. (FNMA DUS Lender/Service)
Bank of America, N.A. (Letter of Credit Provider)
Fannie Mae (Credit Facility Provider)
Merchant Capital, LLC (Underwriter)
JP Morgan Chase Bank, National Association (Trustee)
Vinson & Elkins L.L.P. (Bond Counsel)
RBC Capital Markets (Financial Advisor)
McCall, Parkhurst & Horton, L.L.P. (Issuer Disclosure Counsel)

BOND PURCHASER:

The Bonds will be publicly offered for sale on or about June 6, 2006 at which time the final pricing and Bond Purchaser(s) will be determined.

DEVELOPMENT

DESCRIPTION:

The Development is a 224-unit apartment community to be constructed on approximately 17.6 acres located approximately between the 5000 and 6000 blocks of Sycamore School Road and approximately 50 yards west of the northwest corner of Granbury Road and Sycamore School Road, Fort Worth, Tarrant County, Texas. The Development will consist of fourteen (14) two-story residential buildings with a total of 238,384 net rentable square feet and an average unit size of approximately 1,061 square feet. The development will include a community building consisting of a kitchen, a fitness center, business center and leasing office, swimming pool, barbecue grills and picnic area, car wash area, and perimeter fencing with access gates.

Units	Unit Type	Sq Ft	Proposed	AMFI
32	1-Bed/1-Baths	850	\$705.00	60%
96	2-Bed/2-Baths	1,029	\$846.00	60%
88	3-Bed/2-Baths	1,150	\$978.00	60%
8	4-Bed/2-Baths	1,400	\$1,090.00	60%
224	Total Units			

SET-ASIDE UNITS:

For Bond covenant purposes, forty percent (40%) of the units in the Development will be restricted to occupancy by persons or families earning not more than sixty percent (60%) of the area median income. Five percent (5%) of the units in the Development will be set aside on a priority basis for persons with special needs. *(The Borrower has elected to set-aside 100% of the units for tax credit purposes)*

TENANT SERVICES:

Tenant Services will be provided by the developer according to the requirements as outlined in the Department's Regulatory and Land Use Restriction Agreement.

**DEPARTMENT
ORIGINATION**

FEES:

\$1,000 Pre-Application Fee (Paid)
\$10,000 Application Fee (Paid)
\$75,000 Issuance Fee (.50% of the bond amount paid at closing)

**DEPARTMENT
ANNUAL FEES:**

\$15,000 Bond Administration (0.10% of first year bond amount)
\$8,960 Compliance (\$25/unit/year adjusted annually for CPI)

(Department's annual fees may be adjusted, including deferral, to accommodate underwriting criteria and Development cash flow. These fees will be subordinated to the Mortgage Loan and paid outside of the cash flows contemplated by the Indenture)

ASSET OVERSIGHT

FEE:

\$5,600 to TDHCA or assigns (\$25/unit/year adjusted annually for CPI))

TAX CREDITS:

The Borrower has applied to the Department to receive a Determination Notice for the 4% tax credit that accompanies the private-activity bond allocation. The tax credit equates to \$670,194 per annum and represents equity for the transaction. To capitalize on the tax credit, the Borrower will sell a substantial portion of the limited partnership, typically 99.99%, to raise equity funds for the Development. Although a tax credit sale has not been finalized, the Borrower anticipates raising approximately \$5,361,550 of equity for the transaction.

**BOND STRUCTURE &
SECURITY FOR THE
BONDS:**

The Bonds are proposed to be issued under an Indenture (the "Trust Indenture") that will describe the fundamental structure of the Bonds, permitted uses of Bond proceeds and procedures for the administration, investment and disbursement of Bond proceeds and program revenues.

As stated above, the Bonds are being issued to fund a Mortgage Loan to finance the acquisition, construction, equipping and long-term financing of the Development. The Mortgage Loan will be secured by, among other things, a Deed of Trust and other security instruments on the Development. The Mortgage

Loan and security instruments will be assigned to the Trustee and Fannie Mae and will become part of the Trust Estate securing the Bonds.

During (i) both the construction period (the “Construction Phase”) and, if conversion (“Conversion”) from the Construction Phase to the permanent mortgage period (the “Permanent Phase”) occurs, the Permanent Phase, credit enhancement for the Mortgage Loan and (ii) if Conversion occurs, the Permanent Phase, liquidity support for the Bonds outstanding will be provided by Fannie Mae pursuant to a Stand-by Irrevocable Transferable Credit Enhancement Instrument (the “Fannie Mae Credit Facility”). Throughout the Construction Phase, Fannie Mae will be protected against risk of loss by a Letter of Credit issued by Bank of America, N. A. If Conversion does not occur and Bank of America does not exercise its option to purchase the Bonds, the Bonds will be subject to mandatory redemption.

In addition to the credit-enhanced Mortgage Loan, other security for the Bonds during the Construction Phase consists of the net bond proceeds, the revenues and any other moneys received by the Trustee for payment of principal and interest on the Bonds, and amounts otherwise on deposit in the Funds and Accounts (excluding the Rebate Fund, the Fees Account of the Revenue Fund and the Costs Issuance Fund) and any investment earnings thereon (see Funds and Accounts section, below).

**CREDIT
ENHANCEMENT:**

The credit enhancement by Fannie Mae allows for an anticipated rating by the Rating Agency of AAA/A-1+ and an anticipated initial fixed rate not to exceed 6.00%. Without the credit enhancement, the Bonds would not be investment grade and therefore command a higher interest rate from investors on similar maturity bonds.

FORM OF BONDS:

The Bonds will be issued in book entry form and will be in authorized denominations during any Weekly Variable Rate Period, \$100,000 or any integral multiple of \$5,000 in excess of \$100,000, and (ii) during any Reset Period or the Fixed Rate Period, \$5,000 or any integral multiple of \$5,000 or any integral multiple of \$5,000.

**TERMS OF THE
MORTGAGE LOAN:**

The Mortgage Loan is a non-recourse obligation of the Owner, which means, subject to certain exceptions, that the Owner is not liable for the payment thereof beyond the amount realized from the pledged security. The Mortgage Loan provides for monthly payments of interest during the Construction Phase and level monthly payments of principal and interest following conversion to the Permanent Phase.

During the Construction Phase, the Borrower will be required to make payments on the Mortgage Loan directly to the Trustee (to the extent that capitalized interest funds deposited at closing into the Mortgage Loan Fund are insufficient to make the semi-annual interest payments on the Bonds) along with all other bond and credit enhancement fees. Upon Conversion, the Borrower will be required to make payments on the Mortgage Loan to the Servicer, who will remit the principal and interest components of the payments to the Trustee. The Borrower will continue to pay certain other fees, including the Department's fees, directly to the Trustee.

Effective on the Conversion Date, which is anticipated to occur thirty months from the closing date of the Bonds with one six-month extension option, the Mortgage Loan will convert from the Construction Phase to the Permanent Phase upon satisfaction the conversion requirements set forth in the Construction Phase Financing Agreement. Among other things, these requirements include completion of the Development according to plans and specifications and achievement of certain occupancy thresholds.

**MATURITY/SOURCES
& METHODS OF
REPAYMENT:**

The Bonds will bear interest (a) initially at the weekly variable rate until the occurrence of an Adjustment Date, and (b) thereafter at the rates determined by the Remarketing Agent pursuant to the Indenture to maturity, acceleration or prior redemption.

The Bonds will be payable from: (1) revenues earned from the Mortgage Loan (which during the Construction Phase will be payable as to interest only); (2) earnings derived from amounts held in Funds & Accounts (discussed below) on deposit in an investment agreement; (3) funds deposited to the Mortgage Loan Fund specifically for capitalized interest during a portion of the Construction Phase; (4) or payments made by Fannie Mae under the Fannie Mae Credit Facility.

Fannie Mae is obligated under the Fannie Mae Credit Facility to fund the payment of the Borrower's loan payments in the event the Borrower fails to make any payment of interest or of interest and principal. The Borrower is obligated to reimburse Fannie Mae for any moneys advanced by Fannie Mae for such payments

**REDEMPTION OF
BONDS PRIOR TO
MATURITY:**

The Bonds are subject to redemption under any of the following circumstances:

Optional Redemption:

The Bonds are subject to optional redemption in whole or in part upon optional prepayment of the Loan in accordance with the Loan Documents and with prior written consent of the Credit Provider at the times and at the respective redemption prices set forth in the Indenture as expressed percentages of the principal amount of the Bonds called for redemption.

Mandatory Redemption:

- (1) The Bonds shall be redeemed in whole or in part in the event and to the extent that proceeds of insurance from any casualty to, or proceeds of any award from any condemnation of, or any award as part of a settlement in lieu of condemnation of, the Mortgaged Property are applied in accordance with the Financing Agreement and the Mortgage Loan Documents to restoring or repairing the Mortgaged Property or, with the consent of the Credit Provider, otherwise used for improvements to the Mortgaged Property or applied to the reimbursement of amounts owed to the Credit Provider.
- (2) The Bonds shall be redeemed in whole or in part in an amount specified by and at the direction, or with the written consent of the Credit Provider requiring that the Bonds be redeemed pursuant to the Indenture following (a) any Event of Default under the Security Instrument, the Credit Facility Documents or the Financing Agreement or (b) the occurrence of a Borrower Default under the Construction Phase Financing Agreement or, at the direction of the Construction Lender to the Credit Provider, a draw on the Letter of Credit in whole.
- (3) The Bonds shall be redeemed in whole or in part from amounts transferred to the Redemption Account from the Principal Reserve Fund in accordance with the Indenture.
- (4) During any Fixed Rate Period the Bonds shall be subject to mandatory sinking fund installments at the times and in the amounts set forth in the amortization schedule established pursuant to the Indenture.
- (5) The Bonds shall be redeemed in part in the event that the Borrower makes a Pre-Conversion Loan Equalization Payment.

- (6) The Bonds shall be redeemed in whole or in part in the event and to the extent that amounts on deposit in the Loan Fund are transferred to the Redemption Account.

**FUNDS AND
ACCOUNTS/FUNDS
ADMINISTRATION:**

Under the Indenture, JP Morgan Chase Bank, National Association, (the "Trustee") will serve as registrar and authenticating agent for the Bonds, trustee of certain of the funds created under the Indenture (described below), and will have responsibility for a number of loan administration and monitoring functions.

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The Bonds will initially be issued as fully registered securities and when issued will be registered in the name of Cede & Co., as nominee for DTC. One fully registered global bond in the aggregate principal amount of each stated maturity of the Bonds will be deposited with DTC.

Moneys on deposit in Indenture funds are required to be invested in eligible investments prescribed in the Indenture until needed for the purposes for which they are held.

The Indenture will create up to six (6) funds with the following general purposes:

1. Loan Fund – Consists of a Project Account and Capitalized Funds Account. Monies in the Loan fund will be withdrawn to pay the costs of construction of the Development, interest on the Bonds during construction and other costs of the Mortgaged Property.
2. Revenue Fund – Consists of an Interest Account, Redemption Account, Credit Facility Account and the Fees Account. Monies in the Revenue Fund shall be disbursed to pay interest on the Bonds, sinking fund redemption payments, principal amounts due, third party fees and redemption of Bonds.
3. Costs of Issuance Fund – A temporary fund into which amounts for the payment of the costs of issuance are deposited and disbursed by the Trustee.

4. Rebate Fund - Fund into which certain investment earnings are transferred that are required to be rebated periodically to the federal government to preserve the tax-exempt status of the Bonds. Amounts in this fund are held apart from the trust estate and are not available to pay debt service on the Bonds.
5. Bond Purchase Fund – Monies are used to pay the purchase price of the Bonds on a Remarketing Date in the event the Bonds are not remarketed and remarketing expenses.
6. Principal Reserve Fund – Monies are used to pay any unreimbursed Draw or Advance, make improvements or repairs to the mortgaged property, and to pay investment income.

DEPARTMENT
ADVISORS:

The following advisors have been selected by the Department to perform the indicated tasks in connection with the issuance of the Bonds.

1. Bond Counsel - Vinson & Elkins L.L.P. ("V&E") was most recently selected to serve as the Department's bond counsel through a request for proposals ("RFP") issued by the Department in September 2005.
2. Bond Trustee – JP Morgan Chase Bank, National Association was selected by the Borrower from the Department's list of approved trustees for multifamily bond issues. This trustee was approved by the Department in December 2003.
3. Financial Advisor - RBC Capital Markets, formerly RBC Dain Rauscher, was selected by the Department as the Department's financial advisor through a request for proposals process in August 2003.
4. Underwriter – Merchant Capital was selected by the Borrower from the Department's list of approved senior managers for multifamily bond issues. The underwriter list was approved by the Department in September 2004.
5. Disclosure Counsel – McCall, Parkhurst & Horton, L.P.P. was selected to serve as the Department's disclosure counsel in September 2005.

ATTORNEY GENERAL
REVIEW OF BONDS:

No preliminary written review of the Bonds by the Attorney General of Texas has yet been made. Department bonds, however, are subject to the approval of the Attorney General, and transcripts of proceedings with respect to the Bonds will be submitted for review and approval prior to the issuance of the Bonds.

RESOLUTION NO. 06-016

RESOLUTION AUTHORIZING AND APPROVING THE ISSUANCE, SALE AND DELIVERY OF VARIABLE RATE DEMAND MULTIFAMILY HOUSING REVENUE BONDS (RESIDENCES AT SUNSET POINTE) SERIES 2006; APPROVING THE FORM AND SUBSTANCE AND AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS AND INSTRUMENTS PERTAINING THERETO; AUTHORIZING AND RATIFYING OTHER ACTIONS AND DOCUMENTS; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT

WHEREAS, the Texas Department of Housing and Community Affairs (the "Department") has been duly created and organized pursuant to and in accordance with the provisions of Chapter 2306, Texas Government Code, as amended (the "Act"), for the purpose, among others, of providing a means of financing the costs of residential ownership, development and rehabilitation that will provide decent, safe, and affordable living environments for individuals and families of low, very low and extremely low income (as defined in the Act) and families of moderate income (as defined in the Act and determined by the Governing Board of the Department (the "Board") from time to time); and

WHEREAS, the Act authorizes the Department: (a) to make mortgage loans to housing sponsors to provide financing for multifamily residential rental housing in the State of Texas (the "State") intended to be occupied by individuals and families of low and very low income and families of moderate income, as determined by the Department; (b) to issue its revenue bonds, for the purpose, among others, of obtaining funds to make such loans and provide financing, to establish necessary reserve funds and to pay administrative and other costs incurred in connection with the issuance of such bonds; and (c) to pledge all or any part of the revenues, receipts or resources of the Department, including the revenues and receipts to be received by the Department from such multifamily residential rental development loans, and to mortgage, pledge or grant security interests in such loans or other property of the Department in order to secure the payment of the principal or redemption price of and interest on such bonds; and

WHEREAS, the Board has determined to authorize the issuance of the Texas Department of Housing and Community Affairs Variable Rate Demand Multifamily Housing Revenue Bonds (Residences at Sunset Pointe) Series 2006 (the "Bonds"), pursuant to and in accordance with the terms of a Trust Indenture (the "Indenture") by and between the Department and JPMorgan Chase Bank, National Association (the "Trustee"), for the purpose of obtaining funds to finance the Development (defined below), all under and in accordance with the Constitution and laws of the State; and

WHEREAS, the Department desires to use the proceeds of the Bonds to fund a mortgage loan to Sunset Pointe Housing Partnership, Ltd., a Texas limited partnership (the "Borrower"), in order to finance the cost of acquisition, construction and equipping of a qualified residential rental development described on Exhibit A attached hereto (the "Development") located within the State and required by the Act to be occupied by individuals and families of low and very low income and families of moderate income, as determined by the Department; and

WHEREAS, the Board, by resolution adopted on January 16, 2006, declared its intent to issue its revenue bonds to provide financing for the Development; and

WHEREAS, it is anticipated that the Department, the Borrower and the Trustee will execute and deliver a Financing Agreement (the "Financing Agreement") pursuant to which (i) the Department will agree to make a mortgage loan funded with the proceeds of the Bonds (the "Mortgage Loan") to the Borrower to enable the Borrower to finance the costs of acquisition and construction of the Development

and related costs, and (ii) the Borrower will execute and deliver to the Department a multifamily note (the "Note") in an original principal amount equal to the original aggregate principal amount of the Bonds, and providing for payment of interest on such principal amount equal to the interest on the Bonds and to pay other costs described in the Financing Agreement; and

WHEREAS, it is anticipated that credit enhancement for the Mortgage Loan will be provided for initially by a Letter of Credit issued by Bank of America, N.A., a national banking association (the "Bank"), and upon conversion, if conversion occurs, by a Credit Enhancement Instrument issued by Fannie Mae ("Fannie Mae"); and

WHEREAS, it is anticipated that the Note will be secured by a Multifamily Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (Texas) (the "Mortgage") from the Borrower for the benefit of the Department and, initially, the Bank; and

WHEREAS, the Department's interest in the Mortgage Loan (except for certain reserved rights), including the Note and the Mortgage, will be assigned to the Trustee, as its interests may appear, and, initially, to the Bank, as its interests may appear, pursuant to an Assignment and Intercreditor Agreement (the "Assignment") among the Department, the Trustee and the Bank and acknowledged, accepted and agreed to by the Borrower; and

WHEREAS, the Board has determined that the Department, the Trustee and the Borrower will execute a Regulatory and Land Use Restriction Agreement (the "Regulatory Agreement"), with respect to the Development which will be filed of record in the real property records of Tarrant County, Texas; and

WHEREAS, the Board has been presented with a draft of, has considered and desires to ratify, approve, confirm and authorize the use and distribution in the public offering of the Bonds of an Official Statement (the "Official Statement") and to authorize the authorized representatives of the Department to deem the Official Statement "final" for purposes of Rule 15c2-12 of the Securities and Exchange Commission and to approve the making of such changes in the Official Statement as may be required to provide a final Official Statement for use in the public offering and sale of the Bonds; and

WHEREAS, the Board has further determined that the Department will enter into a Bond Purchase Agreement (the "Bond Purchase Agreement") with the Borrower, Merchant Capital, LLC (the "Underwriter"), and any other parties to such Bond Purchase Agreement as authorized by the execution thereof by the Department, setting forth certain terms and conditions upon which the Underwriter or another party will purchase all or their respective portion of the Bonds from the Department and the Department will sell the Bonds to the Underwriter or another party to such Bond Purchase Agreement; and

WHEREAS, the Board has determined that the Department and the Borrower will execute an Asset Oversight Agreement (the "Asset Oversight Agreement"), with respect to the Development for the purpose of monitoring the operation and maintenance of the Development; and

WHEREAS, the Board has examined proposed forms of the Indenture, the Financing Agreement, the Assignment, the Regulatory Agreement, the Asset Oversight Agreement, the Official Statement and the Bond Purchase Agreement (collectively, the "Issuer Documents"), all of which are attached to and comprise a part of this Resolution; has found the form and substance of such documents to be satisfactory and proper and the recitals contained therein to be true, correct and complete; and has determined, subject to the conditions set forth in Section 1.15, to authorize the issuance of the Bonds, the execution and delivery of the Issuer Documents, the acceptance of the Mortgage and the Note, and the taking of such other actions as may be necessary or convenient in connection therewith;

NOW, THEREFORE,

BE IT RESOLVED BY THE BOARD OF THE DEPARTMENT:

ARTICLE I

ISSUANCE OF BONDS; APPROVAL OF DOCUMENTS

Section 1.1--Issuance, Execution and Delivery of the Bonds. That the issuance of the Bonds is hereby authorized, under and in accordance with the conditions set forth herein and in the Indenture, and that, upon execution and delivery of the Indenture, the authorized representatives of the Department named in this Resolution each are authorized hereby to execute, attest and affix the Department's seal to the Bonds and to deliver the Bonds to the Attorney General of the State for approval, the Comptroller of Public Accounts of the State for registration and the Trustee for authentication (to the extent required in the Indenture), and thereafter to deliver the Bonds to the order of the initial purchaser thereof.

Section 1.2--Interest Rate, Principal Amount, Maturity and Price. That the Chair or Vice Chairman of the Board or the Executive Director or Acting Executive Director of the Department are hereby authorized and empowered, in accordance with Chapter 1371, Texas Government Code, to fix and determine the interest rate, principal amount and maturity of, the redemption provisions related to, and the price at which the Department will sell to the Underwriter or another party to the Bond Purchase Agreement, the Bonds, all of which determinations shall be conclusively evidenced by the execution and delivery by the Chair or Vice Chairman of the Board or the Executive Director or Acting Executive Director of the Department of the Indenture and the Bond Purchase Agreement; provided, however, that (i) the Bonds shall bear interest at the rates determined from time to time by the Remarketing Agent (as such term is defined in the Indenture) in accordance with the provisions of the Indenture; provided that in no event shall the interest rate on the Bonds (including any default interest rate) exceed the maximum interest rate permitted by applicable law; and provided further that the initial interest rate on the Bonds shall not exceed 6.50%; (ii) the aggregate principal amount of the Bonds shall not exceed \$15,000,000; (iii) the final maturity of the Bonds shall occur not later than June 15, 2039; and (iv) the price at which the Bonds are sold to the initial purchasers thereof under the Bond Purchase Agreement shall not exceed 103% of the principal amount thereof.

Section 1.3--Approval, Execution and Delivery of the Indenture. That the form and substance of the Indenture are hereby approved, and that the authorized representatives of the Department named in this Resolution each are authorized hereby to execute the Indenture and to deliver the Indenture to the Trustee.

Section 1.4--Approval, Execution and Delivery of the Financing Agreement. That the form and substance of the Financing Agreement are hereby approved, and that the authorized representatives of the Department named in this Resolution each are authorized hereby to execute the Financing Agreement and deliver the Financing Agreement to the Borrower and the Trustee.

Section 1.5--Approval, Execution and Delivery of the Regulatory Agreement. That the form and substance of the Regulatory Agreement are hereby approved, and that the authorized representatives of the Department named in this Resolution each are authorized hereby to execute, attest and affix the Department's seal to the Regulatory Agreement and deliver the Regulatory Agreement to the Borrower and the Trustee and to cause the Regulatory Agreement to be filed of record in the real property records of Tarrant County, Texas.

Section 1.6--Approval, Execution and Delivery of the Bond Purchase Agreement. That the sale of the Bonds to the Underwriter and any other party to the Bond Purchase Agreement is hereby approved, that the form and substance of the Bond Purchase Agreement are hereby approved, and that the authorized representatives of the Department named in this Resolution each are authorized hereby to execute the Bond Purchase Agreement and to deliver the Bond Purchase Agreement to the Borrower, the Underwriter and any other party to the Bond Purchase Agreement as appropriate.

Section 1.7--Acceptance of the Mortgage and Note. That the forms of the Mortgage and the Note are hereby accepted by the Department and that the authorized representatives of the Department named in this Resolution each are authorized to endorse and deliver the Note to the order of the Trustee and the Bank, as their interests may appear, without recourse.

Section 1.8--Approval, Execution and Delivery of the Assignment. That the form and substance of the Assignment are hereby approved; and that the authorized representatives of the Department named in this Resolution are each hereby authorized to execute, attest and affix the Department's seal to the Assignment and to deliver the Assignment to the Borrower, the Trustee and the Bank.

Section 1.9--Approval, Execution, Use and Distribution of the Official Statement. That the form and substance of the Official Statement and its use and distribution by the Underwriter in accordance with the terms, conditions and limitations contained therein are hereby approved, ratified, confirmed and authorized; that the Chair and Vice Chairman of the Governing Board and the Executive Director or the Acting Executive Director of the Department are hereby severally authorized to deem the Official Statement "final" for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934; that the authorized representatives of the Department named in this Resolution each are authorized hereby to make or approve such changes in the Official Statement as may be required to provide a final Official Statement for the Bonds; that the authorized representatives of the Department named in this Resolution each are authorized hereby to accept the Official Statement, as required; and that the distribution and circulation of the Official Statement by the Underwriter hereby is authorized and approved, subject to the terms, conditions and limitations contained therein, and further subject to such amendments or additions thereto as may be required by the Bond Purchase Agreement and as may be approved by the Executive Director or the Acting Executive Director of the Department and the Department's counsel.

Section 1.10--Approval, Execution and Delivery of the Asset Oversight Agreement. That the form and substance of the Asset Oversight Agreement are hereby approved, and that the authorized representatives of the Department named in this Resolution each are authorized hereby to execute and deliver the Asset Oversight Agreement to the Borrower.

Section 1.11--Taking of Any Action; Execution and Delivery of Other Documents. That the authorized representatives of the Department named in this Resolution each are authorized hereby to take any actions and to execute, attest and affix the Department's seal to, and to deliver to the appropriate parties, all such other agreements, commitments, assignments, bonds, certificates, contracts, documents, instruments, releases, financing statements, letters of instruction, notices of acceptance, written requests and other papers, whether or not mentioned herein, as they or any of them consider to be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution.

Section 1.12--Exhibits Incorporated Herein. That all of the terms and provisions of each of the documents listed below as an exhibit shall be and are hereby incorporated into and made a part of this Resolution for all purposes:

- Exhibit B - Indenture
- Exhibit C - Financing Agreement

- Exhibit D - Regulatory Agreement
- Exhibit E - Bond Purchase Agreement
- Exhibit F - Mortgage
- Exhibit G - Note
- Exhibit H - Assignment
- Exhibit I - Official Statement
- Exhibit J - Asset Oversight Agreement

Section 1.13--Power to Revise Form of Documents. That notwithstanding any other provision of this Resolution, the authorized representatives of the Department named in this Resolution each are authorized hereby to make or approve such revisions in the form of the documents attached hereto as exhibits as, in the judgment of such authorized representative or authorized representatives, and in the opinion of Vinson & Elkins L.L.P., Bond Counsel to the Department, may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution, such approval to be evidenced by the execution of such documents by the authorized representatives of the Department named in this Resolution.

Section 1.14--Authorized Representatives. That the following persons are each hereby named as authorized representatives of the Department for purposes of executing, attesting, affixing the Department's seal to, and delivering the documents and instruments and taking the other actions referred to in this Article I: Chair and Vice Chairman of the Board, Executive Director or Acting Executive Director of the Department, Deputy Executive Director of Housing Operations of the Department, Deputy Executive Director or Interim Deputy Executive Director of Programs of the Department, Chief of Agency Administration of the Department, Director of Financial Administration of the Department, Director of Bond Finance of the Department, Director or Interim Director of Multifamily Finance Production of the Department and the Secretary to the Board.

Section 1.15--Conditions Precedent. That the issuance of the Bonds shall be further subject to, among other things: (a) the Development's meeting all underwriting criteria of the Department, to the satisfaction of the Executive Director or Acting Executive Director of the Department; and (b) the execution by the Borrower and the Department of contractual arrangements satisfactory to the Department staff requiring that community service programs will be provided at the Development.

ARTICLE II

APPROVAL AND RATIFICATION OF CERTAIN ACTIONS

Section 2.1--Approval and Ratification of Application to Texas Bond Review Board. That the Board hereby ratifies and approves the submission of the application for approval of state bonds to the Texas Bond Review Board on behalf of the Department in connection with the issuance of the Bonds in accordance with Chapter 1231, Texas Government Code.

Section 2.2--Approval of Submission to the Attorney General of the State. That the Board hereby authorizes, and approves the submission by the Department's Bond Counsel to the Attorney General of the State, for his approval, of a transcript of legal proceedings relating to the issuance, sale and delivery of the Bonds.

Section 2.3--Engagement of Other Professionals. That the Executive Director or Acting Executive Director of the Department or any successor is authorized to engage auditors to perform such functions, audits, yield calculations and subsequent investigations as necessary or appropriate to comply

with the Bond Purchase Agreement and the requirements of Bond Counsel to the Department, provided such engagement is done in accordance with applicable law of the State.

Section 2.4--Certification of the Minutes and Records. That the Secretary to the Board hereby is authorized to certify and authenticate minutes and other records on behalf of the Department for the Bonds and all other Department activities.

Section 2.5--Approval of Requests for Rating from Rating Agency. That the action of the Executive Director or Acting Executive Director of the Department or any successor and the Department's consultants in seeking a rating from Moody's Investors Service, Inc. and/or Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies, Inc., is approved, ratified and confirmed hereby.

Section 2.6--Authority to Invest Proceeds. That the Department is authorized to invest and reinvest the proceeds of the Bonds and the fees and revenues to be received in connection with the financing of the Development in accordance with the Indenture and to enter into any agreements relating thereto only to the extent permitted by the Indenture.

Section 2.7--Underwriter. That the underwriter with respect to the issuance of the Bonds shall be Merchant Capital, LLC.

Section 2.8--Engagement of Other Professionals. That the Executive Director or Acting Executive Director of the Department or any successor is authorized to engage auditors, analysts and consultants to perform such functions, audits, yield calculations and subsequent investigations as necessary or appropriate to comply with the requirements of Bond Counsel to the Department, provided such engagement is done in accordance with applicable law of the State.

Section 2.9--Ratifying Other Actions. That all other actions taken by the Executive Director or Acting Executive Director of the Department and the Department staff in connection with the issuance of the Bonds and the financing of the Development are hereby ratified and confirmed.

ARTICLE III

CERTAIN FINDINGS AND DETERMINATIONS

Section 3.1--Findings of the Board. That in accordance with Section 2306.223 of the Act and after the Department's consideration of the information with respect to the Development and the information with respect to the proposed financing of the Development by the Department, including but not limited to the information submitted by the Borrower, independent studies commissioned by the Department, recommendations of the Department staff and such other information as it deems relevant, the Board hereby finds:

(a) Need for Housing Development.

(i) that the Development is necessary to provide needed decent, safe, and sanitary housing at rentals or prices that individuals or families of low and very low income or families of moderate income can afford,

(ii) that the financing of the Development is a public purpose and will provide a public benefit, and

(iii) that the Development will be undertaken within the authority granted by the Act to the housing finance division and the Borrower.

(b) Findings with Respect to the Borrower.

(i) that the Borrower, by operating the Development in accordance with the requirements of the Financing Agreement and the Regulatory Agreement, will comply with applicable local building requirements and will supply well-planned and well-designed housing for individuals or families of low and very low income or families of moderate income,

(ii) that the Borrower is financially responsible and has entered into a binding commitment to repay the Mortgage Loan in accordance with its terms, and

(iii) that the Borrower is not, and will not enter into a contract for the Development with, a housing developer that: (A) is on the Department's debarred list, including any parts of that list that are derived from the debarred list of the United States Department of Housing and Urban Development; (B) breached a contract with a public agency; or (C) misrepresented to a subcontractor the extent to which the developer has benefited from contracts or financial assistance that has been awarded by a public agency, including the scope of the developer's participation in contracts with the agency and the amount of financial assistance awarded to the developer by the Department.

(c) Public Purpose and Benefits.

(i) that the Borrower has agreed to operate the Development in accordance with the Financing Agreement and the Regulatory Agreement, which require, among other things, that the Development be occupied by individuals and families of low and very low income and families of moderate income, and

(ii) that the issuance of the Bonds to finance the Development is undertaken within the authority conferred by the Act and will accomplish a valid public purpose and will provide a public benefit by assisting individuals and families of low and very low income and families of moderate income in the State to obtain decent, safe, and sanitary housing by financing the costs of the Development, thereby helping to maintain a fully adequate supply of sanitary and safe dwelling accommodations at rents that such individuals and families can afford.

Section 3.2--Determination of Eligible Tenants. That the Board has determined, to the extent permitted by law and after consideration of such evidence and factors as it deems relevant, the findings of the staff of the Department, the laws applicable to the Department and the provisions of the Act, that eligible tenants for the Development shall be (1) individuals and families of low and very low income, (2) persons with special needs, and (3) families of moderate income, with the income limits as set forth in the Financing Agreement and the Regulatory Agreement.

Section 3.3--Sufficiency of Mortgage Loan Interest Rate. That the Board hereby finds and determines that the interest rate on the Mortgage Loan established pursuant to the Financing Agreement will produce the amounts required, together with other available funds, to pay for the Department's costs of operation with respect to the Bonds and the Development and enable the Department to meet its covenants with and responsibilities to the holders of the Bonds.

Section 3.4--No Gain Allowed. That, in accordance with Section 2306.498 of the Act, no member of the Board or employee of the Department may purchase any Bond in the secondary open market for municipal securities.

Section 3.5--Waiver of Rules. That the Board hereby waives the rules contained in Chapters 33 and 35, Title 10 of the Texas Administrative Code to the extent such rules are inconsistent with the terms of this Resolution and the bond documents authorized hereunder.

ARTICLE IV

GENERAL PROVISIONS

Section 4.1--Limited Obligations. That the Bonds and the interest thereon shall be limited obligations of the Department payable solely from the trust estate created under the Indenture, including the revenues and funds of the Department pledged under the Indenture to secure payment of the Bonds, and under no circumstances shall the Bonds be payable from any other revenues, funds, assets or income of the Department.

Section 4.2--Non-Governmental Obligations. That the Bonds shall not be and do not create or constitute in any way an obligation, a debt or a liability of the State or create or constitute a pledge, giving or lending of the faith or credit or taxing power of the State. Each Bond shall contain on its face a statement to the effect that the State is not obligated to pay the principal thereof or interest thereon and that neither the faith or credit nor the taxing power of the State is pledged, given or loaned to such payment.

Section 4.3--Effective Date. That this Resolution shall be in full force and effect from and upon its adoption.

Section 4.4--Notice of Meeting. Written notice of the date, hour and place of the meeting of the Board at which this Resolution was considered and of the subject of this Resolution was furnished to the Secretary of State and posted on the Internet for at least seven (7) days preceding the convening of such meeting; that during regular office hours a computer terminal located in a place convenient to the public in the office of the Secretary of State was provided such that the general public could view such posting; that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter hereof was discussed, considered and formally acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended; and that written notice of the date, hour and place of the meeting of the Board and of the subject of this Resolution was published in the Texas Register at least seven (7) days preceding the convening of such meeting, as required by the Administrative Procedure and Texas Register Act, Chapters 2001 and 2002, Texas Government Code, as amended. Additionally, all of the materials in the possession of the Department relevant to the subject of this Resolution were sent to interested persons and organizations, posted on the Department's website, made available in hard-copy at the Department, and filed with the Secretary of State for publication by reference in the Texas Register not later than seven (7) days before the meeting of the Board as required by Section 2306.032, Texas Government Code, as amended.

[EXECUTION PAGE FOLLOWS]

PASSED AND APPROVED this 4th day of May, 2006.

[SEAL]

By: /s/ Elizabeth Anderson
Elizabeth Anderson, Chair

Attest: /s/ Kevin Hamby
Kevin Hamby, Secretary

EXHIBIT A

DESCRIPTION OF DEVELOPMENT

Owner: Sunset Pointe Housing Partnership, Ltd., a Texas limited partnership

Development: The Development is a 224-unit multifamily facility to be known as Residences at Sunset Pointe and to be located at approximately the 5000-6000 blocks of Sycamore School Road and approximately 50 yards west of the northwest corner of Granbury Road and Sycamore School Road, Fort Worth, Tarrant County, Texas. The Development will consist of fourteen 2-story residential apartment buildings with approximately 236,952 net rentable square feet and an approximate average unit size of 1058 square feet. The unit mix will consist of:

32	one-bedroom/one-bath units
96	two-bedroom/two-bath units
88	three-bedroom/two-bath units
<u>8</u>	four-bedroom/two-bath units
224	Total Units

Unit sizes will range from approximately 850 square feet to approximately 1400 square feet.

The Development will include an administration office, a business center, a fitness room, an activity room, a game room/TV lounge, kitchen facilities, and public restrooms. On-site amenities will include a swimming pool, playground, and a picnic area. All individual units will have washer/dryer connections. Additionally, the Development will include 112 carports and 432 uncovered parking spaces.



MULTIFAMILY FINANCE PRODUCTION DIVISION

May 4, 2006

Development Information, Public Input and Board Summary

The Residences at Sunset Pointe, TDHCA Number 060609

BASIC DEVELOPMENT INFORMATION

Site Address: 5500 Block of Sycamore School Rd. Development #: 060609
 City: Fort Worth Region: 3 Population Served: Family
 County: Tarrant Zip Code: 76123 Allocation: Urban/Exurban
 HTC Set Asides: At-Risk Nonprofit USDA Rural Rescue Purpose/Activity: NC
 HOME Set Asides: CHDO Preservation General
 Bond Issuer: TDHCA

HTC Purpose/Activity: NC=New Construction, ACQ=Acquisition, R=Rehabilitation, NC/ACQ=New Construction and Acquisition, NC/R=New Construction and Rehabilitation, ACQ/R=Acquisition and Rehabilitation

OWNER AND DEVELOPMENT TEAM

Owner: Sunset Pointe Housing Partnership, Ltd.
 Dan Allgeier - Phone: (972) 745-0756
 Developer: Nurock Development Group, Inc.
 Housing General Contractor: NuRock Construction, LLC
 Architect: GTF Designs
 Market Analyst: Ipser and Assoc, Inc.
 Syndicator: Boston Capital
 Supportive Services: NuRock Housing Foundation I, Inc.
 Consultant: SBG Development Services L.P.

UNIT/BUILDING INFORMATION

30%	40%	50%	60%	Eff	1 BR	2 BR	3 BR	4 BR	5 BR	Total Restricted Units:	224
0	0	0	224	0	32	96	88	8	0	Market Rate Units:	0

Type of Building: 5 units or more per building Owner/Employee Units: 0
 Duplex Detached Residence Total Development Units: 224
 Triplex Single Room Occupancy Total Development Cost: \$21,740,542
 Fourplex Transitional Number of Residential Buildings: 13
 Townhome

Note: If Development Cost = \$0, an Underwriting Report has not been completed.

FUNDING INFORMATION

	Applicant Request	Department Analysis	Amort	Term	Rate
9% Housing Tax Credits-Credit Ceiling:	\$0	\$0	0	0	0.00%
4% Housing Tax Credits with Bonds:	\$670,194	\$670,194	0	0	0.00%
TDHCA Bond Allocation Amount:	\$15,000,000	\$15,000,000	30	30	5.95%
HOME Activity Fund Loan Amount:	\$0	\$0	0	0	0.00%
HOME CHDO Operating Grant Amount:	\$0	\$0	0	0	0.00%
Hurricane Rita Housing Tax Credits:	\$0	\$0	0	0	0.00%
Housing Trust Fund Loan Amount:	\$0	\$0	0	0	0.00%



MULTIFAMILY FINANCE PRODUCTION DIVISION

May 4, 2006

Development Information, Public Input and Board Summary

The Residences at Sunset Pointe, TDHCA Number 060609

PUBLIC COMMENT SUMMARY

Guide: "O" = Oppose, "S" = Support, "N" = Neutral, "NC" or Blank = No comment

State/Federal Officials with Jurisdiction:

TX Senator: Brimer, District 10

NC Points: 0

US Representative: Barton, District 6, NC

TX Representative: Mowery, District 97

O Points: 0

US Senator: NC

Local Officials and Other Public Officials:

Mayor/Judge: Mike Moncrief - NC

Resolution of Support from Local Government

Dale A. Fisseler, Assistant City Manager, City of Fort Worth - Consistent with the City of Fort Worth's Consolidated Plan.

Jungus Jordan, City Council, City of Fort Worth - O

Roy Brooks, County Commissioner, Tarrant County - O

Greg Gibson, Superintendent, Crowley ISD - O

Individuals/Businesses: In Support: 0

In Opposition: 0

Neighborhood Input:

Summer Creek Meadows HOA O

Wedgwood NA O

Meadows of Candle Ridge O

General Summary of Comment:

Public Hearing: Concerns regarding no public transportation, no sidewalks being present, lack of commercial development which affects employment opportunities and the school district is not able to handle the influx of children due to rapid growth of single family homes in the area.

Number that attended: 11

Number that spoke: 5

Number in support: 3

Number in opposition: 8

Number Neutral: 0

CONDITIONS OF COMMITMENT

Per §50.12(c) of the Qualified Allocation Plan and Rules, all Tax Exempt Bond Development Applications "must provide an executed agreement with a qualified service provider for the provision of special supportive services that would otherwise not be available for the tenants. The provision of such services will be included in the Declaration of Land Use Restrictive Covenants ("LURA")."

Acceptance by the Board of the anticipated likely redemption of up to \$915,000 in bonds at the conversion to permanent.

Should the terms and rates of the proposed debt or syndication change, the transaction should be re evaluated and an adjustment to the credit amount may be warranted.



MULTIFAMILY FINANCE PRODUCTION DIVISION

May 4, 2006

Development Information, Public Input and Board Summary

The Residences at Sunset Pointe, TDHCA Number 060609

RECOMMENDATION BY THE EXECUTIVE AWARD AND REVIEW ADVISORY COMMITTEE IS BASED ON:

9% HTC Competitive Cycle: Score: Meeting a Required Set-Aside Credit Amount: \$0

Recommendation:

HOME Activity Funds Loan: Loan Amount: \$0

HOME CHDO Operating Expense Grant Grant Amount: \$0

Recommendation:

Housing Trust Fund Loan: Meeting a Required Set-Aside Loan Amount: \$0

Recommendation:

4% Housing Tax Credits with Bond Issuance: Credit Amount: \$670,194

Recommendation: Recommend approval of a Housing Tax Credit allocation not to exceed \$670,194 annually for ten years, subject to conditions.

Private Activity Bond Issuance with TDHCA: Bond Amount: \$15,000,000

Recommendation: Recommend approval of \$15,000,000 in Tax-Exempt mortgage revenue bonds with a variable interest rate underwritten at 5.95% and repayment term of 30 years with a 30-year amortization period, subject to conditions.

The Residences at Sunset Pointe

Estimated Sources & Uses of Funds

Sources of Funds

Series 2006 Tax-Exempt Bond Proceeds	\$ 15,000,000
Tax Credit Proceeds	6,437,294
Deferred Developer's Fee	1,542,099
Total Sources	<u>\$ 22,979,393</u>

Uses of Funds

Acquisition and Site Work Costs	\$ 11,937,608
Direct Hard Construction Costs	1,325,408
Other Construction Costs (General Require, Overhead, Profit)	2,212,605
Indirect Construction Costs	952,280
Developer Fees and Overhead	2,489,707
Direct Bond Related	271,210
Bond Purchase Costs	1,262,316
Other Transaction Costs	1,871,086
Real Estate Closing Costs	657,173
Total Uses	<u>\$ 22,979,393</u>

Estimated Costs of Issuance of the Bonds

Direct Bond Related

TDHCA Issuance Fee (.50% of Issuance)	\$ 75,000
TDHCA Application Fee	11,000
TDHCA Bond Administration Fee (2 years)	30,000
TDHCA Bond Compliance Fee (\$40 per unit)	8,960
TDHCA Bond Counsel and Direct Expenses (Note 1)	85,000
TDHCA Financial Advisor and Direct Expenses	25,000
Disclosure Counsel (\$5k Pub. Offered, \$2.5k Priv. Placed. See Note 1)	5,000
Trustee Fee	5,000
Trustee's Counsel (Note 1)	3,500
Attorney General Transcript Fee	9,500
Texas Bond Review Board Application Fee	5,000
Texas Bond Review Board Issuance Fee (.025% of Reservation)	3,750
DTC, CUSIP, Misc	4,500
Total Direct Bond Related	<u>\$ 271,210</u>

The Residences at Sunset Pointe

Bond Purchase Costs	
Letter of Credit Provider (Construction Lender)	450,000
LOC Counsel	40,300
Permanent Lender	175,000
Permanent Lender Counsel	20,000
Equity Counsel	25,000
Rating Agency	13,500
Bridge Loan Interest	174,766
Underwriter	135,000
Underwriter Counsel	3,750
Construction Loan Attorney Fee	75,000
Broker Consultant Fee	150,000
Total Bond Purchase Costs	\$ 1,262,316

Other Transaction Costs	
Tax Credit Application and Determination Fees (if paid at closing)	35,397
Soft Cost Contingency	492,372
Construction Interest	943,135
Cost of Cap	375,000
Bridge Origination	25,182
Total Other Transaction Costs	\$ 1,871,086

Real Estate Closing Costs	
Title Insurance	20,000
Property Taxes	112,000
Surveying	20,000
Permits and Impact Fees	338,973
Construction Period Insurance and Inspection Fees	138,200
Mortgage Tax/Recording & Fees	28,000
Total Real Estate Costs	\$ 657,173

Estimated Total Costs of Issuance	\$ 4,061,785
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Costs of issuance of up to two percent (2%) of the principal amount of the Bonds may be paid from Bond proceeds. Costs of issuance in excess of such two percent must be paid by an equity contribution of the Borrower.

Note 1: These estimates do not include direct, out-of-pocket expenses (i.e. travel). Actual Bond Counsel and Disclosure Counsel are based on an hourly rate and the above estimate does not include on-going administrative fees.

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

DATE: April 25, 2006

PROGRAM: 4% HTC/MRB

FILE NUMBER: 060609

DEVELOPMENT NAME

The Residences at Sunset Pointe

APPLICANT

Name: Sunset Pointe Housing Partnership, Ltd **Contact:** Daniel Allgeier
Address: 580 Decker Drive, Suite 208
City Irving **State:** TX **Zip:** 75062
Phone: (972) 745-0756 **Fax:** (678) 218-1496 **Email:** dallgeier@nurock.com

KEY PARTICIPANTS

Name: NDG-Sunset Pointe, LLC **Title:** 0.01% Managing General Partner of Applicant
Name: Nurock Development Group, Inc **Title:** Developer
Name: Robert G Hoskins **Title:** 50% owner of GP & Developer
Name: Sandra K Hoskins **Title:** 50% owner of GP & Developer
Name: SBG Development Services, LP (Robert H Sherman) **Title:** Consultant

PROPERTY LOCATION

Location: 5500 Block Sycamore School Road
City: Fort Worth **Zip:** 76123
County: Tarrant **Region:** 3 QCT DDA

REQUEST

<u>Program</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Amortization</u>	<u>Term</u>
HTC	\$670,194	N/A	N/A	N/A
MRB (Tax-Exempt)	\$15,000,000	5.95%	30 yrs	30 yrs
Proposed Use of Funds:	<u>New construction</u>	Type:	<u>Multifamily</u>	
Target Population:	<u>Family</u>	Other:	<u>Urban/Exurban</u>	

RECOMMENDATION

- RECOMMEND APPROVAL OF ISSUANCE OF \$15,000,000 IN TAX-EXEMPT MORTGAGE REVENUE BONDS WITH A VARIABLE INTEREST RATE UNDERWRITTEN AT 5.95% AND REPAYMENT TERM OF 30 YEARS WITH A 30-YEAR AMORTIZATION PERIOD, SUBJECT TO CONDITIONS.
- RECOMMEND APPROVAL OF A HOUSING TAX CREDIT ALLOCATION NOT TO EXCEED \$670,194 ANNUALLY FOR TEN YEARS, SUBJECT TO CONDITIONS.

CONDITIONS

1. Acceptance by the Board of the anticipated likely redemption of up to \$915,000 in bonds at the conversion to permanent.
2. Should the terms and rates of the proposed debt or syndication change, the transaction should be re-

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

evaluated and an adjustment to the credit allocation amount may be warranted.

REVIEW of PREVIOUS UNDERWRITING REPORTS

No previous reports.

DEVELOPMENT SPECIFICATIONS

IMPROVEMENTS

Total Units: 224 **# Res Bldgs** 14 **# Non-Res Bldgs** 1 **Age:** N/A yrs **Vacant:** N/A at / /
Net Rentable SF: 238,384 **Av Un SF:** 1,064 **Common Area SF:** 4,299 **Gross Bldg SF:** 242,683

ARCHITECTURAL REVIEW

The building and unit plans are comparable to other modern apartment developments. They appear to provide acceptable access and storage. The elevations reflect attractive buildings.

STRUCTURAL MATERIALS

The structures will be constructed on a concrete slab. According to the plans provided in the application the exterior will be 75% masonry veneer and 25% cement fiber. The interior wall surfaces will be drywall and the roofs will be finished with composite shingles.

UNIT FEATURES

The interior flooring will be carpet and resilient covering. Threshold criteria for the 2006 QAP requires all development units to include: mini blinds or window coverings for all windows, a dishwasher, a disposal, a refrigerator, an oven/range, an exhaust/vent fan in bathrooms, and a ceiling fan in each living area and bedroom. New construction units must also include three networks: one for phone service, one for data service, and one for TV service. In addition, each unit will include: laundry connections, a ceiling fixture in each room, an individual heating and air conditioning unit, individual water heater, and eight-foot ceilings.

ONSITE AMENITIES

In order to meet threshold criteria for total units of 200 or more, the Applicant has elected to provide controlled access gates, an enclosed sun porch or covered community porch, an equipped business center or computer learning center, full perimeter fencing, a furnished community room, a furnished fitness center, a service coordinators office in addition to the leasing offices, a swimming pool, two children's playgrounds equipped for 5 to 12 year olds/two tot lots/one of each, and a furnished and staffed children's activity center.

Uncovered Parking: 327 spaces **Carpports:** 0 spaces **Garages:** 112 spaces

PROPOSAL and DEVELOPMENT PLAN DESCRIPTION

Description: Residences at Sunset Pointe is a 13-unit per acre new construction development located in southwest Fort Worth. The development is comprised of 14 garden style residential buildings as follows:

<u>No. of Buildings</u>	<u>No. of Floors</u>	<u>1BR</u>	<u>2BR</u>	<u>3BR</u>	<u>4BR</u>
4	2	8	0	8	0
2	2	0	16	0	0
7	2	0	8	8	0
1	2	0	8	0	8

The development includes a 4,299-square foot community building and 112 garages. A corner of the site, located along the future Tollway 121, remains vacant based on the site plan.

SITE ISSUES

SITE DESCRIPTION

Total Size: 17.6 acres **Scattered sites?** Yes No
Flood Zone: Zone X **Within 100-year floodplain?** Yes No
Current Zoning: C/Multifamily District (18 units/acre) **Needs to be re-zoned?** Yes No N/A

SITE and NEIGHBORHOOD CHARACTERISTICS

Location: The subject site is located in the City of Fort Worth approximately 11 miles southwest of its

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downtown. Specifically the site is on the west side of Old Granbury Road and the north side of Sycamore School Road.

Adjacent Land Uses:

- **North:** vacant land;
- **South:** Sycamore School Road, vacant land and residential development;
- **East:** Granbury Road and residential development; and
- **West:** vacant land.

Site Access: Site entry is along Sycamore Square Road. The proposed sit is less than four miles form IH 20 and less than six miles from IH 35W.

Public Transportation: Fort Worth has an extensive public transportation system. Route # 6 stops at Old Granbury and Alta Mesa (0.75 miles north) or at Sycamore School Road and Hulen Street (1.2 miles east).

Shopping & Services: The site is served by the Crowley Independent School District. An elementary, middle and high school are located within four miles of the proposed property. A supermarket and pharmacy is located within two miles, and several major discount stores are located within three miles of the site. The site is two miles south of two major Fort Worth area hospitals.

TDHCA SITE INSPECTION

Inspector: TDHCA Staff **Date:** 03/23/2006
Overall Assessment: Excellent Acceptable Questionable Poor Unacceptable
Comments: Surrounded by single family; within three miles of amenities

HIGHLIGHTS of SOILS & HAZARDOUS MATERIALS REPORT(S)

A Phase I Environmental Site Assessment report dated October 2005 was prepared by Rone Engineering and contained the following findings and recommendations:

Findings:

- **Noise:** “The subject is located within an area that consists of vacant land and residential areas. No major roads are located adjacent to the subject property or within at least 300 feet of the subject property. Therefore, a noise study is not recommended” (p. 10).
- **Floodplain:** “The Federal Emergency Management Agency (FEMA) Flood Insurance Rate Map, Community Panel Number 48439C0395J, dated August 23,2000, indicated that the Subject Property is located in Zone X, an area outside the 500-year flood zone” (p. 7).
- **Asbestos-Containing Materials (ACM):** “No suspect asbestos-containing materials were identified” (p. 2).
- **Lead-Based Paint (LBP):** “No suspect lead based paint-containing materials were identified” (p. 2).
- **Lead in Drinking Water:** “The City of Fort Worth provides drinking water to the subject property that meets or exceeds all federal (EPA) drinking water requirements including requirements for lead” (p. 2).
- **Radon:** “The subject property is located in an area of low radon gas levels” (p. 2).
- **Recognized Environmental Concerns (RECs):** “The ESA has not revealed evidence of recognized environmental conditions in connection with the subject property” (p. 2).

Recommendations: “Based upon the results of the ESA, Rone does not recommend further environmental investigation of the subject property” (p. 12).

INCOME SET-ASIDE

The Applicant has elected the 40% at 60% or less of area median gross income (AMGI) set-aside. The development is a Priority 3 Private Activity Bond allocation for a Qualified Residential Rental Project, and the Applicant has elected to set-aside 100% of units with rent and income restrictions at 60% of area median family income (§ 1372.0321, Texas Government Code).

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MAXIMUM ELIGIBLE INCOMES						
	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons
60% of AMI	\$26,640	\$30,420	\$34,260	\$38,040	\$41,100	\$44,100

MARKET HIGHLIGHTS

A market feasibility study dated January 12, 2006 with an effective date of October 14, 2005 was prepared by Ipser & Associates, Inc (“Market Analyst”). Upon request, the Market Analyst provided a revised demand analysis based on a Primary Market Boundary with a base year population of 100,000 or less. The following findings were included:

Secondary Market Information: “Tarrant County includes two cities over 300,000 in population (Fort Worth and Arlington), as well as numerous towns with population under 60,000, some of which cross county lines into neighboring counties...Fort Worth is expected to have an annual growth rate during this decade of 2.5%, adding approximately 153,000 residents, compared with a gain of 87,075 in the 1990s. The county overall is projected to gain approximately 339,900 from 2000 to 2010 to reach 1,977,119 residents by 2010 (2.1% annual growth rate)... The demographic data show that the median household income in Fort Worth in 1999 (\$37,074) was lower than the county-wide median (\$46,179). The median family income in Fort Worth (\$42,939) was also lower than and the county figure (\$54,068)... Median rent as reported in Census 2000 was \$612 for Tarrant County renters (\$364 in 1990). The median rent in Fort Worth was \$559, a 65.9% increase from \$337 in 1990...The construction of the proposed project will have little impact on the existing apartments in its market area. Occupancy is high, including the in the newest HTC complexes. The growth direction is to the south of the subject site, where there are new subdivisions currently under construction. The path of the planned southwest tollway will come very close to the west of the subject, eventually providing a highway into downtown Fort Worth” (pp. 2-5 to 2-11, April 21, 2006).

Definition of Primary Market Area (PMA): The original PMA is bound by: SW Loop 820 and Granbury Road on the north; IH-35W on the east; county line on the south; and county line and Hwy 377 on the west (Summary Sheet). This area encompasses approximately 94 square miles and is equivalent to a circle with a radius of 5.5 miles. However, the base year population for the area exceeds 100,000.

Upon request, the Market Analyst provided a revised Primary Market boundary to include 17 Census tracts: 1048.01, 1056, 1048.02, 1047, 1055.02, 1057.01, 1058, 1055.03, 1057.03, 1110.03, 1055.10, 1055.12, 1057.04, 1060.01, 1055.05, 1055.08 and 1055.11. This area encompasses approximately 21 square miles and is equivalent to a circle with a radius of 2.5 miles.

“Please note that we have excluded several census tracts in the immediate vicinity of the subject’s proposed location because the subject is not expected to draw any significant number of prospective tenants from the population and households in these census tracts. These are census tracts where there are few renter-occupied housing units, where owner-occupied housing values are high and where median and family incomes are high” (p. I-2, April 21, 2006).

Population: The estimated 2005 population of the revised PMA was 98,500 and is expected to increase to approximately 108,200 by 2010. Within the revised primary market area there were estimated to be 36,165 households in 2005.

Total Market Demand: The Analyst’s income band of \$24,171 to \$43,600 (p. 3-5) results in an income eligible adjustment rate of 25.6% (p. 3-5, April 21, 2006). The tenure appropriate adjustment rate of 38.7% is specific to the general population (p. 3-5, April 21, 2006). “Turnover rates were reported by 18 complexes, and ranged from zero units per month...to 12 units per month...six complexes had turnover rates between 0.1% and 0.9%, including all projects rated in excellent condition. Another seven locations were in the 1% to 2.5% turnover range and three other projects had rates in the 3% range. The highest turnover percentage rate was 4% (p. 2-19). However, the Market Analyst utilized a turnover rate of 46.9% (p. 3-7, April 21, 2006) in his demand analysis.

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MARKET DEMAND SUMMARY				
Type of Demand	Market Analyst		Underwriter	
	Units of Demand	% of Total Demand	Units of Demand	% of Total Demand
Household Growth	68	4%	94	4%
Resident Turnover	1,683	87%	2,252	96%
Other Sources: 10% unsubstantiated	175	9%	N/A	
TOTAL DEMAND	1,926	100%	2,346	100%

p. 3-5, April 21, 2006

Inclusive Capture Rate: “The proposed project of 224 units represents a 11.6% capture of this number. Adding 216 unstabilized HTC units to the proposed 224 units, represents a concentration capture of 22.8%” (p. 3-5, April 21, 2006). The Underwriter calculated an inclusive capture rate of 19% based upon a revised demand estimate for 2,346 affordable units. Both the Market Analyst and the Underwriter excluded the 280 units from Sycamore Center Villas (02484) because according to the property manager of that property it reached 90% occupancy in March of 2005 and has remained above that level since then. In addition the Market Analyst points out that Sycamore Center Villas is just outside of the redrawn primary market area supplied in January to comply with the Department’s primary market area population limit guidance.

Unit Mix Conclusion: “The subject will be open to all segments of the population, including elderly. Therefore, the proposed unit mix appears appropriate” (p. 3-7).

Market Rent Comparables: “The comparable market data used in this report consists of 5,360 total units at 22 locations, of which 4,094 were conventional units (76.4%), while 1,266 were HTC and AHDP units (23.6%)” (p. 2-17). Five of the most comparable properties were used to determine the adjusted market rents. “Three of the properties are rated excellent and two are rated good. Despite occupancy in the 90+ range, all offer some concessions...It appears the rent concessions have become a marketing strategy more than a truly reduced rent to gain occupancy...For the four-bedroom comparison, Sycamore Pointe is substituted for one of the older projects. Sycamore Pointe offers 4-Bd units at market rates and is the only complex in the area with 4-Bd units” (p. 2-21).

RENT ANALYSIS (net tenant-paid rents)					
Unit Type (% AMI)	Proposed	Program Max	Differential	Est. Market	Differential
1-Bedroom (60%)	\$652	\$652	\$0	\$615	\$37
2-Bedroom (60%)	\$781	\$781	\$0	\$760	\$21
3-Bedroom (60%)	\$899	\$899	\$0	\$920	-\$21
4-Bedroom (60%)	\$1,005	\$1,005	\$0	\$1,010	-\$5

(NOTE: Differentials are amount of difference between proposed rents and program limits and average market rents, e.g., proposed rent =\$500, program max =\$600, differential = -\$100)

Primary Market Occupancy Rates: “The area’s existing multifamily housing varies from fair to excellent, with half of the locations being in good to excellent condition. Conventional locations have a combined leased occupancy rate of 95.3%, compared to 96.7% for HTC/AHDP locations” (p. 2-15).

“New housing tax credit complexes known to have been built within or immediately adjacent to the market area since 2000 include Sycamore Pointe (168 units in 2002), Park at Sycamore School (216 units in 2004), Overton Park Townhomes (270 units in 2003), and Sycamore Center Village (280 units in 2004). These four locations have an overall physical occupancy rate of 95.9%” (p. 2-15, April 21, 2006).

Absorption Projections: “Two HTC complexes provided I&A with absorption information. The 216-unit Sycamore School began preleasing units in August 2004...” with an absorption rate of 15 to 16 units per month through September 2005. Sycamore Pointe HTC also began with preleasing and became 95% occupied in four months indicating an absorption rate of 38 units per month. “Average absorption for the subject is estimated at 15 to 16 units per month, and it is expected that a 13 to 14-month lease-up period will be required to achieve 92.5% occupancy of the 224 units” (p. 2-22).

Unstabilized, Under Construction, and Planned Development: “The newest HTC projects in the area are the 216-unit Park at Sycamore School and the 280-unit Sycamore Center Village. Both properties offer rents based on 60% of the Area Median Income (AMI), and both were rated in good condition. The Park at

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Sycamore School opened in September 2004 and was 90.7% occupied and 95.4% leased in October 2005...Sycamore Center [Village], which officially opened from July 2004 to March 2005, consists of 233 HTC units and 47 low-rent units from the Fort Worth Housing Authority (PHA). Occupancy was 95.4% occupied with 30 names on its waiting list” (p. 2-16, April 21, 2006).

Market Impact: Not specifically discussed by Market Analyst.

Other Information: “In the southwest Fort Worth market area, 117 units at 17 locations have hurricane evacuees, or 2.6% of all 4,516 occupied units” (p. 2-17).

Market Study Analysis/Conclusions: The Underwriter found the market study provided sufficient information on which to base a funding recommendation.

OPERATING PROFORMA ANALYSIS

Income: The Applicant’s original projected rents collected per unit were calculated by subtracting tenant-paid utility allowances as of January 20, 2006, maintained by the Fort Worth Housing Authority, from the 2006 program gross rent limits. Tenants will be required to pay electric costs. The Underwriter’s potential gross rent estimate is limited by the Market Analyst’s adjusted market rent conclusions for the one-bedroom and two-bedroom units. The Applicant adjusted their rent schedule accordingly. As a result, the Applicant’s potential gross rent is comparable to the Underwriter’s estimate.

The Applicant’s secondary income, however, appears to be overstated due to the inclusion of income from garage rentals and cable/internet. The Applicant anticipates \$53.73 per unit per month. The Underwriter was able to justify up to \$20 per unit per month for developments in the Fort Worth area offering covered parking for a fee. The Applicant also anticipates income for providing cable TV, but failed to include an offsetting expense for cable and a sample contract indicating proposed terms. The Applicant’s vacancy and collection loss assumptions are in line with current TDHCA underwriting guidelines. Despite the difference in secondary income estimates, the Applicant’s effective gross income is within 5% of the Underwriter’s estimate.

Expenses: The Applicant’s total annual operating expense projection at \$3,896 per unit is not within 5% of the Underwriter’s estimate of \$4,180, derived from the TDHCA database and third-party data sources. Several of the Applicant’s line item expenses also vary significantly when compared to the Underwriter’s estimates, particularly: property insurance (\$20K lower) and property tax (\$18K lower). It should be noted the Applicant also appears to have understated TDHCA compliance fees.

Conclusion: The Applicant’s gross income is within 5% of the Underwriter’s estimate; however, their annual operating expense and net operating income are not within 5% of the Underwriter’s estimate. Therefore, the Underwriter’s Year 1 proforma will be used to determine the development’s debt service capacity and long term feasibility. The proforma and estimated debt service result in a debt coverage ratio (DCR) below the current underwriting minimum guideline of 1.10. Therefore, the recommended financing structure reflects a potential decrease in the permanent mortgage based on the interest rate and amortization period indicated in the permanent financing documentation submitted at application. This is discussed in more detail in the conclusion to the “Financing Structure Analysis” section (below).

Long-Term Feasibility: The underwriting 30-year proforma utilizes a 3% annual growth factor for income and a 4% annual growth factor for expenses in accordance with current TDHCA guidelines. As noted above, the Underwriter’s base year effective gross income, expense and net operating income were utilized resulting in a debt coverage ratio that remains above 1.10 and continued positive cashflow. Therefore, the development can be characterized as feasible for the long-term.

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ACQUISITION VALUATION INFORMATION			
ASSESSED VALUE			
Land: 88.07 acres	\$1,432,076	Assessment for the Year of:	2005
1 acre:	\$16,260	Valuation by:	Tarrant County Appraisal District
Total: Prorated 17.6 acres	\$286,188	Tax Rate:	3.321277
EVIDENCE of SITE or PROPERTY CONTROL			
Type of Site Control:	Standard Contract for Sale and Purchase (17.6 acres)		
Contract Expiration:	6/30/2006	Valid through Board Date?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Acquisition Cost:	\$1,575,000	Other:	_____
Seller:	WB 358 Partners, LP	Related to Development Team?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

CONSTRUCTION COST ESTIMATE EVALUATION
<p>Acquisition Value: The site cost of \$89,488 per acre or \$7,031 per unit is assumed to be reasonable since the acquisition is an arm's-length transaction.</p> <p>Sitework Cost: The Applicant's claimed sitework costs of \$6,469 per unit are within current Department guidelines. Therefore, further third party substantiation is not required.</p> <p>Direct Construction Cost: The Applicant's direct construction cost estimate is \$1M or 9% lower than the Underwriter's Marshall & Swift <i>Residential Cost Handbook</i>-derived estimate.</p> <p>Fees: The Applicant's contractor general requirements, contractor general and administrative fees, and contractor profit exceed the 6%, 2%, and 6% maximums allowed by HTC guidelines by a total of \$137K based on their own construction costs. Consequently the Applicant's eligible fees in these areas have been reduced by the same amount with the overage effectively moved to ineligible costs. The Applicant's developer fee also exceeds 15% of the Applicant's adjusted eligible basis by \$75K and therefore the eligible portion of the Applicant's developer fee must be reduced by the same amount. It should be noted, the Applicant claimed eligible housing consultant fees of \$50K, which the Underwriter included in total developer fees limited to 15% of all other eligible costs.</p> <p>Conclusion: The Applicant's total development cost is not within 5% of the Underwriter's estimate; therefore, the Underwriter's cost schedule will be used to determine the development's need for permanent funds and to calculate eligible basis. The Underwriter's higher eligible basis of \$19,906,288 supports annual tax credits of \$708,664 as compared to the recalculated estimate based on the Applicant's costs of \$18,666,529 in eligible basis and \$664,528 in credits. The Underwriter's eligible basis derived estimate will be compared to the Applicant's request and the tax credits calculated based on the gap in need for permanent funds to determine the recommended allocation.</p>

FINANCING STRUCTURE			
LETTER OF CREDIT			
Source:	Bank of America	Contact:	Laura W Edwards
Principal:	To be determined	Interest Rate:	12%, lender's estimate
		Amort:	N/A
Documentation:	<input checked="" type="checkbox"/> Signed <input type="checkbox"/> Term Sheet <input type="checkbox"/> LOI <input checked="" type="checkbox"/> Firm Commitment <input type="checkbox"/> Conditional Commitment <input type="checkbox"/> Application		
Comments:	31 month letter of credit and 12 month bridge loan		

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CREDIT ENHANCEMENT INSTRUMENT			
Source:	<u>ARCS Commercial Mortgage (Fannie Mae)</u>	Contact:	<u>Joe Briganti</u>
Principal:	<u>\$14,640,000</u>	Interest Rate:	<u>5.95%, variable, lender's estimate</u>
		Amort:	<u>360 months</u>
Documentation:	<input type="checkbox"/> Signed <input type="checkbox"/> Term Sheet <input type="checkbox"/> LOI <input type="checkbox"/> Firm Commitment <input checked="" type="checkbox"/> Conditional Commitment <input type="checkbox"/> Application		
Comments:	<u>Interest rate cap requirement with an initial strike rate of 5% for the first five years</u>		

TAX CREDIT SYNDICATION			
Source:	<u>Boston Capital</u>	Contact:	<u>Scott M Arrighi</u>
Proceeds:	<u>\$5,361,550</u>	Net Syndication Rate:	<u>80%</u>
		Anticipated HTC:	<u>\$670,194/year</u>
Documentation:	<input checked="" type="checkbox"/> Signed <input type="checkbox"/> Term Sheet <input checked="" type="checkbox"/> LOI <input type="checkbox"/> Firm Commitment <input type="checkbox"/> Conditional Commitment <input type="checkbox"/> Application		
Comments:	<u>\$200 per unit replacement reserve requirement; adjusters are based on 80%</u>		

OTHER	
Amount:	<u>\$1,378,992</u>
Source:	<u>Deferred Developer Fee</u>

FINANCING STRUCTURE ANALYSIS

Interim Financing: Bank of America will provide both a letter of credit and a bridge loan. The credit amount will be based on the lesser of bond principal plus interest at 12% for a period of 34 days or a 1.20 debt coverage ratio or 80% loan to value.

Permanent Bond Financing: ARCS Commercial Mortgage will provide will provide credit enhancement for public offering of the bonds. The proposed rating is AAA through the Fannie Mae Forward Commitment Product. Fannie Mae requires an interest rate cap based on the 15 year BMA with an initial strike rate not to exceed 5% for the first five years, increasing by 50 basis points on the fifth and tenth anniversary of the closing date. In addition to the underlying variable rate on the bonds the stack consists of 35 basis points for credit enhancement, 15 basis points for principal reserve fund fee, 25 basis points for liquidity fee and 35 basis points for loan servicing. In addition, the issuer fee of 10 basis points and remarketing agent fee of 10 basis points, trustee fee of \$3,180 and asset oversight fee of \$5,600 would be included in the overall stack of approximately 136 basis points. The underwritten rate of 5.95% is slightly less than the max possible rate of 6.36% for the first five years.

HTC Syndication: The tax credit syndication commitment is consistent with the terms reflected in the sources and uses of funds listed in the application.

Deferred Developer's Fees: The Applicant's proposed deferred developer's fees of \$1,378,992 amount to 55% of the total proposed developer and housing consultant fees.

Financing Conclusions: As stated above, the proforma analysis results in a debt coverage ratio below the Department's minimum guideline of 1.10. Therefore, it is likely there will be a mandatory redemption of bonds at conversion to permanent financing. The current underwriting analysis assumes a decrease in the permanent loan amount to \$14,085,000 based on the terms reflected in the application materials. As a result the development's gap in financing will increase.

The Underwriter's total development cost estimate less the permanent loan of \$14,085,000 indicates the need for \$7,655,542 in gap funds. Based on the submitted syndication terms, a tax credit allocation of \$1,107,636 annually would be required to fill this gap in financing. Of the three possible tax credit allocations, the Applicant's request (\$670,194), the gap-driven amount (\$1,107,636), and eligible basis-derived estimate (\$708,664), the Applicant's request of \$670,194 is lowest and is recommended.

The Underwriter's recommended financing structure indicates the need for \$2,293,992 in additional permanent funds. Deferred developer fees in this amount do not appear to be repayable from development cashflow within ten years of stabilized operation, but appear to be repayable within 15 years.

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**DEVELOPMENT TEAM
IDENTITIES of INTEREST**

The Applicant, Developer, General Contractor, property manager, and supportive services provider are related entities. These are common relationships for HTC-funded developments.

APPLICANT'S/PRINCIPALS' FINANCIAL HIGHLIGHTS, BACKGROUND, and EXPERIENCE

Financial Highlights:

- The Applicant and General Partner are single-purpose entities created for the purpose of receiving assistance from TDHCA and therefore have no material financial statements.
- NuRock Development Group, owner of the General Partner, submitted an unaudited financial statement as of December 31, 2005 reporting total assets of \$26M comprised of \$4M in cash and equivalents, \$722K in accounts receivable and \$22M in development fees receivable. Liabilities totaled \$19K for net assets of \$26M.
- Robert G Hoskins and Sandra K Hoskins, principals of NuRock Development, submitted an unaudited joint financial statement as of December 31, 2005 and are anticipated to be guarantors of the development.

Background & Experience: Multifamily Production Finance Staff have verified that the Department's experience requirements have been met and Portfolio Management and Compliance staff will ensure that the proposed owners have an acceptable record of previous participation.

SUMMARY OF SALIENT RISKS AND ISSUES

- Items identified in previous reports/ or analysis have not been satisfactorily addressed.
- The Applicant's estimated operating expenses and operating proforma are more than 5% outside of the Underwriter's verifiable range(s).
- The Applicant's direct construction costs differ from the Underwriter's *Marshall and Swift*-based estimate by more than 5%.
- The Applicant's total development costs differ from the Underwriter's verifiable estimate by more than 5%.
- The recommended amount of deferred developer fee cannot be repaid within ten years, and any amount unpaid past ten years would be removed from eligible basis.
- The property's project-based rent subsidy is subject to Federal funding and may not be renewed as anticipated.
- An increase in the variable interest rate on the permanent debt could adversely affect the development's DCR and cash flow.
- The significant financing structure changes being proposed have not been reviewed/accepted by the Applicant, lenders, and syndicators, and acceptable alternative structures may exist.

Underwriter:

Lisa Vecchietti

Date: April 25, 2006

Director of Real Estate Analysis:

Tom Gouris

Date: April 25, 2006

MULTIFAMILY COMPARATIVE ANALYSIS

Residences at Sunset Pointe, Fort Worth, 4% HTC/MRB #060609

Type of Unit	Number	Bedrooms	No. of Baths	Size in SF	Gross Rent Lmt.	Rent Collected	Rent per Month	Rent per SF	Tnt-Pd Util	Wtr, Swr, Trsh
TC 60%	32	1	1	850	\$713	\$615	\$19,680	\$0.72	\$61.00	\$22.00
TC 60%	96	2	2	1,029	856	\$760	72,960	0.74	75.00	24.00
TC 60%	88	3	2	1,150	989	\$899	79,112	0.78	90.00	28.00
TC 60%	8	4	2.5	1,400	1102	1005	8,040	0.72	97.00	28.00
TOTAL:	224		AVERAGE:	1,064	\$897	\$803	\$179,792	\$0.75	\$79.68	\$25.43

INCOME

Total Net Rentable Sq Ft: **238,384**

POTENTIAL GROSS RENT

Secondary Income	Per Unit Per Month:	\$15.00
Other Support Income: 112 Garages	Per Unit Per Month:	\$5.00

POTENTIAL GROSS INCOME

Vacancy & Collection Loss	% of Potential Gross Income:	-7.50%
Employee or Other Non-Rental Units or Concessions		

EFFECTIVE GROSS INCOME

EXPENSES

	% OF EGI	PER UNIT	PER SQ FT	TDHCA	APPLICANT	PER SQ FT	PER UNIT	% OF EGI	
General & Administrative	3.82%	\$349	0.33	\$78,162	\$66,300	\$0.28	\$296	3.11%	
Management	5.00%	457	0.43	102,271	103,403	0.43	462	4.86%	
Payroll & Payroll Tax	9.58%	875	0.82	\$196,000	203,000	0.85	906	9.53%	
Repairs & Maintenance	5.17%	472	0.44	105,711	86,000	0.36	384	4.04%	
Utilities	2.62%	239	0.22	53,544	52,000	0.22	232	2.44%	
Water, Sewer, & Trash	3.34%	305	0.29	68,352	70,400	0.30	314	3.31%	
Property Insurance	3.43%	313	0.29	70,065	50,000	0.21	223	2.35%	
Property Tax	3.321277	8.43%	770	0.72	172,476	154,000	0.65	688	7.23%
Reserve for Replacements	2.19%	200	0.19	44,800	44,800	0.19	200	2.10%	
Supp serv, compl fees, security	2.20%	201	0.19	44,960	42,720	0.18	191	2.01%	
TOTAL EXPENSES	45.78%	\$4,180	\$3.93	\$936,340	\$872,623	\$3.66	\$3,896	40.98%	
NET OPERATING INC	54.22%	\$4,951	\$4.65	\$1,109,079	\$1,256,669	\$5.27	\$5,610	59.02%	

DEBT SERVICE

First Lien Mortgage	52.48%	\$4,792	\$4.50	\$1,073,411	\$1,079,191	\$4.53	\$4,818	50.68%
Additional Financing	0.00%	\$0	\$0.00	0	0	\$0.00	\$0	0.00%
Additional Financing	0.00%	\$0	\$0.00	0	0	\$0.00	\$0	0.00%
NET CASH FLOW	1.74%	\$159	\$0.15	\$35,668	\$177,478	\$0.74	\$792	8.34%
AGGREGATE DEBT COVERAGE RATIO				1.03	1.16			
RECOMMENDED DEBT COVERAGE RATIO				1.10				

CONSTRUCTION COST

Description	Factor	% of TOTAL	PER UNIT	PER SQ FT	TDHCA	APPLICANT	PER SQ FT	PER UNIT	% of TOTAL
Acquisition Cost (site or bldg)		6.86%	\$7,031	\$6.61	\$1,575,000	\$1,575,000	\$6.61	\$7,031	7.24%
Off-Sites		0.00%	0	0.00	0	0	0.00	0	0.00%
Sitework		6.31%	6,469	6.08	1,449,000	1,449,000	6.08	6,469	6.66%
Direct Construction		47.18%	48,329	45.41	10,825,631	9,798,040	41.10	43,741	45.07%
Contingency	4.54%	2.43%	2,488	2.34	557,416	557,416	2.34	2,488	2.56%
General Req'ts	5.98%	3.20%	3,274	3.08	733,440	733,440	3.08	3,274	3.37%
Contractor's G & A	1.99%	1.07%	1,091	1.03	244,480	244,480	1.03	1,091	1.12%
Contractor's Profit	5.98%	3.20%	3,274	3.08	733,440	733,440	3.08	3,274	3.37%
Indirect Construction		4.18%	4,282	4.02	959,273	959,273	4.02	4,282	4.41%
Ineligible Costs		5.06%	5,187	4.87	1,161,845	1,161,845	4.87	5,187	5.34%
Developer's G & A	1.43%	1.08%	1,110	1.04	248,661	200,000	0.84	893	0.92%
Developer's Profit	13.00%	9.86%	10,096	9.49	2,261,497	2,310,158	9.69	10,313	10.63%
Interim Financing		8.25%	8,453	7.94	1,893,450	1,893,450	7.94	8,453	8.71%
Reserves		1.32%	1,352	1.27	302,953	125,000	0.52	558	0.57%
TOTAL COST		100.00%	\$102,438	\$96.26	\$22,946,086	\$21,740,542	\$91.20	\$97,056	100.00%
Construction Cost Recap		63.38%	\$64,926	\$61.01	\$14,543,407	\$13,515,816	\$56.70	\$60,338	62.17%

SOURCES OF FUNDS

				TDHCA	APPLICANT	RECOMMENDED	
First Lien Mortgage	65.37%	\$66,964	\$62.92	\$15,000,000	\$15,000,000	\$14,085,000	Developer Fee Available
Additional Financing	0.00%	\$0	\$0.00	0	0	0	\$2,434,765
HTC Syndication Proceeds	23.37%	\$23,935	\$22.49	5,361,550	5,361,550	5,361,550	% of Dev. Fee Deferred
Deferred Developer Fees	6.01%	\$6,156	\$5.78	1,378,992	1,378,992	2,293,992	94%
Additional (Excess) Funds Req'd	5.25%	\$5,382	\$5.06	1,205,544	0	0	15-Yr Cumulative Cash Flow
TOTAL SOURCES				\$22,946,086	\$21,740,542	\$21,740,542	\$4,186,324

MULTIFAMILY COMPARATIVE ANALYSIS (continued)

Residences at Sunset Pointe, Fort Worth, 4% HTC/MRB #060609

DIRECT CONSTRUCTION COST ESTIMATE

Residential Cost Handbook

Average Quality Multiple Residence Basis

CATEGORY	FACTOR	UNITS/SQ FT	PER SF	AMOUNT
Base Cost			\$48.64	\$11,595,278
Adjustments				
Exterior Wall Finish	6.00%		\$2.92	\$695,717
Elderly/9-Ft. Ceilings	0.00%		0.00	0
Roofing			0.00	0
Subfloor			(1.12)	(266,990)
Floor Cover			2.22	529,212
Porches/Balconies	\$19.79	13,440	1.12	265,910
Plumbing	\$680	592	1.69	402,560
Built-In Appliances	\$1,675	224	1.57	375,200
Exterior Stairs	\$1,650	28	0.19	46,200
Enclosed Corridors			0.00	0
Heating/Cooling			1.73	412,404
Garages/Carports			0.00	0
Comm &/or Aux Bldgs	\$64.12	4,299	1.16	275,641
Other:			0.00	0
SUBTOTAL			60.12	14,331,133
Current Cost Multiplier	1.03		1.80	429,934
Local Multiplier	0.90		(6.01)	(1,433,113)
TOTAL DIRECT CONSTRUCTION COSTS			\$55.91	\$13,327,954
Plans, specs, survy, bld prm	3.90%		(\$2.18)	(\$519,790)
Interim Construction Interest	3.38%		(1.89)	(449,818)
Contractor's OH & Profit	11.50%		(6.43)	(1,532,715)
NET DIRECT CONSTRUCTION COSTS			\$45.41	\$10,825,631

PAYMENT COMPUTATION

Primary	\$15,000,000	Amort	360
Int Rate	5.95%	DCR	1.03

Secondary	\$0	Amort	
Int Rate	0.00%	Subtotal DCR	1.03

Additional	\$5,361,550	Amort	
Int Rate		Aggregate DCR	1.03

RECOMMENDED FINANCING STRUCTURE:

Primary Debt Service	\$1,007,933
Secondary Debt Service	0
Additional Debt Service	0
NET CASH FLOW	\$101,146

Primary	\$14,085,000	Amort	360
Int Rate	5.95%	DCR	1.10

Secondary	\$0	Amort	0
Int Rate	0.00%	Subtotal DCR	1.10

Additional	\$5,361,550	Amort	0
Int Rate	0.00%	Aggregate DCR	1.10

OPERATING INCOME & EXPENSE PROFORMA: RECOMMENDED FINANCING STRUCTURE

INCOME at 3.00%	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 15	YEAR 20	YEAR 30
POTENTIAL GROSS RENT	\$2,157,504	\$2,222,229	\$2,288,896	\$2,357,563	\$2,428,290	\$2,815,053	\$3,263,418	\$3,783,196	\$5,084,300
Secondary Income	40,320	41,530	42,775	44,059	45,381	52,608	60,988	70,701	95,017
Other Support Income: 112 Gar	13,440	13,843	14,258	14,686	15,127	17,536	20,329	23,567	31,672
POTENTIAL GROSS INCOME	2,211,264	2,277,602	2,345,930	2,416,308	2,488,797	2,885,198	3,344,735	3,877,465	5,210,988
Vacancy & Collection Loss	(165,845)	(170,820)	(175,945)	(181,223)	(186,660)	(216,390)	(250,855)	(290,810)	(390,824)
Employee or Other Non-Rental	0	0	0	0	0	0	0	0	0
EFFECTIVE GROSS INCOME	\$2,045,419	\$2,106,782	\$2,169,985	\$2,235,085	\$2,302,137	\$2,668,808	\$3,093,880	\$3,586,655	\$4,820,164
EXPENSES at 4.00%									
General & Administrative	\$78,162	\$81,288	\$84,540	\$87,921	\$91,438	\$111,248	\$135,351	\$164,675	\$243,759
Management	102,271	105,339	108,499	111,754	115,107	133,440	154,694	179,333	241,008
Payroll & Payroll Tax	196,000	203,840	211,994	220,473	229,292	278,969	339,409	412,942	611,256
Repairs & Maintenance	105,711	109,939	114,337	118,910	123,666	150,459	183,057	222,716	329,675
Utilities	53,544	55,686	57,913	60,230	62,639	76,210	92,721	112,809	166,985
Water, Sewer & Trash	68,352	71,086	73,930	76,887	79,962	97,286	118,364	144,007	213,166
Insurance	70,065	72,867	75,782	78,813	81,966	99,724	121,329	147,615	218,507
Property Tax	172,476	179,375	186,550	194,013	201,773	245,488	298,673	363,382	537,894
Reserve for Replacements	44,800	46,592	48,456	50,394	52,410	63,764	77,579	94,387	139,716
Other	44,960	46,758	48,629	50,574	52,597	63,992	77,856	94,724	140,215
TOTAL EXPENSES	\$936,340	\$972,771	\$1,010,629	\$1,049,969	\$1,090,850	\$1,320,581	\$1,599,032	\$1,936,591	\$2,842,179
NET OPERATING INCOME	\$1,109,079	\$1,134,011	\$1,159,357	\$1,185,116	\$1,211,287	\$1,348,227	\$1,494,848	\$1,650,064	\$1,977,985
DEBT SERVICE									
First Lien Financing	\$1,007,933	\$1,007,933	\$1,007,933	\$1,007,933	\$1,007,933	\$1,007,933	\$1,007,933	\$1,007,933	\$1,007,933
Second Lien	0	0	0	0	0	0	0	0	0
Other Financing	0	0	0	0	0	0	0	0	0
NET CASH FLOW	\$101,146	\$126,077	\$151,423	\$177,183	\$203,354	\$340,294	\$486,915	\$642,131	\$970,052
DEBT COVERAGE RATIO	1.10	1.13	1.15	1.18	1.20	1.34	1.48	1.64	1.96

HTC ALLOCATION ANALYSIS - Residences at Sunset Pointe, Fort Worth, 4% HTC/MRB #060609

CATEGORY	APPLICANT'S TOTAL AMOUNTS	TDHCA TOTAL AMOUNTS	APPLICANT'S REHAB/NEW ELIGIBLE BASIS	TDHCA REHAB/NEW ELIGIBLE BASIS
(1) Acquisition Cost				
Purchase of land	\$1,575,000	\$1,575,000		
Purchase of buildings				
(2) Rehabilitation/New Construction Cost				
On-site work	\$1,449,000	\$1,449,000	\$1,449,000	\$1,449,000
Off-site improvements				
(3) Construction Hard Costs				
New structures/rehabilitation hard costs	\$9,798,040	\$10,825,631	\$9,798,040	\$10,825,631
(4) Contractor Fees & General Requirements				
Contractor overhead	\$244,480	\$244,480	\$224,941	\$244,480
Contractor profit	\$733,440	\$733,440	\$674,822	\$733,440
General requirements	\$733,440	\$733,440	\$674,822	\$733,440
(5) Contingencies				
	\$557,416	\$557,416	\$557,416	\$557,416
(6) Eligible Indirect Fees				
	\$959,273	\$959,273	\$959,273	\$959,273
(7) Eligible Financing Fees				
	\$1,893,450	\$1,893,450	\$1,893,450	\$1,893,450
(8) All Ineligible Costs				
	\$1,161,845	\$1,161,845		
(9) Developer Fees				
			\$2,434,765	
Developer overhead	\$200,000	\$248,661		\$248,661
Developer fee	\$2,310,158	\$2,261,497		\$2,261,497
(10) Development Reserves				
	\$125,000	\$302,953		
TOTAL DEVELOPMENT COSTS	\$21,740,542	\$22,946,086	\$18,666,529	\$19,906,288

Deduct from Basis:			
All grant proceeds used to finance costs in eligible basis			
B.M.R. loans used to finance cost in eligible basis			
Non-qualified non-recourse financing			
Non-qualified portion of higher quality units [42(d)(3)]			
Historic Credits (on residential portion only)			
TOTAL ELIGIBLE BASIS		\$18,666,529	\$19,906,288
High Cost Area Adjustment		100%	100%
TOTAL ADJUSTED BASIS		\$18,666,529	\$19,906,288
Applicable Fraction		100%	100%
TOTAL QUALIFIED BASIS		\$18,666,529	\$19,906,288
Applicable Percentage		3.56%	3.56%
TOTAL AMOUNT OF TAX CREDITS		\$664,528	\$708,664

Syndication Proceeds	0.8000	\$5,316,226	\$5,669,309
Total Tax Credits (Eligible Basis Method)		\$664,528	\$708,664
Syndication Proceeds		\$5,316,226	\$5,669,309
Requested Tax Credits		\$670,194	
Syndication Proceeds		\$5,361,550	
Gap of Syndication Proceeds Needed			\$8,861,086
Total Tax Credits (Gap Method)			\$1,107,636

Applicant Evaluation

Project ID # **060609**

Name: **The Residences at Sunset Pointe**

City: **Fort Worth**

LIHTC 9% LIHTC 4% HOME BOND HTF SECO ESGP Other
 No Previous Participation in Texas Members of the development team have been disbarred by HUD

National Previous Participation Certification Received: N/A Yes No

Noncompliance Reported on National Previous Participation Certification: Yes No

Portfolio Management and Compliance

Total # of Projects monitored: 2

Projects in Material Noncompliance

in noncompliance: 0

Projects zero to nine: 2
 grouped ten to nineteen: 0
 by score twenty to twenty-nine: 0

Yes No

monitored with a score less than thirty: 2

Projects not reported Yes
 in application No

not yet monitored or pending review: 2

of projects not reported 0

Portfolio Monitoring

Single Audit

Portfolio Analysis

Not applicable
 Review pending
 No unresolved issues
 Unresolved issues found
 Unresolved issues found that warrant disqualification
 (Comments attached)

Not applicable
 Review pending
 No unresolved issues
 Issues found regarding late cert
 Issues found regarding late audit
 Unresolved issues found that warrant disqualification
 (Comments attached)

Not applicable
 No unresolved issues
 Not current on set-ups
 Not current on draws
 Not current on match

Reviewed by Patricia Murphy

Date 4/20/2006

Multifamily Finance Production

Single Family Finance Production

Real Estate Analysis (Cost Certification and Workout)

Not applicable
 Review pending
 No unresolved issues
 Unresolved issues found
 Unresolved issues found that warrant disqualification
 (Comments attached)

Not applicable
 Review pending
 No unresolved issues
 Unresolved issues found
 Unresolved issues found that warrant disqualification
 (Comments attached)

Not applicable
 Review pending
 No unresolved issues
 Unresolved issues found
 Unresolved issues found that warrant disqualification
 (Comments attached)

Reviewer R Meyer

Reviewer Sandy M. Garcia

Reviewer David Burrell

Date 4/19/2006

Date 4/20/2006

Date 4/20/2006

Community Affairs

Office of Colonia Initiatives

Financial Administration

No relationship
 Review pending
 No unresolved issues
 Unresolved issues found
 Unresolved issues found that warrant disqualification
 (Comments attached)

Not applicable
 Review pending
 No unresolved issues
 Unresolved issues found
 Unresolved issues found that warrant disqualification
 (Comments attached)

No delinquencies found
 Delinquencies found

Reviewer EEF

Reviewer Raul Gonzales

Reviewer Melissa M. Whitehead

Date 4/21/2006

Date 4/24/2006

Date 4/26/2006

Acting Executive Director William Dally

Executed: Tuesday, April 25, 2006

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

Multifamily Finance Production Division

Public Comment Summary

The Residences at Sunset Pointe

Public Hearing	
<i>Total Number Attended</i>	11
<i>Total Number Opposed</i>	8
<i>Total Number Supported</i>	3
<i>Total Number Neutral</i>	0
<i>Total Number that Spoke</i>	5

Public Officials Letters Received	
<i>Opposition</i>	4
<i>State Rep. Anna Mowry</i>	
<i>Commissioner Roy Brooks</i>	
<i>Councilmember Jungus Jordan</i>	
<i>Superintendent Greg Gibson</i>	
<i>Support</i>	0

General Public Letters and Emails Received	
<i>Opposition</i>	3
<i>Summer Creek Meadows HOA</i>	
<i>Wedgwood NA</i>	
<i>Meadows of CandleRidge NA</i>	
<i>Support</i>	0

Summary of Public Comment	
no public transportation	
no sidewalks	
lack of commercial development which affects employment opportunities	
school district inadequate to handle the influx of children due to rapid growth of single family homes in the area	

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

MULTIFAMILY HOUSING REVENUE BONDS
THE RESIDENCES AT SUNSET POINTE APARTMENTS

PUBLIC HEARING

North Crowley High School
9100 South Hulen Street
Fort Worth, Texas

March 23, 2006
6:00 p.m.

BEFORE:

TERESA MORALES, Multifamily Bond Administrator

ON THE RECORD REPORTING
(512) 450-0342

I N D E X

<u>SPEAKER</u>	<u>PAGE</u>
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P R O C E E D I N G S

MS. MORALES: My name is Teresa Morales, and I'm with the Texas Department of Housing and Community Affairs. And just to give you some idea as to how we're going to proceed this evening, first, I'm going to give a brief overview of the specific programs that the Applicant has applied for with our department. And following that -- the developer is here. And he will give a brief, ten minutes, presentation highlighting some specifics on the actual development itself. And then from there, there is a brief speech that I have to read for IRS purposes, and it will be at the conclusion of that speech when I will open the floor up for public comment.

So for those of you who wish to speak, if you have filled out the witness affirmation form and have handed that to me, it will be at that point when I will call you up, and you can make whatever comments you have at that time.

Okay. A couple of things that I wanted to mention first about the public hearings that the Texas Department of Housing has is that although this hearing is required for IRS purposes, the TDHCA takes comment not only on the bond issuance itself but on the specifics of the actual project. TDHCA schedules these hearings at a

time and location that are convenient for the individuals surrounding this area to attend; specifically, we hold these hearings in the evenings, where most individuals can be present.

The two programs that the Applicant has applied for with our Agency. One is the Private Activity Bond program, and the other is the Housing Tax Credit program.

Both of these programs are federal programs that were created to encourage private industry to build safe, quality housing that is affordable to individuals and families with lower-than-average incomes.

The first program, the Private Activity Bond program, has to do with the issuance of tax-exempt bonds.

When we say tax-exempt, it is not to be confused with the property tax exemption; it is a tax exemption to the purchaser of those actual bonds. They are tax-exempt in the sense that the purchaser does not have to pay taxes on that particular investment.

The other program that the Applicant has applied for is the Housing Tax credit program. Basically, what this does is -- it provides equity for the actual development as a means of financing.

In terms of compliance, the state does have its own compliance monitoring system in that the compliance

period with the state is for the greater of 30 years or as long as the bonds are outstanding. Specifically, we have a compliance division within our department that will look for such things as income restrictions; they will look at tenant occupancy to make sure that everyone who is living in that particular development is supposed to be living there. We will also look at the physical appearance of that particular project.

And one of the other things that I wanted to mention is that there are tenant services involved. So with each development, the developer will choose certain services that he will offer to the actual tenants of that project. And what he will do is tailor those services to the needs of the residents that will live there.

I wanted to briefly highlight -- well, I guess I'll -- the developer, Dan Allgeier, is here. And he will come forward --

If you could.

-- at this point to give a brief presentation on the actual development and highlight some specifics and also give some history of his particular company.

MR. ALLGEIER: Thank you, Teresa.

My name is Dan Allgeier, and I'm with NuRock Development. NuRock is proposing the development of the

Residences at Sunset Pointe. Let me tell you a little bit about NuRock, first of all.

NuRock has developed over 5,000 units of apartments throughout the southwest and the southeast parts of the country. In Fort Worth, we have currently the Residences at Diamond Hill -- in Fort Worth -- which is a successful property on the north side of downtown. In addition, we have a property under construction in Corinth, between Denton and Lewisville, that is very similar in nature to what is proposed here in southwest Fort Worth.

I don't have photographs of that property, because it is at a construction stage where the photographs aren't -- they're construction-type photographs. But the rendering here and the handouts which are available to everyone show the general character of the property.

NuRock has won several awards for our construction and our management. We do the development and the construction, and we manage the property. And retain our properties long term. We keep them; we don't build them and sell them. If you want more information about NuRock, you can look at our web page, NuRock.com -- N-U-R-O-C-K.

This particular project, the Residences at Sunset Pointe, is an affordable project that will be leased to residents that make less than 60 percent of the median income for the area. The location is about 600 feet west of the intersection of Sycamore School Road and the new routing of Granbury Road, which I believe is now called Summer --

MALE VOICE: Creek.

MR. ALLGEIER: -- Summer Creek Road. It's 224 units of rental apartments; it's in an area that has a demonstrated need for affordable housing. It's two-story construction and only 13 units per acre, which is a relative low density. The exteriors will be at least 75 percent brick and the balance being hardy plank cement-type siding.

The units are large. All new apartments are built with larger units now days. They have ceiling fans, designer kitchens, sun rooms, patios or balconies, laundry connections in each unit for full-size washers and dryers, nine-foot ceilings, and they're very energy efficient. I'm very proud to say that NuRock builds a very nice product, something we're very proud of. You're welcome to look at the Residences at Diamond Hill at any time, and you can see what type of product that we do build.

The project will be gated and fenced. We will have 112 detached garages in addition to the surface parking.

We'll construct a large community building with a game room offices, maintenance facilities, a library, a business center with a fax and computers and printers, a fitness center and, what we're very proud of, an after-school and summer program center utilizing our Breakout program. We do an excellent job and are very proud of our program in that area. We'll also have a swimming pool and playgrounds.

That's what we're proposing. This area has a demonstrated need for housing. It is -- the property is properly zoned. We have new roads; we have water and sewer available. It's a very viable project in very much of a growth corridor in one of the fastest growing cities in the country.

Obviously, I'm open for questions, but at this point, I'm -- unless anybody has any questions.

(Pause.)

MS. MORALES: As I indicated earlier, there is a brief speech that I need to read for IRS purposes. And at the conclusion of this speech is when I will open the floor up for public comment.

Good evening. My name is Teresa Morales, and I would like to proceed with the public hearing. Let the record show that it is 6:24 p.m. Thursday, March 23, 2006, and we are at the North Crowley High School, located at 9100 South Hulen Road, Fort Worth, Texas.

I am here to conduct the public hearing on behalf of the Texas Department of Housing and Community Affairs with respect to an issuance of tax-exempt multifamily revenue bonds for a residential rental community. This hearing is required by the Internal Revenue Code.

The sole purpose of this hearing is to provide a reasonable opportunity for interested individuals to express their views regarding the development and the proposed bond issue. No decisions regarding the development will be made at this hearing.

The Department's board is scheduled to meet to consider the transaction on May 4, 2006. In addition to providing your comments at this hearing, the public is also invited to provide comment directly to our board at any of their meetings. The Department staff will also accept written comments from the public up to 5:00 p.m. on April 21, 2006.

The bonds will be issued as tax-exempt

multifamily revenue bonds in the aggregate principal amount not to exceed 15,000,000 and taxable bonds, if necessary, in an amount to be determined and issued in one or more series by the Texas Department of Housing and Community Affairs, the Issuer.

The proceeds of the bonds will be loaned to Sunset Pointe Housing Partnership, Ltd., or a related person or affiliate thereof, to finance a portion of the costs of acquiring, constructing and equipping a multifamily rental community described as follows: A 224-unit multifamily residential rental development to be constructed on approximately 17.6 acres of land located approximately between the 5000 and 6000 blocks of Sycamore School Road and approximately 50 yards west of the northwest corner of Granbury Road and Sycamore School Road, Tarrant County, Texas. The proposed multifamily rental housing community will be initially owned and operated by the borrower or a related person or affiliate thereof.

I would like to now open the floor up for public comment. And the first person that we have is Councilman Jungus Jordan.

MR. JORDAN: I would prefer to go last.

MS. MORALES: Okay.

Superintendent Greg Gibson?

MR. GIBSON: Good evening, and welcome to North Crowley High School, one of the many campuses of Crowley ISD. And I'll try to be succinct.

I've provided handouts of a facts sheet, and I want to talk off of that for just a moment -- and then a Crowley ISD forecast sheet and then a Power Point presentation that was recently conducted by our school demographer, Bob Templeton, of the Planware Systems in a nearby elementary school at an elementary boundary hearing. That information, I think, is very appropriate for tonight's discussion.

My purpose of being here tonight is to talk about the school growth in this area and the impact of that obvious growth on our school system, and then I'll touch briefly on the percentage of students from multifamily and how that increases the schools' mobility rate.

Talking off of the facts sheet first, to the -- and I won't go into every detail, because I understand that time is very limited. And --

MS. MORALES: You can -- whatever.

MR. GIBSON: Okay.

I'm qualified to be a superintendent, because I

can say in six hours what anybody else can say in six minutes. So I'll try to keep that under consideration.

But in looking at the middle of the facts sheet, we have 17 campuses, with an additional campus opening nearby off of Wildflower Way and Summer Creek. In the Summer Creek area, we have a new campus opening. We're currently opening about a campus a year, with several major innovation projects.

First and foremost, I want to look at the Board of Trustees' vision statement and make sure that I'm quite clear that my comments tonight are not about children and they're not about students, and any child whose feet cross the threshold of a door of a Crowley ISD facility -- any child -- will receive an education that is unsurpassed by any other district. They, any student in Crowley ISD, receives -- no matter where they come from, they receive the utmost care and always gain from their experience in Crowley ISD.

So tonight I would like to point out the vision statement. And I won't read all those, but it is the vision of Crowley ISD to have students achieve at all levels, and that absolutely means all students.

Moving to the forecast sheet, I wanted to share this. And I apologize for some of the notes in the side.

In fact -- and it's not a setup. I -- they did not write it out.

But I think it indicates -- there's a comment -- and I believe it's handwritten -- over there that we were trying to get an additional apartment complex at another campus on the other side of our school district. We were trying to determine whether a multifamily unit was included in that, and it was. And so we were trying to get that count.

What I would like to draw your attention to are four campuses. And in the interest of time, instead of looking at the whole sheet, we'll just go to the middle of the elementary: Meadowcreek, Carden, Oakmont and Dallas Park. Those are the elementary schools that are in this general vicinity of where we stand right now and the ones that would be most impacted by this development.

If you look at Meadowcreek -- and you see the line that says, "Meadowcreek"? 2005: 894 students. And then below that, our demographer has put the capacity of that building. So you can start tracking Meadowcreek Elementary School, and it's over capacity at this point and continues to gain as the years go on.

Carden Elementary, which would be impacted, as well, is about a hundred students over capacity right now.

And that will increase, as you can see, year after year.

And I would tell you that as you get out to '08, '09 and '10, obviously, the numbers get fuzzier in our forecast. We feel really good for two or three years, and then you get out further than that, and it's based on closings -- predicted closings on lots that I'll share in just a moment.

Oakmont Elementary School and Dallas Park Elementary School -- Oakmont is at 847 this year, and a 714 capacity. And Dallas Park is at -- that's the school that -- you can actually walk out this door and look across the retention pond, and you can see the back of that school building. It's at 1,041 right now, and the capacity in that building is 748.

The reason that those drop the next year is due to our new elementary school. And we will successfully get Dallas Park Elementary next year to only a hundred over capacity with the construction of our new elementary school. And I think that's important to point out.

Going down to the two middle schools at the bottom -- I apologize. It's hard to get a capacity number for middle schools. We look at about 900 to 1,000. And you can see that capacity is blank on those. And it actually depends on -- for instance, this building houses

1,700 students, and we're stretching the capacity of the actual room that we're standing in right now. Cafeteria and library services -- those become the issues.

We look at our middle schools at 900 to 1,000 capacity. And as you can see, at both of our middle schools, particular Crowley Middle School, which is in the feeder pattern that this development would be in, is the bottom one -- Crowley Middle School. And it is currently at 1,235 students.

I checked the other day. And I think that that is the largest middle school in Tarrant County. That's not something that we're going to put on our facts sheet that we're proud of. That's not a good thing. But it is one of the largest if not the largest middle schools in Tarrant County currently, and we do have plans for an additional middle school, but they are several years off.

I also brought a copy of our demographic report just for some general information. It's a copy of the Power Point. I will not go into all those details, but I do think I want to try to present some of the facts.

We are at -- and actually, this is a few months old. We're at 13,688 today as we stand today. If you look at page 2 on that document -- we pull all of that from our demographer with home closings. And then I don't

know if you all are familiar with Planware, but he pulls up all the city platting information. I'm sure you all are familiar with that.

And you can see that in 2004, we -- if you look at the bottom, in 2004, we had about 1,135 closings. Now, in two quarters that we've got that we have measured so far in '05, we had 475. So we're on track to do about 1,100 homes closed in Crowley ISD. And that's in the entire district.

And if you look at page 3, one thing that I would like to point out is in the ranking of the metro study. We're down at Number 12 -- Crowley ISD.

And you can see that the starts and closings, at about 1,200 starts and 1,100-some-odd closings, a year, as you start to move to the right across that document, 11,949 future lots. And then when you put in the total of VDL and future lots, we've got 15,252 lots that are approximately -- are getting very close to being ready to be constructed on.

And so I guess the reason we share that is that in light of our current capacity, the growth that is occurring from that is quite adequately filling up our schools. On page 4, we're projected by 2015 to be at 27,875 students.

And I think in the interest of time, I will just let those be the facts that I will submit to the group. I did mention earlier that I would like to address mobility and one thing specifically. And I'm going to state this quite clearly, and I'm glad that there's a microphone here for the record.

This is not about any individual students. We do know that our mobility rate increases with multifamily units. And our mobility rate right now in Crowley ISD is actually higher than many other suburban districts. And I've tried to trace that back to why that is the case, and I won't borrow Councilman Jordan's time, but I do know that our multifamily ratio is over the Fort Worth master plan.

And I wasn't trying to suck up to the councilman, but I brought my copy of my Fort Worth master plan over there tonight. Our ratio is higher than the Fort Worth master plan, and that is why our mobility rate in Crowley ISD is higher than many other suburban schools' -- I'll just say it that way -- around the Fort Worth area.

And so, again, any student that comes in -- we're going to address their educational needs. We just ask for some balance. We ask for there to be balance in

this process, and we just ask for that to be considered as these developments are considered. Thank you.

I'm used to taking questions, but tonight I don't have to -- unless you want me to.

MS. MORALES: No. Thank you.

Next we have Marilyn Gibbs.

MS. GIBBS: Good evening. My name is Madelyn Gibbs, and I am here this evening representing our District 6 Alliance. And I want to thank the state of Texas and TDHCA for this opportunity to speak before you this evening.

For the record, I would like to enter this in: That our District 6 Alliance is made up of approximately 25 neighborhood associations. Those 25 neighborhood associations were not notified of this proceeding; nor were they notified about this development. And in the past, I have participated in these types of hearings with TDHCA, and our neighborhoods were notified, and we were able to testify at those hearings.

So there was obviously a miscommunication or misunderstanding, maybe on my part, in the communication process, but, nevertheless, we would have had all of our neighborhood associations represented this evening at this particular hearing.

Our neighborhood associations are in opposition to this particular project. Three of -- our main reason is that there is no public transportation in this area. We are struggling now within our district for public transportation for areas that have existed for many, many years. We have no viable sidewalk development at this time, nor do we throughout our district -- and, again, we are working on that throughout our district for properties that have been in existence for many, many years.

There's also no viable economic opportunities for employment in our district. We are a district of rooftops and of housing.

Also, in our neighborhood in the past, our District 6 Alliance has worked very closely with other projects of this type that have secured funding through the state and through our county and through the federal government, and they are: The Park at Sycamore School Road, the Sycamore Point Villas and Apartments, a new complex that is being built now that's on 1187, the Candletree Apartments and Legacy Apartments. And then we also have a number of other apartment complexes, duplexes and rental properties that qualify for what we call the housing voucher program.

Those properties are not 100 percent filled.

And so there are a number of opportunities that exist throughout our district that are within a quarter of a mile or a half mile of this proposed project and within one mile of this proposed project that offer what we like to call quality affordable housing.

We like quality affordable housing; we want that to be something that is offered in our district. It's very important to us. This particular project is not appropriate in this particular location. Thank you.

MS. MORALES: Thank you.

Next we have Bryan Jennings.

MR. JENNINGS: Hi. My name is Bryan Jennings; I'm the President of the Wedgewood Neighborhood Association. I am here to represent the association and register an opposition to this proposal. The opposition is based on a few key things.

There are not any jobs specifically available in the area for a large influx of people. There is no public transportation that's within walking distance or an acceptable distance to the location. We have a lot of property, a lot of areas, that fit this type of need in our neighborhood that are currently vacant.

We have -- this property is probably not going to have any economic impact. You've got folks that are

going to be trying to serve retail outlets for food and for clothing, which we have a lot of, but it's not within a walking distance; again, we don't have any public transportation. Also, our schools are already burdened.

So these are the points of the Wedgewood Neighborhood Association that we came to a consensus on. We had a majority vote, and the vote was in opposition. So thank you for your time.

MS. MORALES: Thank you.

Next we have Marty Bitter.

MR. BITTER: My name is Marty Bitter; I reside at 4813 Barberry Drive, Fort Worth, Texas 76133. I come before you here tonight, and I represent the Meadows of Candleridge Homeowners Association, a homeowners association of 750 single family homeowners.

Our boundaries are within one-half mile east of the proposed site. Our north boundary is Sycamore School Road, our south boundary is Columbus Trail, our east boundary is Hulen, and our west boundary is Grassland.

First and foremost, I want to thank the Texas Department of Housing and Community Affairs for this opportunity to speak at this hearing. Secondly, however, I'd like to point out that neither I nor any board member was made aware of this meeting until just recently, and I

think it's a tragedy that we were not given a fair and far enough notice.

Let me start out by saying that our association supports the concept of affordable housing; I, however, as the board is, am concerned, dismayed and disappointed in the selection of this location in southwest Fort Worth. On March 1, I sent a letter to the executive director of the Texas Department of Housing and Community Affairs. Let me just highlight the gist of this letter.

This says, "Our organization, the Meadows of Candleridge, a neighborhood association, opposes the proposed development for the following reasons. The surrounding area is undeveloped and bounded by single family housing on the east side, with no sustainable commercial development in place. Secondly, there is no public transportation service in this area.

"Thirdly, there are no retail or service-related businesses within walking distance of the proposed project. Fourthly, there are no employment opportunities, due to the lack of commercial development in this southwest corridor.

"There are many apartment complexes with over 500 units readily available at any time within a one-mile radius of this proposed project that offer many levels of

affordable housing, such as the Park, the Candletree, the Valhalla and a number of senior citizens' complexes. And most importantly" -- which has been addressed -- "the school system is inadequate to handle the influx of children due to the rapid build-out of single family housing."

Although the Meadows of Candleridge Neighborhood Association opposes this particular project at this location, once again, I reiterate, we do support affordable, quality housing to all citizens of our great city. We are proud that our entire community offers many different types of housing opportunities at all economic levels. Thank you for your time and consideration.

MS. MORALES: Thank you.

Are there any other individuals who wish to speak at this time?

(No response.)

MS. MORALES: Okay. Last, I'll have Jungus Jordan.

MR. JORDAN: Thank you very much. First let me say I am Jungus Jordan, for the record. I am the council member representing District 6. I represent the 80,000 individuals living in that district, and I could have asked that those 80,000 or a large portion of them show up

for your hearing tonight; I did not, in the interest of brevity.

We did make some contact with several of the neighborhood associations immediately available. You've heard from two in close proximity, and you have letters from the other two in close proximity. And those are the four -- Summer Creek and Summer Creek Meadows. And I believe, in your records, you also have a letter from me on both tax credits and on the bond package and from Representative Anna Mowery, who is in the Texas State Legislature and represents this district.

Let me go on record in that I oppose very much this location. I am not opposed to and have gone on public record and will continue to go on public record as supporting quality affordable houses, both in my district and in this city. And the city council has been very active in promoting quality affordable housing.

The reason that I oppose this location is that they're not supportable logistically. What we will have if we build this location is an island of occupants that we cannot support with transportation, with jobs or with retail facilities. And as Mr. Gibson has pointed out, it'll put a large strain on our school.

Now, the job of a council member and the job of

a school superintendent, of course, is to support those people that come to live in our district. And we will treat them no differently.

But in this case, we have gone on record on Sycamore School Road supporting quality affordable housing, both single family and multifamily, but multifamily here bordered -- and one of the issues that we have along the new proposed Southwest Parkway 121 in this area is that there's a large segment -- too large of a segment of zoning for multifamily.

And one of the issues here is that there was a parcel of land zoned multifamily that appeared appropriate to the developer, and I can understand. I met with the developer on March 6, and I expressed my concerns. You should also have a letter on file from our city staff, which is the certification requirements that you place on housing, saying that we have some questions regarding this operation.

The closest grocery store to this location falls barely on the line of the one-mile radius. It's a Kroger, and it's on the opposite side of the railroad tracks. There are no bus lines. I have been fighting with our local mass transportation to increase the bus service to our existing communities, and they've told me

they cannot do it, because of their budget constraints.

And if you drive down Sycamore -- and I don't know if that's -- part of the process for the Commission or the Board is to drive the area -- you'll see that this is a vacant field adjacent to a railroad track and an electrical transmission power plant -- lines. If you drive to the east on Sycamore School Road, you will pass no fewer than 15 different apartment complexes from Granbury Road to I-35.

The closest retail convenience store is a Mobil location at the corner of Dirks Road, Altamesa and Granbury road. It's a small service station.

We are attempting to quantify the jobs -- not just the jobs in the one-mile proximity or the three-mile proximity, as required by your rules, but in the entire district. The largest employer in my district is the school district and the Wal-Mart. And the Wal-Mart is at the three-mile line for this residence.

One of the biggest concerns I have for the citizens of District 6 is the commercial facilities in our facility -- retail outlets. It is very difficult to find anything but a fast-food restaurant in this entire district, let alone in proximity to this proposed development.

So I noted that there will be a board hearing on May 4. And I will plan to attend that. If numbers help, I'll be happy to have that represented either in the mail or by personal representation. But to me, lining up people emotionally to object to this is counter-productive to the program that I support, and that is quality affordable housing.

We're not here to create fear of quality affordable housing; we're here to tell you that's not where we want it. And I feel that way very strongly. So thank you.

MS. MORALES: Thank you.

Okay. Let the record show that there are 11 attendees. The meeting is now adjourned, and the time is 6:52.

One of the items that Council member Jordan had mentioned was the site and exactly where it is located and the characteristics of that site. And I did want to mention that while we are here to conduct the public hearing, we actually do go out and drive around the actual neighborhood and take note of characteristics around certain services, and stuff like that.

MR. JORDAN: I'll avail of myself to go with you.

MS. MORALES: All right.

Okay. One of the things that I wanted to draw your attention to if I could is the handout that's on the table in the front, some key things that I wanted to mention.

On the first slide, the Residences at Sunset Pointe Apartments Development received a reservation of allocation on February 24, 2006. Once a reservation is issued, the developer has 150 days to close on that actual transaction. The Residences at Sunset Pointe Reservation, with that being said, will expire on July 24, 2006. So the Applicant has until that date to actually close.

Again, I did state that the board meeting at which this particular application will be presented will be May 4. And, also, to let you know, if you plan on attending, that board meeting will not be held in Austin, but it will be held in McAllen. And more specifics as far as the actual location and stuff like that can be found on our web site.

Also in your handout is my contact information.

For those of you who wish to, if you haven't already submitted any kind of written comments, you're more than welcome to submit those to me. You can send them through e-mail or through regular mail. My contact information is

on there.

And again, I would just like to stress that for those of you who haven't, if you could, please sign in at the front table. And please be sure to indicate whether you support or oppose this particular project.

With that being said, please rest assured that all of your comments are being recorded and this transcript in its entirety will be presented to our board. So all of your comments will be noted.

Okay. I would like to thank all of you for coming out this evening. Again, your comments have been recorded. Thank you for your time.

(Whereupon, at 7:00 p.m., this hearing was concluded.)

C E R T I F I C A T E

IN RE: The Residences at Sunset Pointe Apartments

LOCATION: Fort Worth, Texas

DATE: March 23, 2006

I do hereby certify that the foregoing pages, numbers 1 through 30, inclusive, are the true, accurate, and complete transcript prepared from the verbal recording made by electronic recording by Barbara Wall before the Texas Department of Housing and Community Affairs.

03/29/2006

(Transcriber) (Date)

On the Record Reporting, Inc.
3307 Northland, Suite 315
Austin, Texas 78731



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**REQUEST FOR BOARD ACTION
Multifamily Finance Production**

Private Activity Bond Program – Waiting List

1 Priority 1C Application for 2006 Waiting List

3 Priority 2 Applications for 2006 Waiting List

3 Priority 3 Applications for 2006 Waiting List

TABLE OF EXHIBITS

TAB 1 TDHCA Board Presentation – May 4, 2006

TAB 2 Summary of Applications

TAB 3 Inducement Resolutions

TAB 4 Prequalification Analysis Worksheets

MULTIFAMILY FINANCE PRODUCTION DIVISION

BOARD ACTION REQUEST

May 4, 2006

Action Item

Presentation, Discussion and Possible Approval of an Inducement Resolution for Multifamily Housing Revenue Bonds and Authorization for Filing Applications for Private Activity Bond Authority – 2006 Waiting List.

Requested Action

Approve the Inducement Resolution to proceed with application submission to the Texas Bond Review Board for possible receipt of State Volume Cap issuance authority from the 2006 Private Activity Bond Program for seven (7) applications.

Background

Each year, the State of Texas is notified of the cap on the amount of private activity tax-exempt revenue bonds that may be issued within the state. Approximately \$402.3 million is set aside for multifamily until August 15th for the 2006 bond program year. TDHCA has a set aside of approximately \$80.5 million and approximately \$39.4 million of 2005 Non-traditional CarryForward for a total of \$120 million available for new 2006 applications. If the Board approves these seven applications the remaining unreserved allocation will be \$29.3 million.

Inducement Resolution 06-017 includes seven (7) applications that were received on or before April 6, 2006. These applications will reserve approximately \$106.3 million in 2006 state volume cap. Upon Board approval to proceed, the applications will be submitted to the Texas Bond Review Board for placement on the 2006 Waiting List. The Board currently has approved twelve (12) applications for the 2006 program year. Only three have been submitted to the Bond Review Board due to unresolved issues with the remaining applications.

At the Board's request, staff has included a location map for each development listed below. The map shows a one mile circle and a three mile circle indicating the other Housing Tax Credit developments in the area.

Riverside Villas Apartments – The proposed development will be located at approximately the 8800 Block of N. Riverside Drive, Fort Worth, Tarrant County. Demographics for the census tract (1139.14) include AMFI of \$95,294; the total population is 12,828; the percent of the population that is minority is 17.25%; the number of owner occupied units is 3,712; number of renter occupied units is 357; and the number of vacant units is 236. (Census Information from FFIEC Geocoding for 2005)

The Department has received a letter of opposition from Superintendent James Veitenheimer and sixteen (16) letters of opposition from members of the community. The reasons cited for the opposition include the following: rapid growth in the Keller ISD, increased traffic congestion within the District, no public transportation, and no local employment opportunities.

Hillcrest Apartments – The proposed acquisition/rehabilitation will be located at 2019 Hillcrest Street, Mesquite, Dallas County. Demographics for the census tract (177.02) AMFI of \$70,668; the total population is 7,466; the percent of the population that is minority is 40.24%; the number of owner occupied units is 1,691; number of renter occupied units is 895; and the number of vacant units is 68. (Census Information from FFIEC Geocoding for 2005)

Center Ridge Apartments - The proposed acquisition/rehabilitation will be located at 700 West Center Street, Duncanville, Dallas County. Demographics for the census tract (165.18) AMFI of \$56,179; the total population is 4,746; the percent of the population that is minority is 38.16%; the number of owner occupied units is 1,105; number of renter occupied units is 622; and the number of vacant units is 46. (Census Information from FFIEC Geocoding for 2005)

Idlewilde Apartments – The proposed development will be located at approximately the 11600 block of Bobcat Road and the 9900 block of FM 1960 West, Houston, Harris County. Demographics for the census tract (5515.00) include AMFI of \$57,107; the total population is 3,230; the percent of the population that is minority is 67.37%; the number of owner occupied units is 717; number of renter occupied units is 196; and the number of vacant units is 34. (Census Information from FFIEC Geocoding for 2005)

Alta Crossing Apartments – The proposed development will be located at approximately just southeast of Beltway 8 and Hwy 90 off of the Beltway 8 access road, Houston, Harris County. Demographics for the census tract (2522.00) include AMFI of \$48,262; the total population is 2,930; the percent of the population that is minority is 33.38%; the number of owner occupied units is 655; number of renter occupied units is 242; and the number of vacant units is 88. (Census Information from FFIEC Geocoding for 2005)

Stonehaven Apartment Homes – The proposed development will be located at approximately 15301 Northwest Freeway, Houston, Harris County. Demographics for the census tract (5217.00) include AMFI of \$31,190; the total population is 5,863; the percent of the population that is minority is 73.31%; the number of owner occupied units is 233; the number renter occupied units is 2,424 and the number of vacant units is 225. (Census Information from FFIEC Geocoding for 2005)

Rolling Creek Apartments – The proposed development will be located at approximately 8038 Gatehouse Drive, Houston, Harris County. Demographics for the census tract (5325.00) include AMFI of \$60,469; the total population is 12,145; the percent of the population that is minority is 66.79%; the number of owner occupied units is 2,928; number of renter occupied units is 606; and the number of vacant units is 74. (Census Information from FFIEC Geocoding for 2005)

The Department has received letters of opposition from Representative Gary Elkins and Senator John Whitmire. The Rolling Creek application has previously been withdrawn twice, however it has never been presented to the Board as a full application. This development was initially submitted under the 2004 program. The applicant withdrew that application due to an error in posting the signage by the required date. The second application was received on August 18, 2005 and was terminated on December 12, 2005 because threshold requirements were not met in that the City of Houston rescinded the consistency with the consolidated plan letter. The City of Houston later reinstated the letter, however the application had already been terminated and the bond reservation had expired. There has been substantial opposition from the community regarding this application.

Recommendation

Approve the Inducement Resolution as presented by staff. Staff will present all appropriate information to the Board for a final determination for the issuance of the bonds and housing tax credits during the full application process for the bond issuance.

Texas Department of Housing and Community Affairs

2006 Multifamily Private Activity Bond Program - Waiting List

Application #	Development Information	Units	Bond Amount	Developer Information	Comments
060614	Riverside Villas 8800 Block of N. Riverside Drive City: Fort Worth County: Tarrant <i>New Construction</i>	248 General	\$ 15,000,000 Score - 58	Riverside Villas Apartments, L.P. G. Granger MacDonald 2951 Fall Creek Road Kerrville, Texas 78028 830-257-5323	Recommend
060615	Hillcrest Apartments 2019 Hillcrest Street City: Mesquite County: Dallas <i>Acquisition/Rehabilitation</i>	224 General	\$ 12,700,000 Score - 64	Summit Hillcrest Apartments, Ltd. Hunter McKenzie 105 Tallapoosa Street, Suite 300 Montgomery, Alabama 36104 334-954-4458	Recommend
060616	Center Ridge Apartments 700 West Center Street City: Duncanville County: Dallas <i>Acquisition/Rehabilitation</i>	352 General	\$ 8,500,000 Score - 75	Summit Center Ridge Apartments, Ltd. Hunter McKenzie 105 Tallapoosa Street, Suite 300 Montgomery, Alabama 36104 334-954-4458	Recommend
060617	Idlewilde Apartments Approximately 11600 block of Bobcat Road & 9900 block of FM 1960 West City: Houston (Unincorporated) County: Harris <i>New Construction</i>	250 General	\$ 15,000,000 Score - 63	Idlewilde Apartments, L.P. William D. Henson 1800 Bering Drive, Suite 501 Houston, Texas 77057 713-334-5808	Recommend
060618	Alta Crossing Apartments Southeast of Beltway 8 and Hwy 90 off of the Beltway access Road City: Houston (Unincorporated) County: Harris <i>New Construction</i>	240 General	\$14,500,000 Score - 61	Alta Crossing, L.P. Ray Smith 1001 Morehead Square Drive, Suite 250 Charlotte, NC 28203 704-332-8995	Recommend
060613	Stonehaven Apartment Homes 15301 Northwest Freeway City: Houston (Unincorporated) County: Harris <i>New Construction</i>	192 General	\$12,000,000 Score - 66	15301 Stonehaven Apartments, L.P. Kenneth G. Cash 11211 Katy Freeway, Suite 500-9 Houston, Texas 77079 713-722-9888	Recommend
060619	Rolling Creek Apartments 8038 Gatehouse Dr. City: Houston County: Harris <i>New Construction</i>	248 General	\$ 15,000,000 Score - 62	Rolling Creek Apartments, L.P. Mark Bower 802 N. Carancahua, Suite 1650 Corpus Christi, Texas 78470 361-980-1220	Recommend
Totals for Recommended Applications		#REF!	\$ 92,700,000		

RESOLUTION NO. 06-017

RESOLUTION DECLARING INTENT TO ISSUE MULTIFAMILY REVENUE BONDS WITH RESPECT TO RESIDENTIAL RENTAL DEVELOPMENTS; AUTHORIZING THE FILING OF APPLICATIONS FOR ALLOCATIONS OF PRIVATE ACTIVITY BONDS WITH THE TEXAS BOND REVIEW BOARD; AND AUTHORIZING OTHER ACTION RELATED THERETO

WHEREAS, the Texas Department of Housing and Community Affairs (the “Department”) has been duly created and organized pursuant to and in accordance with the provisions of Chapter 2306, Texas Government Code, as amended, (the “Act”) for the purpose, among others, of providing a means of financing the costs of residential ownership, development and rehabilitation that will provide decent, safe, and affordable living environments for persons and families of low, very low and extremely low income and families of moderate income (all as defined in the Act); and

WHEREAS, the Act authorizes the Department: (a) to make mortgage loans to housing sponsors to provide financing for multifamily residential rental housing in the State of Texas (the “State”) intended to be occupied by persons and families of low, very low and extremely low income and families of moderate income, as determined by the Department; (b) to issue its revenue bonds, for the purpose, among others, of obtaining funds to make such loans and provide financing, to establish necessary reserve funds and to pay administrative and other costs incurred in connection with the issuance of such bonds; and (c) to pledge all or any part of the revenues, receipts or resources of the Department, including the revenues and receipts to be received by the Department from such multifamily residential rental development loans, and to mortgage, pledge or grant security interests in such loans or other property of the Department in order to secure the payment of the principal or redemption price of and interest on such bonds; and

WHEREAS, it is proposed that the Department issue its revenue bonds for the purpose of providing financing for multifamily residential rental developments (each a “Development” and collectively, the “Developments”) as more fully described in Exhibit A attached hereto. The ownership of each Development as more fully described in Exhibit A will consist of the ownership entity and its principals or a related person (each an “Owner” and collectively, the “Owners”) within the meaning of the Internal Revenue Code of 1986, as amended (the “Code”); and

WHEREAS, each Owner has made not more than 60 days prior to the date hereof, payments with respect to its respective Development and expects to make additional payments in the future and desires that it be reimbursed for such payments and other costs associated with each respective Development from the proceeds of tax-exempt and taxable obligations to be issued by the Department subsequent to the date hereof; and

WHEREAS, each Owner has indicated its willingness to enter into contractual arrangements with the Department providing assurance satisfactory to the Department that 100 percent of the units of its Development will be occupied at all times by eligible tenants, as determined by the Governing Board of the Department (the “Board”) pursuant to the Act (“Eligible Tenants”), that the other requirements of the Act and the Department will be satisfied and that its Development will satisfy State law, Section 142(d) and other applicable Sections of the Code and Treasury Regulations; and

WHEREAS, the Department desires to reimburse each Owner for the costs associated with its Development listed on Exhibit A attached hereto, but solely from and to the extent, if any, of the proceeds of tax-exempt and taxable obligations to be issued in one or more series to be issued subsequent to the date hereof; and

WHEREAS, at the request of each Owner, the Department reasonably expects to incur debt in the form of tax-exempt and taxable obligations for purposes of paying the costs of each respective Development described on Exhibit A attached hereto; and

WHEREAS, in connection with the proposed issuance of the Bonds (defined below), the Department, as issuer of the Bonds, is required to submit for each Development an Application for Allocation of Private Activity Bonds (the "Application") with the Texas Bond Review Board (the "Bond Review Board") with respect to the tax-exempt Bonds to qualify for the Bond Review Board's Allocation Program in connection with the Bond Review Board's authority to administer the allocation of the authority of the state to issue private activity bonds; and

WHEREAS, the Board intends that the issuance of Bonds for any particular Development is not dependent or related to the issuance of Bonds (as defined below) for any other Development and that a separate Application shall be filed with respect to each Development; and

WHEREAS, the Board has determined to declare its intent to issue its multifamily revenue bonds for the purpose of providing funds to each Owner to finance its Development on the terms and conditions hereinafter set forth; NOW, THEREFORE,

BE IT RESOLVED BY THE BOARD THAT:

Section 1--Certain Findings. The Board finds that:

- (a) each Development is necessary to provide decent, safe and sanitary housing at rentals that individuals or families of low and very low income and families of moderate income can afford;
- (b) each Owner will supply, in its Development, well-planned and well-designed housing for individuals or families of low and very low income and families of moderate income;
- (c) the financing of each Development is a public purpose and will provide a public benefit;
- (d) each Owner is financially responsible; and
- (e) each Development will be undertaken within the authority granted by the Act to the Department and each Owner.

Section 2--Authorization of Issue. The Department declares its intent to issue its Multifamily Housing Revenue Bonds (the "Bonds") in amounts estimated to be sufficient to (a) fund a loan or loans to each Owner to provide financing for its Development in an aggregate principal amount not to exceed those amounts, corresponding to each respective Development, set forth in Exhibit A; (b) fund a reserve fund with respect to the Bonds if needed; and (c) pay certain costs incurred in connection with the issuance of the Bonds. Such Bonds will be issued as qualified residential rental development bonds. Final approval of the Department to issue the Bonds shall be subject to: (i) the review by the Department's credit underwriters for financial feasibility; (ii) review by the Department's staff and legal counsel of compliance with federal income tax regulations and state law requirements regarding tenancy in each Development; (iii) approval by the Bond Review Board, if required; (iv) approval by the Attorney General of the State of Texas (the "Attorney General"); (v) satisfaction of the Board that each Development meets the Department's public policy criteria; and (vi) the ability of the Department to issue such Bonds in compliance with all federal and state laws applicable to the issuance of such Bonds.

Section 3--Terms of Bonds. The proposed Bonds shall be issuable only as fully registered bonds in authorized denominations to be determined by the Department; shall bear interest at a rate or rates to be determined by the Department; shall mature at a time to be determined by the Department but in no event later than 40 years after the date of issuance; and shall be subject to prior redemption upon such terms and conditions as may be determined by the Department.

Section 4--Reimbursement. The Department reasonably expects to reimburse each Owner for all costs that have been or will be paid subsequent to the date that is 60 days prior to the date hereof in connection with the acquisition of real property and construction of its Development and listed on Exhibit A attached hereto ("Costs of each respective Development") from the proceeds of the Bonds, in an amount which is reasonably estimated to be sufficient: (a) to fund a loan to provide financing for the acquisition and construction or rehabilitation of its Development, including reimbursing each Owner for all costs that have been or will be paid subsequent to the date that is 60 days prior to the date hereof in connection with the acquisition and construction or rehabilitation of its Development; (b) to fund any reserves that may be required for the benefit of the holders of the Bonds; and (c) to pay certain costs incurred in connection with the issuance of the Bonds.

Section 5--Principal Amount. Based on representations of each Owner, the Department reasonably expects that the maximum principal amount of debt issued to reimburse each Owner for the costs of its respective Development will not exceed the amount set forth in Exhibit A which corresponds to its Development.

Section 6--Limited Obligations. The Owner may commence with the acquisition and construction or rehabilitation of its Development, which Development will be in furtherance of the public purposes of the Department as aforesaid. On or prior to the issuance of the Bonds, each Owner will enter into a loan agreement on an installment payment basis with the Department under which the Department will make a loan to the Owner for the purpose of reimbursing each Owner for the costs of its Development and each Owner will make installment payments sufficient to pay the principal of and any premium and interest on the applicable Bonds. The proposed Bonds shall be special, limited obligations of the Department payable solely by the Department from or in connection with its loan or loans to each Owner to provide financing for the Owner's Development, and from such other revenues, receipts and resources of the Department as may be expressly pledged by the Department to secure the payment of the Bonds.

Section 7--The Development. Substantially all of the proceeds of the Bonds shall be used to finance the Developments, each of which is to be occupied entirely by Eligible Tenants, as determined by the Department, and each of which is to be occupied partially by persons and families of low income such that the requirements of Section 142(d) of the Code are met for the period required by the Code.

Section 8--Payment of Bonds. The payment of the principal of and any premium and interest on the Bonds shall be made solely from moneys realized from the loan of the proceeds of the Bonds to reimburse each Owner for costs of its Development.

Section 9--Costs of Development. The Costs of each respective Development may include any cost of acquiring, constructing, reconstructing, improving, installing and expanding the Development. Without limiting the generality of the foregoing, the Costs of each respective Development shall specifically include the cost of the acquisition of all land, rights-of-way, property rights, easements and interests, the cost of all machinery and equipment, financing charges, inventory, raw materials and other supplies, research and development costs, interest prior to and during construction and for one year after completion of construction whether or not capitalized, necessary reserve funds, the cost of estimates and of engineering and legal services, plans, specifications, surveys, estimates of cost and of revenue, other

expenses necessary or incident to determining the feasibility and practicability of acquiring, constructing, reconstructing, improving and expanding the Development, administrative expenses and such other expenses as may be necessary or incident to the acquisition, construction, reconstruction, improvement and expansion of the Development, the placing of the Development in operation and that satisfy the Code and the Act. Each Owner shall be responsible for and pay any costs of its Development incurred by it prior to issuance of the Bonds and will pay all costs of its Development which are not or cannot be paid or reimbursed from the proceeds of the Bonds.

Section 10--No Commitment to Issue Bonds. Neither the Owners nor any other party is entitled to rely on this Resolution as a commitment to issue the Bonds and to loan funds, and the Department reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Department shall not be subject to any liability or damages of any nature. Neither the Owners nor any one claiming by, through or under each Owner shall have any claim against the Department whatsoever as a result of any decision by the Department not to issue the Bonds.

Section 11--No Indebtedness of Certain Entities. The Board hereby finds, determines, recites and declares that the Bonds shall not constitute an indebtedness, liability, general, special or moral obligation or pledge or loan of the faith or credit or taxing power of the State, the Department or any other political subdivision or municipal or political corporation or governmental unit, nor shall the Bonds ever be deemed to be an obligation or agreement of any officer, director, agent or employee of the Department in his or her individual capacity, and none of such persons shall be subject to any personal liability by reason of the issuance of the Bonds.

Section 12--Conditions Precedent. The issuance of the Bonds following final approval by the Board shall be further subject to, among other things: (a) the execution by each Owner and the Department of contractual arrangements providing assurance satisfactory to the Department that 100 percent of the units for each Development will be occupied at all times by Eligible Tenants, that all other requirements of the Act will be satisfied and that each Development will satisfy the requirements of Section 142(d) of the Code (except for portions to be financed with taxable bonds); (b) the receipt of an opinion from Vinson & Elkins L.L.P. or other nationally recognized bond counsel acceptable to the Department, substantially to the effect that the interest on the tax-exempt Bonds is excludable from gross income for federal income tax purposes under existing law; and (c) receipt of the approval of the Bond Review Board, if required, and the Attorney General.

Section 13--Certain Findings. The Board hereby finds, determines, recites and declares that the issuance of the Bonds to provide financing for each Development will promote the public purposes set forth in the Act, including, without limitation, assisting persons and families of low and very low income and families of moderate income to obtain decent, safe and sanitary housing at rentals they can afford.

Section 14--Authorization to Proceed. The Board hereby authorizes staff, Bond Counsel and other consultants to proceed with preparation of each Development's necessary review and legal documentation for the filing of an Application for the 2006 program year and the issuance of the Bonds, subject to satisfaction of the conditions specified in Section 2(i) and (ii) hereof. The Board further authorizes staff, Bond Counsel and other consultants to re-submit an Application that was withdrawn by an Owner so long as the Application is re-submitted within the current or following program year.

Section 15--Related Persons. The Department acknowledges that financing of all or any part of each Development may be undertaken by any company or partnership that is a "related person" to the respective Owner within the meaning of the Code and applicable regulations promulgated pursuant thereto, including any entity controlled by or affiliated with the respective Owner.

Section 16--Declaration of Official Intent. This Resolution constitutes the Department's official intent for expenditures on Costs of each respective Development which will be reimbursed out of the issuance of the Bonds within the meaning of Sections 1.142-4(b) and 1.150-2, Title 26, Code of Federal Regulations, as amended, and applicable rulings of the Internal Revenue Service thereunder, to the end that the Bonds issued to reimburse Costs of each respective Development may qualify for the exemption provisions of Section 142 of the Code, and that the interest on the Bonds (except for any taxable Bonds) will therefore be excludable from the gross incomes of the holders thereof under the provisions of Section 103(a)(1) of the Code.

Section 17--Authorization of Certain Actions. The Department hereby authorizes the filing of and directs the filing of each Application in such form presented to the Board with the Bond Review Board and each director of the Board are hereby severally authorized and directed to execute each Application on behalf of the Department and to cause the same to be filed with the Bond Review Board.

Section 18--Effective Date. This Resolution shall be in full force and effect from and upon its adoption.

Section 19--Books and Records. The Board hereby directs this Resolution to be made a part of the Department's books and records that are available for inspection by the general public.

Section 20--Notice of Meeting. Written notice of the date, hour and place of the meeting of the Board at which this Resolution was considered and of the subject of this Resolution was furnished to the Secretary of State of the State of Texas (the "Secretary of State") and posted on the Internet for at least seven (7) days preceding the convening of such meeting; that during regular office hours a computer terminal located in a place convenient to the public in the office of the Secretary of State was provided such that the general public could view such posting; that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter hereof was discussed, considered and formally acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended; and that written notice of the date, hour and place of the meeting of the Board and of the subject of this Resolution was published in the Texas Register at least seven (7) days preceding the convening of such meeting, as required by the Administrative Procedure and Texas Register Act, Chapters 2001 and 2002, Texas Government Code, as amended. Additionally, all of the materials in the possession of the Department relevant to the subject of this Resolution were sent to interested persons and organizations, posted on the Department's website, made available in hard-copy at the Department, and filed with the Secretary of State for publication by reference in the Texas Register not later than seven (7) days before the meeting of the Board as required by Section 2306.032, Texas Government Code, as amended.

PASSED AND APPROVED this 4th day of May, 2006.

[SEAL]

By: /s/ Elizabeth Anderson
Elizabeth Anderson, Chair

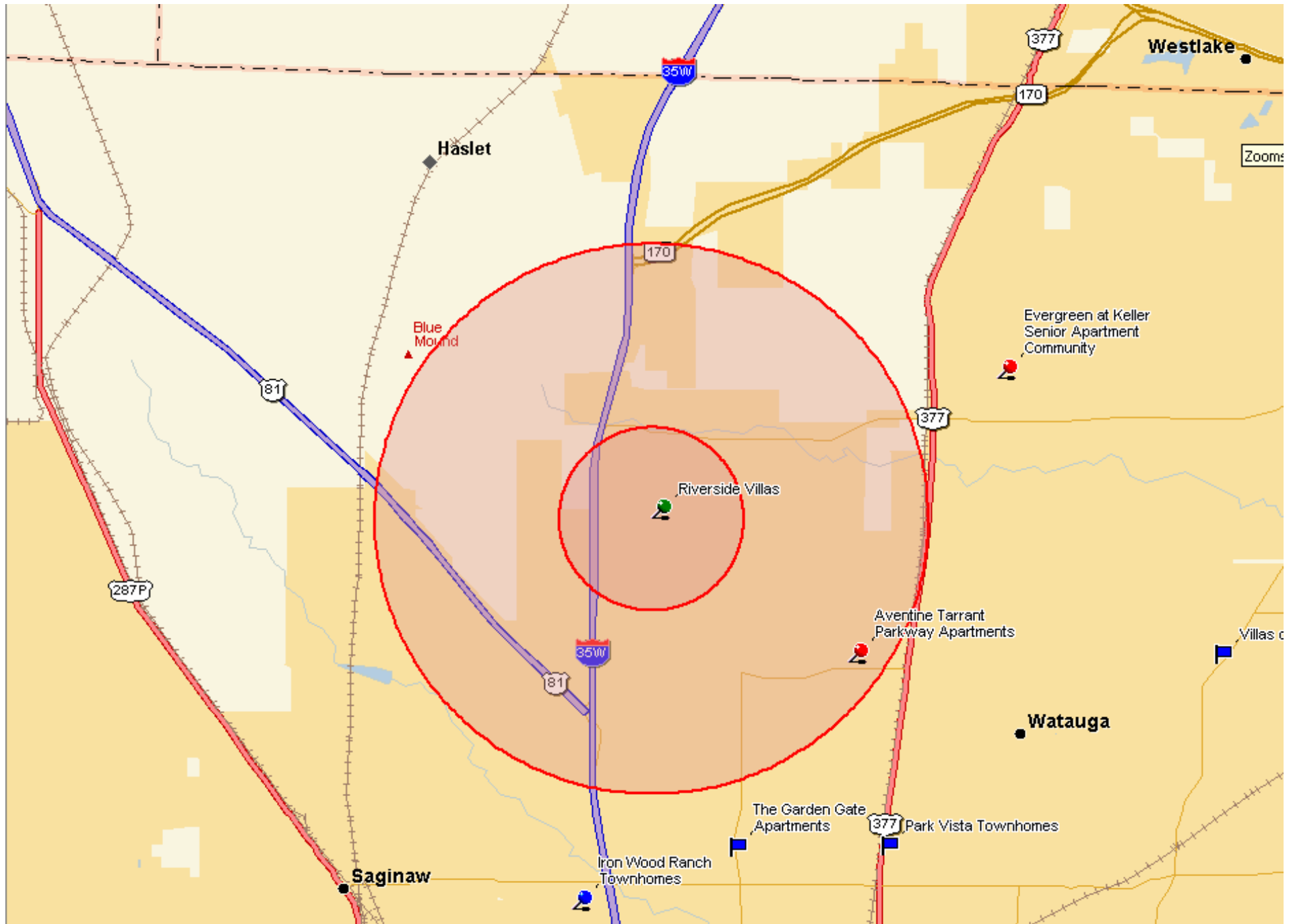
Attest: /s/ Kevin Hamby
Kevin Hamby, Secretary

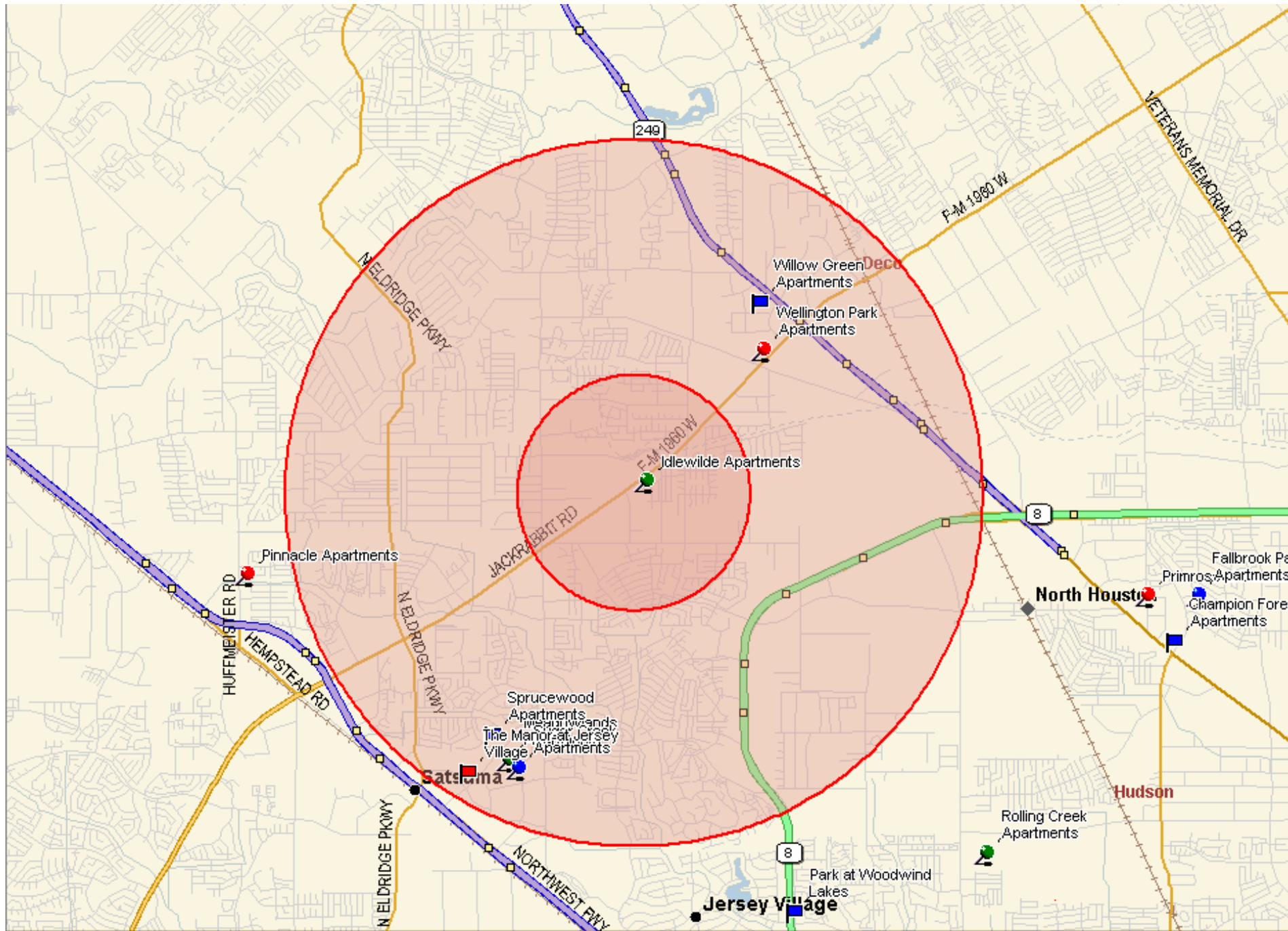
EXHIBIT "A"

Description of each Owner and its Development

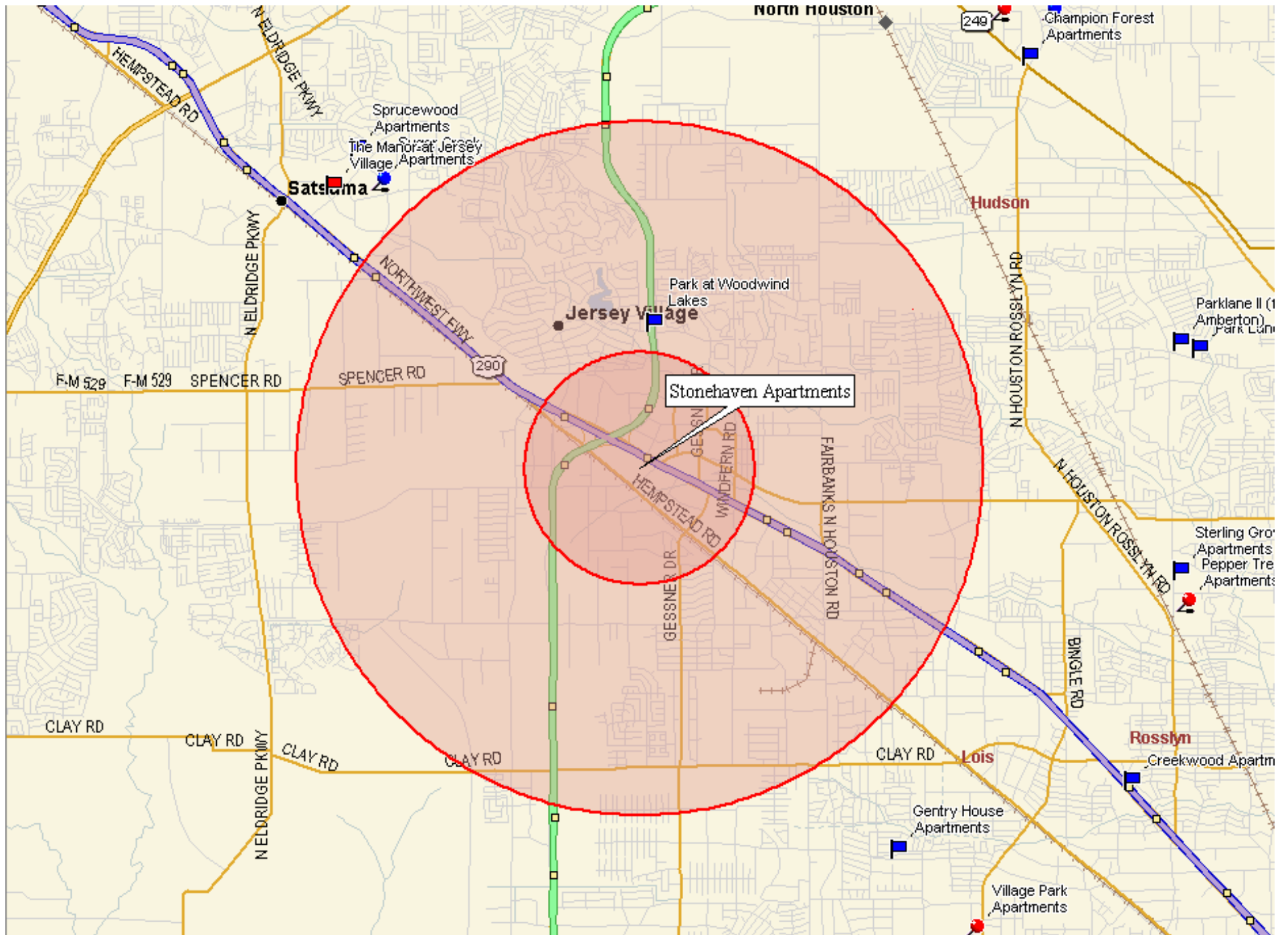
Project Name	Owner	Principals	Amount Not to Exceed
Alta Crossing Apartments	Alta Crossing, L.P., to be formed, or other entity	Wood Alta Crossing, L.P., the General Partner, to be formed, or other entity, a General Partner of which will be Wood Affordable Housing South, Inc.	\$14,500,000
Costs: (i) acquisition of real property located at approximately the southeast intersection of the Beltway 8 access road and Highway 90, Harris County, Texas; and (ii) the construction thereon of an approximately 240-unit multifamily residential rental housing project, in the amount not to exceed \$14,500,000.			
Project Name	Owner	Principals	Amount Not to Exceed
Center Ridge Apartments	Summit Center Ridge Apartments, Ltd., to be formed, or other entity	Summit America Properties XXVIII, Inc., the General Partner, to be formed, or other entity, a principal of which will be W. Daniel Hughes, Jr.	\$8,500,000
Costs: (i) acquisition of real property located at 700 West Center Street, Duncanville, Dallas County, Texas; and (ii) the rehabilitation thereon of an approximately 224-unit multifamily residential rental housing project, in the amount not to exceed \$8,500,000.			
Project Name	Owner	Principals	Amount Not to Exceed
Hillcrest Apartments	Summit Hillcrest Apartments, Ltd., to be formed, or other entity	Summit America Properties XXVII, Inc., the General Partner, to be formed, or other entity, a principal of which will be W. Daniel Hughes, Jr.	\$12,700,000
Costs: (i) acquisition of real property located at 2019 Hillcrest Street, Mesquite, Dallas County, Texas; and (ii) the rehabilitation thereon of an approximately 352-unit multifamily residential rental housing project, in the amount not to exceed \$12,700,000.			
Project Name	Owner	Principals	Amount Not to Exceed
Idlewilde Apartments	Idlewilde Apartments, L.P. or other entity	Idlewilde Development, L.L.C., the General Partner, or other entity, the Members of which will be Dwayne Henson Investments, Inc. and/or Resolution Real Estate Services, L.L.C.	\$15,000,000
Costs: (i) acquisition of real property located near the intersection of Bobcat Road and FM 1960 West Road, at approximately the 11600 block of Bobcat Road and the 9900 block of FM 1960 West Road, Houston, Harris County, Texas; and (ii) the construction thereon of an approximately 250-unit multifamily residential rental housing project, in the amount not to exceed \$15,000,000.			

Project Name	Owner	Principals	Amount Not to Exceed
Riverside Villas	Riverside Villas Apartments, L.P., to be formed, or other entity	Riverside Villas Apartments I, L.L.C., the General Partner, or other entity, the Members of which will be G. G. MacDonald, Inc. and/or Resolution Real Estate Services, LLC and/or Wolcott Development, L.L.C.	\$15,000,000
Costs: (i) acquisition of real property located at approximately the 8800 block of Riverside Drive (Old Denton Highway), Fort Worth (Keller), Tarrant County, Texas; and (ii) the construction thereon of an approximately 248-unit multifamily residential rental housing project, in the amount not to exceed \$13,500,000.			
Project Name	Owner	Principals	Amount Not to Exceed
Rolling Creek Apartments	Rolling Creek Apartments, LP, or other entity	Rolling Creek Apartments Group, LLC, the General Partner, or other entity, the Sole Member of which will be Cynosure Properties, L.P., or other entity, the General Partner of which is Cynosure Partners, LLC, or other entity, the principals of which are Mark T. Bower and/or Daniel T. Serini, or other entity	\$15,000,000
Costs: (i) acquisition of real property located at approximately 8038 Gatehouse Drive, Houston, Harris County, Texas; and (ii) the construction thereon of an approximately 248-unit multifamily residential rental housing project, in the amount not to exceed \$15,000,000.			
Project Name	Owner	Principals	Amount Not to Exceed
Stonehaven Apartment Homes	15301 Stonehaven Apartments, LP, to be formed, or other entity	15301 Stonehaven Apartments I, LLC, the General Partner, to be formed, or other entity, a member of which will be Kenneth G. Cash, or other entity	\$12,000,000
Costs: (i) acquisition of real property located at approximately the 15301 block of Northeast Freeway, Harris County, Texas; and (ii) the construction thereon of an approximately 192-unit multifamily residential rental housing project, in the amount not to exceed \$12,000,000.			









FINANCIAL ADMINISTRATION DIVISION

BOARD ACTION REQUEST

May 4, 2006

Action Item

Recommendation to the Board for the selection of an independent auditor.

Required Action

Board approve the selection of independent auditor Deloitte & Touche, LLP to audit the Department's financial statements.

Background

In August 2005, the Department's 5-year engagement with an independent auditor to audit the Department's Basic Financial Statements, financial statements of the Revenue Bond Enterprise fund and Unencumbered Fund Balances for purposes of issuing an opinion on their fair presentation in accordance with *Generally Accepted Accounting Principles* expired. Therefore, the Department developed the Request for Proposal (RFP) and provided notice of it via the Texas Market Place and Texas Register. An "RFP review committee" was created to assess, evaluate and score proposals. The "committee" consisted of six personnel from Financial Administration, Bond Finance and Internal Audit. Two proposals were submitted, one from Deloitte & Touche, LLP and one from Clifton Gunderson, LLP. The scoring criteria included experience in national and local housing bonds, governmental audits, proposed services, cost and principal place of business in Texas. The scores were tabulated by purchasing staff and a subsequent meeting was held to discuss and finalize the selection. Based on the results of the evaluation process, the "committee" selected Deloitte & Touche, LLP.

Recommendation

Based upon the proposed work plan, experience and overall qualifications, the Department recommends the selection of Deloitte & Touche, LLP and their minority partner Garza/Gonzalez & Associates as the Department's independent auditor. Engagement terms would be on a one-year basis for up to 5 years contingent upon a "delegation of authority" each year from the State Auditor's Office pursuant to Texas Government Code, Section 321.020. As a condition of this delegation, the State Auditor's Office may attend entrance and exit conferences and shall have access to working papers related to the audit for their review.

RFP Acknowledgements

I would like to thank the Financial Administration staff for assisting in the preparation and coordination of the Request for Proposal (RFP). I also appreciate the "RFP Review Committee" which includes David Cervantes, Julie Dumbeck, Jose Guevara and Ernie Palacios from Financial Administration; Byron Johnson from Bond Finance; and David Gaines from Internal Audit for evaluating, reviewing and scoring the proposals. I would also like to recognize the excellent service the Department has received from Deloitte & Touche and their engagement partners for the last five years. Their staff's professionalism, responsiveness and timely delivery of audits and other services throughout the years are greatly appreciated.

Texas Department of Housing and Community Affairs
Request for Proposal (RFP) for Auditing Services
RFP No. 06-01

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SECTION 1

INTRODUCTION

1.1 Objectives

- The Texas Department of Housing and Community Affairs (TDHCA, or the Department) is requesting proposals for audit services from qualified firms of certified public accountants to perform annual external audit functions for the Department.
- TDHCA is seeking a commitment in connection with annual audit services from an independent auditor with work experience and familiarity in taxable and tax exempt housing bonds and federal grants.

1.2 Description and Background of the Texas Department of Housing & Community Affairs

Overview

The Texas Department of Housing and Community Affairs is the state's lead agency responsible for affordable housing, community development and community assistance programs, and regulation of the state's manufactured housing industry. TDHCA annually administers funds in excess of \$500 million, the overwhelming majority of which is derived from mortgage revenue bond financing and refinancing, federal grants and federal tax credits.

All TDHCA divisions regularly interact with other state and federal agencies, the state legislature, housing and community development organizations, community assistance agencies, lending institutions, real estate interests, the media and other public sources.

TDHCA Mission Statement: "To help Texans achieve an improved quality of life through the development of better communities."

The Department's Purpose

According to Section §2306.001 of the Department's enabling legislation, as amended through the 2003 Regular Session of the 79th legislature, the purposes of the Department are to:

1. assist local governments in:
 - a. providing essential public services for their residents; and
 - b. overcoming financial, social, and environmental problems;
2. provide for the housing needs of individuals and families of low, very low, and extremely low income and families of moderate income;
3. contribute to the preservation, development, and redevelopment of neighborhoods and communities, including cooperation in the preservation of government-assisted housing occupied by individuals and families of very low and extremely low income;
4. assist the governor and the legislature in coordinating federal and state programs affecting local government;

5. inform state officials and the public of the needs of local government;
6. serve as the lead agency for:
 - a. addressing at the state level the problem of homelessness in this state;
 - b. coordinating interagency efforts to address homelessness; and
 - c. addressing at the state level and coordinating interagency efforts to address any problem associated with homelessness, including hunger; and
7. serve as a source of information to the public regarding all affordable housing resources and community support services in the state.

The Department is primarily a funding agency. Its chief function is to distribute program funds to local conduit providers that include units of local government, nonprofit and for profit organizations, community based organizations, private sector organizations, real estate developers, and local lenders. The Department selects local organizations based on local need and administrative capacity and ensures that the programs serve their target population through a fair, non-discriminatory and open process. In the administration of its programs, the Department defines policy direction, ensures equity, promotes the leverage of state and local resources, prevents discrimination or exploitation, and ensures the stability and continuity of services.

History of the Department

The Texas Department of Housing and Community Affairs (“the Department” or “TDHCA”), created by the 72nd Legislature effective September 1, 1991, administers approximately twenty (20) programs that address the housing and community services needs of extremely low, very low, low and moderate income Texans. These programs provide funding and technical assistance to local providers in order to fulfill the Department’s mission of “helping Texans achieve an improved quality of life through the development of better communities.” The following three (3) divisions within the agency administer these programs: Single Family Finance Production, Multifamily Finance Production, and Community Affairs. A fourth division – the Division of Manufactured Housing – has its own governing board but is still administratively attached to the Department. Additionally, the Department has other divisions that focus on: bond finance, portfolio management and compliance; legal counsel; research, planning, and communications; governmental relations; budget and accounting; internal audit; real estate analysis; and the Office of Colonia Initiatives, to focus on housing needs along the Texas-Mexico border. The Department has a seven (7) member governing board which is appointed by the Governor and confirmed by the Senate.

The Department’s Administrative Structure - Programs administered by the Department provide the services listed below.

Housing

- Housing Finance
- Rehabilitation of Single Family and Multifamily Housing
- Rental Assistance
- New Construction of Single Family and Multifamily Housing
- Homebuyer Assistance – Down Payment and Closing Costs
- Interim Construction Finance of Affordable Housing Development
- Special Needs Housing
- Transitional Housing
- Emergency Shelter
- Regulation of Migrant Labor Housing

Housing-Related

Energy Assistance

Weatherization

Monitoring, Compliance, Titling, Licensing, and Inspection of Manufactured Housing

Community Affairs/Services

Health and Human Services

Child Care

Nutrition

Job Training and Employment Services

Substance Abuse Counseling

Utility Assistance

Medical Services

Emergency Services

Federal funding sources for the services listed include the U.S. Department of Housing and Urban Development, the U.S. Department of Health and Human Services, and the U.S. Department of Energy. State funding sources include general revenue dedicated to the Housing Trust Fund.

SECTION 2

NOTICE TO RESPONDENT

2.1 General

The Texas Department of Housing and Community Affairs is accepting proposals from qualified and experienced certified public accounting firms (collectively, "Respondent") that desire to enter into an agreement and contractual arrangement with TDHCA in accordance with the terms, conditions, requirements and specifications set forth in this Request for Proposal (this "RFP"), RFP No. 06-01. This RFP provides sufficient information for Respondent to prepare and submit a proposal for consideration by TDHCA.

RESPONDENT IS CAUTIONED TO READ THE INFORMATION CONTAINED IN THE RFP CAREFULLY AND TO SUBMIT A COMPLETE RESPONSE TO ALL REQUIREMENTS, SPECIFICATIONS AND QUESTIONS AS DIRECTED.

2.2 Submittal Deadline

Proposals in response to this RFP must be submitted by March 31, 2006, 5:00 p.m., Austin, Texas time.

2.3 TDHCA Contacts

Any questions or concerns regarding this RFP shall be in writing and shall be directed to:

David Cervantes
Director of Financial Administration
Texas Department of Housing and Community Affairs
P.O. Box 13941
Austin, Texas 78711-3941
Fax: 512-472-7500

TDHCA specifically requests that Respondent restrict all contact and questions regarding this RFP to written communications forwarded to the above named representative on or before March 31, 2006.

2.4 Inquiries & Interpretations

TDHCA will respond in writing within five business days to written inquiries concerning this RFP and mail its response as an addendum to all parties recorded by TDHCA as having received a copy of this RFP. Only TDHCA's responses that are made by formal written addenda shall be binding. Verbal and other written interpretations or clarifications shall be without legal effect. All addenda issued by TDHCA shall be and are hereby incorporated in the RFP for all purposes.

2.5 Contract Type

The successful Respondent selected by TDHCA in accordance with the requirements and specifications set forth in this RFP will be contractually obligated to perform in accordance with this RFP, the successful Respondent's response to this RFP and an engagement letter prepared by the successful Respondent submitted to, and approved by, TDHCA's Executive Director.

2.6 Texas Public Information Act

Respondent is hereby notified that TDHCA strictly adheres to all statutes, court decisions and opinions of the Texas Attorney General with respect to the disclosure of public information. TDHCA considers all information, documentation and other materials requested to be submitted in response to this RFP to be of a non-confidential and non-proprietary nature and, therefore, shall be subject to public disclosure under the Texas Public Information Act (*Texas Government Code, Chapter 552.001 et seq.*) after the award of the contract. However, submission of information relative to this RFP shall not be released by TDHCA during the proposal evaluation process or prior to the award.

2.7 Contract Award Process

Selection of the successful proposal submitted in response to this RFP by the submittal deadline will be made using the process described below. Each proposal will be afforded security sufficient to preclude disclosures of its contents prior to the selection of the successful proposal.

The selection of the successful proposal may be made by TDHCA on the basis of the proposals initially submitted, without discussion, clarification or modification. In the alternative, selection of the successful proposal may be made by TDHCA on the basis of negotiation with any of the Respondents. TDHCA shall not disclose any information derived from the proposals submitted by competing Respondents in conducting such discussions.

At TDHCA's sole option and discretion, TDHCA may discuss and negotiate all elements of the proposals submitted by selected Respondents. For purposes of negotiation, potentially acceptable proposals may be established comprising the highest rated proposals. Further action on proposals, not included as potentially acceptable, will be deferred pending the selection of the successful proposal; provided, however, that TDHCA reserves the right to include these additional proposals as potentially acceptable if deferred to be in the best interest of TDHCA.

After submission of a proposal, but before final selection of the successful proposal is made, TDHCA may permit a Respondent to revise its proposal in order to obtain the Respondent's best and final offer. TDHCA will provide each Respondent that submits a potentially acceptable proposal with an equal opportunity for discussion and revision of its proposal. TDHCA is not bound to accept any proposal. TDHCA is most interested in the proposal that provides the best value to the Department.

TDHCA reserves the right to (a) enter into agreements or other contractual arrangements for all or any portion of the requirements and specifications set forth in this RFP with one or more Respondents, (b) reject any and all proposals and re-solicit proposals, or (c) reject any and all proposals and temporarily or permanently abandon the procurement, if deemed to be in the best interests of the Department.

This Procurement shall comply with all applicable State and TDHCA procurement policies and procedures. The Governing Board of TDHCA shall select the successful firm upon recommendation from the Audit Committee. An evaluation team comprised of TDHCA Department staff appointed by TDHCA's Executive Director will evaluate Respondents' proposals and make recommendations to the Audit Committee. A firm may be selected without discussion after proposals are received. Proposals should, therefore, be submitted in the most favorable manner.

2.8 Criteria for Selection

TDHCA will make a selection based upon its perception of the need for auditing services, the demonstrated competence, experience, knowledge and qualifications of the Respondent(s), and a fair and reasonable price. All things being equal, TDHCA will give first consideration to firms whose principal place of business is located in Texas, and those companies or agencies having a significant presence in Austin, Texas.

TDHCA reserves the right to negotiate all elements which comprise the proposal to insure that the best possible consideration is afforded all concerned. TDHCA reserves the right to reject any and all proposals and to solicit new proposals in such an event.

TDHCA reserves the right to select a firm for specific purposes or for any combination of specific purposes, and to defer the selection of any firm to a time of TDHCA's choosing. TDHCA permits proposals utilizing joint ventures of any two or more firms, if appropriate. However, all reports, opinions, letters, etc. must be issued under the name of the nationally-recognized firm and all meetings, billings and conflict resolutions must be coordinated by that firm.

The successful Respondent, if any, will conduct an audit of the Department's Basic Financial Statements, financial statements of the Revenue Bond Enterprise fund and Unencumbered Fund Balances, for the fiscal year ending August 31, 2006, with an optional 4-year renewal contractual agreement contingent upon a "delegation of authority" from the State Auditor's Office each fiscal year and based on satisfactory performance, which will incorporate the terms of the offer and other relevant portions of this RFP and responses thereto. Attach a copy of the firm's proposed engagement letter as an addendum or additional tab number to the responses to the RFP.

2.9 Respondent's Acceptance of Proposal Evaluation Methodology

Submission of a proposal by Respondent indicates (1) Respondent's acceptance of (a) TDHCA's proposal selection process, (b) the criteria for selection, (c) the specifications and (d) all other requirements and specifications set forth in this RFP, and (2) Respondent's recognition that some subjective judgments must be made by TDHCA during this RFP process.

2.10 Solicitation for Proposal & Proposal Preparation Costs

Respondent understands and agrees that this RFP is a solicitation for proposal and TDHCA has made no representation, written or oral, that contracts with TDHCA will be awarded under this RFP. Furthermore, Respondent recognizes and understands that Respondent shall bear, as its sole risk and responsibility, any cost that arises from Respondent's preparation of a response to this RFP.

2.11 Historically Underutilized Business

It is the policy of TDHCA to promote and encourage contracting and subcontracting opportunities for Historically Underutilized Businesses (HUB) in all contracts. TDHCA has adopted the Texas Building and Procurement Commission's HUB policy and procedures. Participation of local and/or minority-owned firms through joint venture arrangements with nationally recognized firms is encouraged.

TDHCA GOOD FAITH EFFORT: In accordance with Texas Government Code, §2161.252 all contracts with expected value of at least \$100,000 including goods, services, public construction (excepting federally funded contracts if federal law prohibits application) must include a Historically Underutilized Business Subcontracting Plan (HSP). See Attachment 1 for a copy of the Department's HUB Subcontracting Plan.

2.12 Key Events Schedule

Issue Request for Proposal	February 15, 2006
Proposal Submittal Deadline	March 31, 2006

PROPOSALS MUST BE RECEIVED BY 5:00 P.M., March 31, 2006

**PROPOSALS RECEIVED AFTER THE DEADLINE
WILL NOT BE CONSIDERED**

SECTION 3

PROPOSAL REQUIREMENTS

3.1 General Instructions

- Proposals and any other information submitted by Respondent in response to this RFP shall become the property of TDHCA.
- Respondent should carefully read the information contained herein and submit a complete response to all requirements, specifications and questions as directed.
- Each proposal must include a statement that it is valid for a minimum period of ninety (90) days subsequent to the RFP closing date.
- Each proposal must contain a statement of the firm's Equal Employment Opportunity/Affirmative Action policy. Each proposal must also include a description of the firm's degree of achievement in the firm's past fiscal year and provide an employee profile showing the number and percentage of male, female, and minority employees by category (i.e., senior management, professional, technical, clerical).

3.2 Preparation & Submittal Instructions

- A. Respondents should organize proposals according to the following format and informational sequence.
- The narrative answer to each informational request must be limited to one side of a single 8-1/2" x 11" typed page. Supplemental information, such as annual reports or other background material, if any, must be restricted to appendixes following the responses to requested information.
 - Do not include more than one informational request response per page.
 - Each page must identify the name of the Respondent and be numbered consecutively.
 - Each proposal must be bound
 - Attachment 2 to this RFP must be attached to the cover of each proposal.
- B. Respondents must:
- State the full name and business address of the firm.
 - Specify the branch office or other subordinate element that will perform or assist in performing the work.
 - Indicate whether the firm is a partnership, corporation, or individual.
 - Indicate the state in which the firm is incorporated or licensed to operate.
 - Include the name, address, and telephone number of the person within the firm authorized to negotiate contract terms and render binding decisions on contract matters.
- C. Prior Experience
- Describe only relevant national experience and individual experience for personnel who will be actively engaged in the audit. Give examples of relevant experience and work related to housing finance agencies, taxable and tax exempt bond issuances, governmental accounting and auditing, and arbitrage regulations. Identify all key personnel by name and title, and provide resumes of such personnel, who will be involved in this audit.

D. Cost

Include a statement that fees are fair, reasonable and customary, and provide a general statement of how charges are determined. Provide a schedule detailing the proposed hourly rates charged by level of personnel assigned (i.e., partner, manager, senior, staff), along with a detailed rate schedule by personnel level for non-recurring work, such as comfort review for periodic bond issuance.

Additionally, provide an estimate of the total annual cost of providing each of the requested services specified in paragraphs 4.2.1 through 4.2.5, considering the remainder portions of this RFP, as well as the total costs for all services requested by this contract, for each of the years in the anticipated optional 4-year renewal contractual agreement. The firm's approach for adjusting fees relative to accounting changes, scope changes or other conditions (e.g., change in the consumer price index) should also be discussed.

E. Mandatory Criteria

All Respondents must provide the following affirmations:

- An affirmation that the Respondent is a nationally recognized firm and is properly licensed for public practice in the State of Texas as a Certified Public Accountant.
- An affirmation that the Respondent meets the independence requirements of the *Standards for Audit of Governmental Organizations, Programs, Activities, and Functions*, 2003 revision, published by the U.S. General Accounting Office.
- An affirmation that the Respondent does not have a record of substandard audit work. The Respondent is requested to disclose any positive enforcement actions or other matters which may reflect their professional qualifications.

F. RFP Delivery

- Respondents must submit ten (10) copies of the proposal in one package which is clearly marked on the outside: "Proposal for Audit Services, RFP # 06-01."
- Mail proposals to:

David Cervantes
Director of Financial Administration
Texas Department of Housing and Community Affairs
P.O. Box 13941
Austin, Texas 78711-3941

or hand deliver to:

Julie Dumbeck
Purchasing Team Leader
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, Texas 78711-3941

3.3 Terms and Conditions

- Respondent must comply with the requirements and specifications contained in this RFP. In the event there is a conflict expressed in this RFP, the provision requiring the Respondent to supply the better quality or greater quality shall prevail, or if such conflict does not involve quality or quantity, then interpretation will be in the following order:
 1. Work Specifications
 2. Proposal Requirements
 3. Notice to Respondent
- **CANCELLATION:** The Texas Department of Housing and Community Affairs reserves the right to cancel this contract with a thirty (30) day written notice to the Respondent. The Respondent may cancel this contract with a thirty (30) day written notice to the Department.
- **DELEGATION OF AUTHORITY:** Pursuant to Texas Government Code, Section 321.020, the State Auditor's Office delegates to the Texas Department of Housing and Community Affairs (Department) the authority to employ a private auditor to conduct an audit of the Department's Basic Financial Statements, financial statements of the Revenue Bond Enterprise fund and Unencumbered Fund Balances.
- **ACCEPTANCE OF FUNDS:** The Contractor understands that acceptance of state funds under this contract acts as acceptance of the authority of the State Auditor's Office to conduct an audit or investigation in connection with those funds. The Contractor further agrees to cooperate fully with the State Auditor's Office in the conduct of the audit or investigation, including providing all records requested. The Contractor will ensure that this clause concerning the State Auditor's Office's authority to audit state funds and the requirement to cooperate fully with the State Auditor's Office is included in any subcontracts it awards. Additionally, the State Auditor's Office shall at any time have access to and the rights to examine, audit, excerpt, and transcribe any pertinent books, documents, working papers, and records of the Contractor relating to this contract.
- **CONTRACTOR:** The Contractor shall defend, indemnify, and hold harmless the State of Texas, all of its officers, agency and employees from and against all claims, actions, suits, demands, proceedings, costs, damages, and liabilities, arising out of, connected with, or resulting from any acts or omissions of contractor or any agent, employee, subcontractor, or supplier of contractor in the execution or performance of this contract.
- **DISPUTES:** The dispute resolution process provided for in Chapter 2260 of the Texas Government Code must be used by the Texas Department of Housing and Community Affairs and the contractor to attempt to resolve all disputes arising under this contract.
- **PUBLIC INFORMATION:** Information, documentation, and other material in connection with this solicitation or any resulting contract may be subject to public disclosure pursuant to Chapter 552 of the Texas Government Code (the "Public Information Act").
- **NOTE TO RESPONDENT:** Any terms and conditions attached to a solicitation will not be considered unless specifically referred to on this solicitation and may result in disqualification.

- **CONTRACT INFORMATION:** Any contract resulting from this solicitation is contingent upon the continued availability of lawful appropriations by the Texas Legislature (TBPC, Procurement Manual, Section 2.24 Excess Obligations Prohibited).
- **ANTITRUST:** The contractor hereby assigns to the Texas Department of Housing and Community Affairs, any and all claims for overcharges associated with this contract which arises under the antitrust laws of the United States 15 U.S.C.A., Section 1, et seq. (1973), and which arises under the antitrust laws of the State of Texas, Business and Commercial Code, Section 15.01, et. Seq. (1967).

SECTION 4

WORK SPECIFICATIONS

4.1 General

TDHCA requests proposals from qualified and experienced firms of certified public accountants meeting the requirements and specifications set forth in this RFP.

4.2 Specifications & Scope of Work

- 4.2.1 Conduct an annual audit of the Department's books and accounts. In accordance with TDHCA's enabling legislation, Texas Government Code, §2306.074, "The state auditor or a certified public accountant shall audit the department's books and accounts each fiscal year and file a copy of the audit with the governor, the comptroller and the legislature not later than the 30th day after the submission date for the annual financial report as required by the General Appropriations Act."
- A. The audit must be conducted by an independent auditor as defined by and in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States.
- B. The audit must be of the Department's Basic Financial Statements and supporting schedules. See Attachment 3 for a copy of the Department's financials for the year ended August 31, 2005.
- C. The audit must be unlimited in scope and cover all operations and activities of TDHCA in such a way that the audit report addresses TDHCA's financial statements taken as a whole.
- D. The auditor must:
- determine whether the financial statements of TDHCA present fairly, in all material respects, its financial position and the results of its operations and cash flows of its proprietary funds in accordance with generally accepted accounting principles.
 - determine whether the supporting schedules¹ present fairly, in all material respects, the information set forth therein.
 - determine whether the information included in the Supplementary Information - Combining Financial Statements, excluding that referred to by the preceding bullet and discussed in footnote 1, is fairly stated, in all material respects, in relation to the financials taken as whole.
 - test compliance with certain provisions of laws, including the Public Funds Investment Act (Chapter 2256, Texas Government Code), regulations, contracts and grants, as part of obtaining reasonable assurance about whether the Department's financials are free of material misstatement, and report any instances of noncompliance that are required to be reported under *Government Auditing Standards*.

¹ The supporting Schedules include *Miscellaneous Bond Information*, including changes in bond indebtedness and debt services requirements, and *Analysis of Funds Available for Debt Service*.

- consider the Department's internal control over financial reporting and internal control structure in order to determine auditing procedures for the purpose of expressing an opinion on the financial statements and, as a result of consideration, report any material weaknesses in internal control that may be noted.
 - report other matters, not considered material weaknesses, involving the internal control over financial reporting and internal control structure, to management.
- F. The following separate financial reports and letters are to be prepared and printed by the auditor:
- Basic Financial Statements
 - Revenue Bond Enterprise Fund
 - Computation of Unencumbered Fund Balances
 - Letter on Internal Control and Accounting Procedures
 - Report to the Audit Committee
- E. Audit reports, financial statements and the management letter must include the following minimum requirements:
- The auditor's opinion on TDHCA's financial statements.
 - The auditor's opinion on supplementary bond schedules.
 - The auditor's report on tests of compliance with applicable laws and regulations.
 - The auditor's report on understanding of internal control structure and the assessment of control risk made as part of the financial statement audit.
- 4.2.2 Conduct the annual audit of the Department's Revenue Bond Enterprise Fund. The trust indentures of TDHCA's outstanding bonds require that a nationally recognized certified independent auditor conduct the audit. See Attachment 4 for a copy of the Department's Revenue Bond Enterprise Fund financial statements for the year ended August 31, 2005.
- A. The audit must be conducted by an independent auditor as defined by and in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States.
- B. The audit must be unlimited in scope and cover all operations and activities of Department's Revenue Bond Enterprise Fund in such a way that the audit report addresses Department's Revenue Bond Enterprise Fund financial statements taken as a whole.
- C. The auditor must determine whether:
- the financial statements of the Department's Revenue Bond Enterprise Fund present fairly, in all material respects, its financial position and the results of its operations and its cash flows in accordance with generally accepted accounting principles.
 - the schedule of cash receipts and disbursements and year-end balances for the proprietary funds are fairly presented on the basis of fund statements received from the trustee.

- the supporting schedules² present fairly, in all material respects, the information set forth therein.
 - the information included in the Supplementary Information - Combining Financial Statements, excluding that referred to by the preceding bullet and discussed in footnote 2, is fairly stated, in all material respects, in relation to the basic financial statements taken as whole.
- D. The following separate financial reports and letters are to be prepared and printed by the auditor:
- Financial statements of the Revenue Bond Enterprise Fund
 - Financial statements of the Revenue Bond Enterprise Fund with supplemental schedules of cash activity and investments - all series of the Single Family Bond program
 - Bond compliance letter
 - Letter on Internal Control and Accounting Procedures
 - Report to the Audit Committee
- E. Audit reports, financial statements and the management letter must include the following minimum requirements:
- The auditor's opinion on the Department's Revenue Bond Enterprise Fund financial statements.
 - The auditor's opinion on supplementary bond schedules.
 - The auditor's report on understanding of internal control structure and the assessment of control risk made as part of the financial statement audit.
 - The auditor's report on the examination of the Single Family Mortgage Revenue Bond Trust Indenture funds.
 - The auditor's report on cash receipts and disbursements for local funds where required by trust indenture provision.
- 4.2.3 Conduct an audit of unencumbered fund balances available for transfer to the Department's Housing Trust Fund pursuant to Texas Government Code, §2306.204 and §2306.205. See Attachment 5 for a copy of the Department's audit of unencumbered fund balances available for transfer to the Housing Trust Fund for the year ended August 31, 2005.
- Submit the results of the audit to the Department's Governing Board not later than December 31 following the end of each fiscal year.
- 4.2.4 Review and provide comfort with respect to financial information relating to TDHCA contained in official statements prepared in connection with the offering of revenue bonds of TDHCA. See Attachment 6 for a copy of a recent comfort letter.
- Prepare and submit comfort letters as requested by the Department.
- 4.2.5 The time period of the audit services requested is for:
- September 1, 2005 to August 31, 2006
- In addition, there would be an option for a 4-year renewal for the following fiscal years:
- September 1, 2006 to August 31, 2007
 - September 1, 2007 to August 31, 2008

² The supporting Schedules include *Miscellaneous Bond Information*, including changes in bond indebtedness and debt services requirements, and *Analysis of Funds Available for Debt Service*.

- September 1, 2008 to August 31, 2009
- September 1, 2009 to August 31, 2010

4.2.6 Date Requirements:

1. Pursuant to Article VII, Section 713.3 of TDHCA's bond indenture covenants, "The agency shall annually, within 150 days after the close of each bond year, file with the Trustee, and otherwise as provided by law, a copy of an annual report for such year, accompanied by an accountant's certificate, including the following statements in reasonable detail: a statement of financial position as of the end of such year, a statement of revenues and agency expenses, and a summary with respect to each fund and account established under the indenture of the receipts therein and disbursements therefrom during such year and the amounts held therein at the end of such year."

However, current Comptroller and State Auditor reporting requirements are such that the Revenue Bond Enterprise Fund audit and Basic Financial Statements audit need to be completed and issued by December 31 and December 20, respectively.

2. The independent audit of the unencumbered fund balance available for transfer to the Housing Trust Fund is required to be submitted to the Board by December 31.
3. Comfort letters with respect to financial information relating to TDHCA contained in official statements prepared in connection with the offering of revenue bonds of TDHCA are due as requested by the Department.

4.2.7 Other Specifications:

- At the conclusion of each year-end audit, the auditor is required to submit audited financial statements for the period ended to the Audit Committee and the full Governing Board of TDHCA.
- Cooperate with the Office of the State Auditor in the preparation of audit reports required by law.
- Certain bond indenture covenants require that the independent auditor's report be issued and provided to the Single Family Mortgage Revenue Bond Indenture trustees.
- An audit engagement entrance conference is required with the Department's Executive Director and Chief of Agency Administration. An exit conference is required with the Department's Executive Director, Chief of Agency Administration and Director of Internal Audit. It is also required that the auditor present the audit reports and the management letter to the Audit Committee and ultimately to the full membership of the Governing Board.
- In accordance with Texas Government Code, Section 321.020, State Auditor's Office representatives may attend key meetings (entrance/exit conferences, status and internal control meetings) related to any audit engagement the Department enters into.

- While the audit working papers traditionally belong to the auditor, work papers must be retained for at least three years and be available for examination by the State Auditor's Office, who is responsible for expressing an opinion regarding the fairness of presentation of the State's financial statements. It will be necessary for the outside auditor to confer with the State Auditor's Office in relation to the statewide audit. It will also be necessary for the outside auditor to comply with the Comptroller of Public Accounts Reporting Requirements for Annual Financial Reports of State Agencies.

4.3 TDHCA Assistance

- TDHCA staff will be available to prepare schedules, produce supporting documents and provide other assistance as needed.



Memorandum

To: William Dally
From: Gordon Anderson
cc: Brooke Boston, Michael Lyttle
Date: April 27, 2006
Re: TDHCA Outreach Activities

The attached document highlights outreach activities on the part of TDHCA staff for April 2006. The information provided focuses primarily on activities Executive and staff has taken on voluntarily, as opposed to those mandated by the Legislature (i.e., tax credit hearings, TEFRA hearings, etc.). This list may not account for every activity undertaken by staff, as there may be a limited number of events not brought to my attention.

For brevity sake, the chart provides the name of the event, its location, the date of the event, division(s) participating in the event, and an explanation of what role staff played in the event. Should you wish to obtain additional details regarding these events, I will be happy to provide you with this information.

TDHCA Outreach Activities, April 2006

A compilation of activities designed to increase the awareness of TDHCA programs and services or increase the visibility of the Department among key stakeholder groups and the general public

vent	Location	Date	Division	Purpose
Public Hearings for 2006 Multifamily Applications	San Antonio	April 3	Multifamily Finance	Public Hearing
Public Hearings for 2006 Multifamily Applications	Austin	April 3	Multifamily Finance	Public Hearing
ICC Meeting	Austin	April 3	Policy & Public Affairs	Participant
Public Hearings for 2006 Multifamily Applications	Waco	April 4	Multifamily Finance	Public Hearing
Public Hearings for 2006 Multifamily Applications	San Angelo	April 4	Multifamily Finance, Policy & Public Affairs	Public Hearing
Public Hearings for 2006 Multifamily Applications	Lubbock	April 5	Multifamily Finance	Public Hearing
Public Hearings for 2006 Multifamily Applications	Dallas	April 5	Multifamily Finance	Public Hearing
Meeting with Staff of the Speaker's Office	Austin	April 5	Policy & Public Affairs	Legislative Meeting
HOME/HBA, ADDI Program Training	Austin	April 5	Portfolio Management & Compliance	Training
Texas Association of Realtors meeting	Austin	April 6	Policy & Public Affairs	Presentation
Public Hearings for 2006 Multifamily Applications	Wichita Falls	April 6	Multifamily Finance, Policy & Public Affairs	Public Hearing
Texas "Money Follows the Person" Seminar	Austin	April 6	Policy & Public Affairs	Presentation
First Thursday Income Eligibility Training	Austin	April 6	Portfolio Management & Compliance	Training
Public Hearings for 2006 Multifamily Applications	Corpus Christi	April 7	Multifamily Finance	Public Hearing
Public Hearings for 2006 Multifamily Applications	Harlingen	April 7	Multifamily Finance	Public Hearing
Public Hearings for 2006 Multifamily Applications	Houston	April 10	Multifamily Finance	Public Hearing
Public Hearings for 2006 Multifamily Applications	Lufkin	April 12	Multifamily Finance	Public Hearing
Public Hearings for 2006 Multifamily Applications	Longview	April 12	Multifamily Finance	Public Hearing
Public Hearings for 2006 Multifamily Applications	El Paso	April 12	Multifamily Finance	Public Hearing
Special Planning Forum: Affordable Housing in Downtown Austin	Austin	April 18	Policy & Public Affairs	Participant
General Government Appropriations subcommittee	Austin	April 18	Executive, Policy & Public Affairs	Monitoring
Balch Springs Economic Development Summit	Balch Springs	April 19	Policy & Public Affairs	Presentation
HOME/OCC Hurricane Disaster Relief Training	Beaumont	April 25	Portfolio Management & Compliance	Training
House Committee on Financial Institutions	Austin	April 25	Policy & Public Affairs	Monitoring
HOME/OCC Hurricane Disaster Relief Training	Nacogdoches	April 27	Portfolio Management & Compliance	Training

SINGLE FAMILY FINANCE PRODUCTION DIVISION

**REPORT ITEM
2006/2007 HOME PROGRAM UPDATE
MAY 4, 2006**

On February 15, 2006, the TDHCA Board adopted rules and guideline changes based on public comment for the 2006/2007 Single Family HOME Investment Partnerships (HOME) Program funding cycle. Following the approved rule and guidelines changes, staff scheduled and conducted application workshops around the state beginning March 7th and concluding on March 14th. During the workshops, attendees were encouraged to submit questions seeking clarification and guidance on the application as well as any questions regarding recent program rule and guideline changes. Questions were also received from other interested parties sent to staff via email. As a result, staff created a Frequently Asked Questions (FAQ) list with corresponding answers that has been posted to the Department's website. See attachment. The list consists of approximately forty questions categorized as follows: General, Owner Occupied Housing Assistance, Tenant Based Rental Assistance, Homebuyer Assistance, Project Match, Audit Requirements, Past Performance and Lead Based Paint. Additionally, the Department is finalizing a consumer marketing flyer to assist program applicants in their efforts to market the owner occupied housing assistance program to low income households.

These documents address many of the unanswered questions that have arisen from the recent program rule and guideline changes. The application deadline due date is April 28, 2006 with subsequent funding recommendations scheduled to be made in August 2006. Funds from 2006 will be awarded to the highest scoring applicants during the upcoming application cycle. Once funds for 2007 become available, awards will be made to the next highest scoring applicants from the 2006 application cycle. Additional program guidance will also be provided to funded applicants at the program implementation workshops.

Attachment

FAQs

2006 / 2007 HOME Application Workshops

General

1. Is the funding listed in the HOME Allocation Plan for 2006 funds only?

While the funding plan lists the HUD allocation for 2006 funds, applicants should know that this is the first year of a two-year funding cycle. One round of applications will be filed that will be used for both the 2006 and 2007 funding cycles. As there will be only one application period, the highest scoring application will receive the first award and then consecutively according to score until the 2006 funding is depleted. Upon the Department receiving the 2007 HOME funds, the 2007 funds will go to the next highest scoring applicant on the list and then be distributed in consecutive order until the funds expire or there are no more eligible applicants. The goal is to simplify the application process and allow the funds to reach the broadest number of applicants who meet the minimum threshold as possible.

2. HUD declared Texas a severely distressed state and they have waived the match requirement for the state for 2 years (statewide). Is this true and, if so, is the Department requiring applicants to provide match to the state?

The Final Rule 24 CFR 92 requires a Participating Jurisdiction (PJ) to provide match equal to 25% of the HOME allocation, excluding administrative, CHDO, and CHDO operating funds. Despite any waivers, HUD recommends that PJs continue obtaining and reporting eligible match, since match may be carried forward from year to year. The Department sought to recognize both the waiver and the suggestion to continue to collect match where possible. Match is now a scoring differential item for several competitive activities that provides a city the opportunity to choose the level of match most appropriate for them. In addition, it should be noted that because the Department has changed the maximum award amount for Single Family activities, providing match is less burdensome.

3. Can an agency apply for all three activities for the maximum award amount?

More agencies than ever before can now apply for all three activities and have a better opportunity at securing an award because the maximum amounts for OCC, HBA, and TBRA have been changed to \$275,000. These activities are historically been oversubscribed and the Department changed the maximum contract amount to enable more rural communities to benefit from limited HOME Program funds. The change in contract amount also eases the match burden on local communities. Up to \$500,000 may be awarded to Homebuyer Assistance applicants whose service area includes multiple counties within a Uniform State Service Region. The maximum award amount in project funds for Disaster Relief applicants remains at \$500,000.

4. Are Cash Reserves required since they are no longer a scoring item?

The Department and HOME applicants have a joint interest in the long-term viability of this program and, consequently, cash reserves are vital to that success because they allow the Contract Administrator to pay incurred expenses timely and allow a broader range of participation by local business that might not be able to self-finance the project. This participation helps the community two-fold for each dollar spent. Because the HOME Program is a reimbursement program, Cash Reserves are strongly recommended even though they are not a scoring item. Contract Administrators are reimbursed only after they have submitted a draw request with proper support documentation to the Department for approval.

5. Is the 5% Persons with Disabilities goal in the contract?

The contract does contain the goal of developing and carrying out a plan to provide at least 5% of the contract amount to persons with Disabilities. The contract requires that efforts be made to locate people meeting the definition to include in the program. It should also be noted that the contracts are subject to Texas Government Code §2306.514 if a property is rehabilitated featuring predominately new construction after demolition regardless of the current occupant.

6. Does the AMFI information on the Citizen Survey forms have to be the same as the Proposed Low Income Levels to be served in the application?

The Citizen Survey form is a tool to help applicants define community needs related to the type of HOME assistance being applied for, the number of units to be assisted and income targeting. Although it is not required to match the information submitted in the HOME application, surveys are generally indicative of the income levels that will be served and may prevent an applicant from amending their contract at a future date.

Should an applicant receive an award, the information stated in the application, (Part II, page 6 of 15) detailing the proposed number of households to be assisted in a specific income category will be reflected in the contract with the Department.

7. A Housing Finance Corporation serves rural and urban/exurban counties; can they submit one application and serve both areas?

State law requires that an application can serve either rural or urban/ex-urban but not both. Two separate applications must be submitted, one serving rural and the other serving urban/ex-urban.

8. Habitat for Humanity provides its own financing. Does Habitat have to be approved by FHA to participate if they are not doing FHA loans?

FHA approval is required *only* if the non-profit organization provides FHA loans.

Owner Occupied Assistance

9. Under OCC, if the owner dies during the loan period and his heirs cannot repay the loan balance, how will the property be treated? The property and the lien will be subject to the Texas Probate Code as in any standard probate situation. Whether transferred by will or without a will the executor or executrix will treat the property in the typical manner of a homestead with a lien. The estate

would make the determination of how to proceed. The estate could repay the remaining balance on the loan and that money would be used to help provide homes for other qualified applicants. If funds are not available in the estate to repay the remaining balance, the beneficiaries could finance the remaining portion (the program is designed to always have equity in the home since the original value and a sale fee are deducted from the original loan amount). If none of the beneficiaries desire to take the property by repayment of the loan then the estate would sell the property and divide the proceeds after clearing the loan. TDHCA would only become involved in the disposition of the property if the estate abandons the property and is not transferred in Probate. After all those scenarios, then the Department would enforce its lien (which would be a foreclosure and resale to generate funds) to satisfy the loan balance. Any remaining funds in a TDHCA sale would be returned to the estate for distribution to the beneficiaries. The Department selected this method to best utilize the funds because HOME funds are so limited and oversubscribed. The Department is ultimately interested in preserving as much of this valuable resource as possible for the citizens of Texas while providing benefits to people who meet the program criteria.

10. What if, after rehabilitation or reconstruction, the house appraises at less than the \$55,000 (maximum amount of HOME OCC funds that can be spent per unit)? The Department’s interest is in providing affordable housing to those people for whom the programs are intended. The Department does want to achieve a minimum period of affordable housing with the OCC Program. The Department created deferred forgivable loans to insure that period is obtained. The Department wants the people receiving the loans to use the property for the applicable period. That is why the loan created will never be more than the value of the property rehabilitated, less the owner’s investment and a 10% closing fee. The first appraisal set the homeowner’s equity and the second appraisal provides a real baseline for the value of the property. Both appraisals protect the owner from being “upside down” or having a loan value higher than the actual value of the loan.

For example, the loan basis amount will be the appraised value after improvements (2nd appraisal after completion of \$40,000), less 10% for closing cost/sales commission (\$4,000), less the initial appraised value (Owners equity \$12,000).

Example:

After rehab appraised value:	\$40,000
Less (\$40,000 x 10%)	\$ 4,000
Less initial appraised amount	<u>\$12,000</u>
Net Loan Amount	\$24,000

Under this example, the \$55,000 allowed to do the rehab of the home is not relevant to the loan amount. That is why a second appraisal is a valuable component of these transactions.

11. How will refinances during the loan term with the Department be handled?

If the loans are deferred forgivable with no payments due, there would not be a refinance by the Department. If the owner is seeking some form of home equity or reverse mortgage loan, the financing organization would take into consideration the first lien position held by the Department for the term of the loan.

12. Can we replace a manufactured home with a stick-built home on OCC property?

Replacement of a manufactured unit with a stick-built home is considered “new construction” and, as such, is determined to be an acquisition activity which must meet applicable affordability periods. It is permissible to complete a stick-built home under the OCC contract, but the requirements associated with Homebuyer Assistance will apply. Replacement of a manufactured unit with another manufactured unit is a permissible OCC reconstruction activity. The manufactured replacement unit must meet HOME requirements and comply with applicable state and local laws and zoning codes.

Rehabilitation of a manufactured unit is **NOT** an eligible activity.

TDHCA Policy Issuance #06-02 provides additional instruction regarding HOME regulations affecting manufactured units. Please refer to the Department’s website at <http://www.the Department.state.tx.us/pmcdocs/06-02-Issuance-060213.pdf>

13. If a borrower withdraws from the program after the cost of appraisals and surveys are incurred, how will those costs be paid?

The administrator would seek to have these funds reimbursed as an administrative expense out of the award. The long term benefit of having appraisals that benefit the program participants outweighs the limited expenses that might be derived in this manner. If this scenario occurs frequently, the selection process utilized by the administrator would need to be evaluated.

14. During the affordability period, how will the Department monitor:

Current insurance coverage:

As with almost any mortgage loan, the borrower will be required to maintain property insurance and will be responsible for providing proof that coverage continues by the expiration date of the policy. Insurance coverage for the first year is an eligible soft cost under the HOME Program.

Flood insurance if required:

As with almost any mortgage loan, the borrower will be required to maintain flood insurance and will be responsible for providing proof that coverage continues by the expiration date of the policy.

Occupancy certification confirming the owner actually lives in the unit:

The Department reviews insurance coverage and homeowner occupancy during the loan process and throughout the contract implementation period. On-site monitoring visits include reviews to ensure that all applicable requirements have been met for each period. If the Department is advised that the property is vacant, it will respond per contractual agreements as required by the loan documents.

15. Will the loan be due to the Department if the 1st lien is paid off?

(Example: In a rehabilitated unit, homeowner had 2 years left on the mortgage and the Department loan is a 5-year lien.)

Under the OCC program, a second lien for the rehabilitation activity would be attached to the homeowner's first lien. Language in the lien documents will define cause for the deferred forgivable note becoming due and payable.

16. Are surveys considered a soft cost?

Surveys are an eligible soft cost under the HOME Program. The surveys are vital as they will determine the amount of a deferred forgivable loan.

17. Who will provide the closing legal documents?

The Department will be pleased to serve in this capacity and prepare the legal documents required for completing the real estate closing transaction.

18. Will a closing be required?

The Department does require a closing on all property transactions to protect the integrity of this transaction for the applicant. Contract Administrators are to select a reputable title company and be in attendance at closings.

19. Is there a checklist of required closing documents?

Again, to protect the integrity of the transaction for the applicant, the Department will post a checklist of required closing documents on its website. The loan process will be discussed in greater detail during upcoming Implementation Workshops.

20. How will 99 year leases be handled?

The Department requires a Commitment of Title Insurance in the owner's name on the assisted property in addition to an executed certified copy of the leasehold agreement between the owner of the property and the leaseholder.

21. FHA minimal standards were significantly reduced. Will the Department still accept them? (Part 1, Page 5 of 14)

The Department's mission is to provide safe and quality affordable housing through its programs. Consequently, and in accordance with 24 CFR 92.251, housing that is assisted with OCC or HBA HOME funds must, at a minimum, be in compliance with state and local standards upon completion of construction. The Department has determined that newly constructed homes must comply with International Residential Code (IRC) and rehabilitated homes must comply with Texas Minimum Construction Standards (TMCS) (Application Appendix 9) or local building codes and local zoning ordinances, whichever is more restrictive.

Tenant Based Rental Assistance

22. Under TBRA, if an individual already lives in an apartment with rental subsidy, would that person be eligible for TBRA assistance?

If the applicant already receives federal rental assistance (Section 8), he/she is not eligible to also receive TBRA. Reference 24 CFR 92.214. Prohibited activities.

- 23. Under TBRA, can points be given for serving households at 61 to 80% AMFI?**
The highest priority of the Department as set by statute is serving families of low and very low income. The Department has set a priority in this program of assisting both categories, but providing an additional point structure for those serving extremely low income recipients. The 2006/2007 Application Score sheet provides information regarding the point structure for those serving households at 61 to 80% AMFI. In this case, no points would be awarded.

Homebuyer Assistance

- 24. Under HBA related costs, will the Department be expanding the cost categories now that a new CPD notice 06-01 has been issued?**

CPD Notice 06-01 does not give the Department the authority to expand the cost categories. CPD Notice 06-01 does not include new categories for administrative costs, project-related soft costs, and Community Development Housing Organization (CHDO) operating expenses. The Notice only provides additional guidance on how to classify the use of funds.

- 25. Are the only exceptions to the First Time Homebuyer requirements displaced homemakers or single parents?**

Definitions for a "First Time Homebuyer" under the HOME Program can be found in the American Dream Downpayment Initiative (ADDI). Please refer to Part I, Page 5 of 14 of the 2006/2007 Application Guide for more information. The Department also provides funds for first time homebuyers through the Single Family mortgage revenue bond program. The program offers low interest rate loans to individuals and families that have not owned a home in three years. Family Income limits under the program may not exceed 115% of the area median family income unless the home being purchased is located in a targeted area. Targeted areas are defined as areas of severe economic distress. If the borrower purchases a property located in these areas, the first time homebuyer requirement is waived and the income limits are increased.

- 26. Are there any exceptions in the First Time Homebuyer requirement for persons displaced by natural disasters, manufactured homeowners, or properties deemed uninhabitable?**

Under the 2006/2007 Homebuyer Assistance Program, the American Dream Downpayment Initiative (ADDI) rules will apply. It should also be noted that the Department works closely with the Office of the Governor on statewide disaster relief initiatives for these circumstances.

- 27. How is first time homebuyer status documented?**

A "Certification of First Time Homebuyer Status" (Form 14.34) must be provided by the homeowner.

Match

28. Can CDBG program income generated from repayment of loans be used as eligible match for HOME? Does CDBG program income lose its federal identity?

Because Community Development Block Grant (CDBG) funds are federal in nature, they cannot be used as match for HOME. The Executive Committee of the Office of Rural and Community Affairs (ORCA), the agency which typically administers standard CDBG funds for the state, has ruled that the State of Texas's program income does not lose its federal identity.

29. What percentage of required match has to be in cash?

No portion of the match contribution must be in the form of cash. Cities have more control over their match (since limits on certain valuations of match are in place) during the application process. Cities can seek to provide additional match to enhance their scoring, relative to city size and its housing needs. Combined with the maximum award amount, the Department is confident, that while recognizing match is a limited resource to communities, the current match requirements are obtainable and more flexible to meet individual cities needs. The Contract Administrator still makes the determination of what type(s) of match will be provided. Please refer to Attachment IV of the 2006/2007 HOME Application Guide for information and requirements regarding Match.

Caps on Match

30. Regarding caps on Professional Services donated as Match, are roll-offs and tipping fees included in the capped amount for demolition services?

These activities are included in the demolition services cost cap.

31. Is the match donation for appraisals capped at \$400 or \$800 per home?

For match purposes the maximum amount that may be provided for each appraisal is \$400.00. If an initial appraisal is completed prior to rehabilitation or reconstruction and a final appraisal completed afterwards, up to \$800 in match may be claimed per household served.

32. Are real estate appraisals required?

Appraisals conducted by qualified real estate appraisers are vital to insure that program participants are provided their fair owners equity and that every home loan is based on the home's true value. Without the appraisals, there would be no home owner equity and the value of the loan would be the cost of performing the rehabilitation on the home—the full project cost. Based on testimony presented as to the value of homes after construction, not providing any owner equity appraisal and or post development fair market value would cost the participant potentially tens of thousands of dollars.

Audit Requirement

33. Is it a Single Audit Opinion Letter that is required or is it an Independent Auditor's Report?

The Independent Auditor's Report (also known as the Opinion Letter) is required for inclusion in the HOME Application. It must be for either Fiscal year 2004 or 2005. A Single Audit is prepared by a Certified Public Accountant (CPA) and is required if an entity **has expended \$500,000 or more in state or federal funds**. If a Single Audit has been conducted, the Opinion Letter from that audit will suffice.

A Single Audit is generally recognized as the best way to clearly establish evidence of an organization's financial capacity through the scrutiny of a qualified financial professional. Due to the limited nature of this resource, the Department has a responsibility through due diligence to ensure that awardees can capably administer these much-needed federal funds.

Past Performance

34. On our past performance, will you average our points for contracts in prior years?

The Department wants to work closely with awardees and recognizes that agencies and organizations are constantly improving their operations. Therefore, in cases where an entity has been funded in multiple prior years, the most recent award will be reviewed for performance.

35. What if we have more than one award in the same contract year?

Both awards will be reviewed for performance.

36. If you have a 2004 TBRA contract, can an applicant actually meet the performance standards of 75% committed and 50% drawn given the 2-year nature of the program? We are only given credit for committing 12 months of the contract money at a time. Can we be given credit for double our 12-month committed funds for purposes of this past performance measure?

Standard government business practices suggest that all 2004 TBRA contracts should be well into the second year of project operations by the 2006/2007 Application Deadline of April 28, 2006. Credit for double the 12-month commitment of funds will not be given. Department staff stands ready to assist any awardee should they have questions or need assistance in this capacity.

37. On previous HOME awards, if we had a contract before 2002, is that the equivalent of never having received an award?

The 2006/2007 Application Scoresheet contains explanations and definitions for Past Performance scoring levels.

Lead-Based Paint

38. Are homes built before 1978 that contain lead-based paint or homes with lead-based hazards ineligible unless the hazard is abated or addressed? (HBA Program Design Page 7 of 10)

Federal funds may not be used for rehabilitation of homes in which there is a lead-based paint hazard. Those homes would be ineligible until the hazard is addressed.

39. If a lead-based paint testing has been done and then it is found that a reconstruction condition exists, will the lead-based paint cost be reimbursable?

Contract Administrators may include lead-based paint testing for cost estimate purposes in work write-ups in pre-1978 housing units; however, if it is determined that the unit will be reconstructed, the Department will not reimburse for lead-based paint testing. LBP regulations affect all housing built before 1978.

SINGLE FAMILY FINANCE PRODUCTION DIVISION

**REPORT ITEM
HOMEOWNERSHIP ACTIVITIES
MAY 4, 2006**

The Single Family staff met recently with the Division of Policy & Public Affairs and TKO Advertising, Inc. to discuss ways the Department will celebrate June as homeownership month. As a result of these meetings and other internal discussions, a list of proposed activities is listed below.

- Proclamation from Governor Perry declaring June as Homeownership Month
- Press event tentatively scheduled for the first week of June in the Press Room at the Capitol with statewide elected officials invited. In addition to declaring June as homeownership month, a first time homebuyer program participant and their mortgage lender will be invited to attend and will be available for media interviews. Briefing points will be provided to indicate the benefits of homeownership and what TDHCA is doing to address the homeownership rate in Texas. Media packets will also be available which contain factoid sheets on homeownership rates, statistics, etc. and the roll the Department plays in addressing affordable housing issues.
- In addition to the Austin press event, other similar media events are planned across the State of Texas in smaller media markets. Guests invited to these events include the district legislator, their staff, TDHCA Board members and the local media, a recent first time homebuyer and their lender. Smaller media markets identified are listed below:
 - Killeen
 - San Antonio
 - McAllen
 - El Paso
- Volunteer Day at Habitat for Humanity - Department staff will volunteer at a Habitat for Humanity home site in Austin. The event will be chronicled in the Breaking Ground Newsletter and featured on the agency's website. Local media will be invited to do a story focused on homeownership and volunteerism.
- The Single Family homeownership programs are scheduled to be featured on a payroll stuffer that will be made available to all state agency employees for distribution in June. The Texas First Time Homebuyer and

Texas Loan Star Program will be featured. There are approximately 150,000 workers statewide.

- We are continuing to work with Countrywide Home Loans, Inc. (our Master Servicer) to conduct a radio campaign targeted to first time homebuyers in the Dallas/Ft. Worth area in June. This will be appropriate timing since our next bond issuance of approximately \$121 million is scheduled for release at the beginning of June. The radio ads were originally produced by TDHCA for a campaign in the Houston area and will be used again in Dallas. Countrywide will attach their tag line to the end of the commercial indicating the Texas First Time Homebuyer Program is available through one of their participating branches. Countrywide has identified the Dallas area as one of their targeted markets in Texas.
- The Department is also planning to name a lender of the year at the June Board meeting. Many other states do this to recognize and stress their partnership with the affordable lending community. The lender will be selected from our current group of 40+ participating lenders based on several criteria, including but not limited to: dollar volume and number of loan originations, income level and counties served and overall program performance.
- Staff is also scheduled to participate with the U.S. Department of Housing and Urban Development (HUD), the City of Ft. Worth and Fannie Mae to host a “Housing Roundtable Discussion” in Ft. Worth on June 15th.

Additionally, staff continues to market its homeownership programs through its continuing education courses made available through our partnership with the Texas Association of Realtors (TAR). Staff also speaks at various affordable housing events around the state. A list of events currently scheduled is provided below:

Upcoming Realtor Trainings - Homebuyer Fairs

- May 5th – TAR Realtor Training (Amarillo)
- May 8th – Texas Mortgage Broker Spring Networking Event (Houston)
- May 9th – TAR Realtor Training (Brownwood)
- May 16th – TAR Realtor Training (Seguin)
- May 20th – 21st Houston Black Expo
- May 22nd – TAR Realtor Training (Collin County)
- May 24th – TAR Realtor Training (Ft. Worth)
- June 3rd – Ft. Bend County Housing Expo (Rosenberg)
- June 3rd – Brownsville Home Ownership Fair
- June 15th – HUD Housing Roundtable (Ft. Worth)
- July 6th – 7th – TAR Realtor Training (Houston)

PORTFOLIO MANAGEMENT AND COMPLIANCE DIVISION

**EXECUTIVE DIRECTOR'S REPORT ITEM
HOME PROGRAM FUNDS
CONTRACT AMENDMENTS/EXTENSIONS
May 4, 2006**

Background

The TDHCA Board requested a report item for the May Board meeting on the type and number of amendments processed for HOME Investment Partnerships Program (HOME) contracts.

Summary of HOME Amendment Process

HOME Administrators may request amendments to existing contracts; however, in order for a request to be considered, the Administrator must:

- submit justification, extenuating circumstances, or compelling reasons for the request; and
- submit a request that would still have resulted in an award of HOME funds if the original application had been submitted according to the requested changes; and
- be in compliance with monitoring and auditing requirements for all Department programs.

Extensions will only be recommended for active projects that have been set-up (committed) in the Department's Central Database (CDB). Any funds not committed to a project by the contract end date will be deobligated. Amendment requests will be re-scored under the original application criteria. Amendments that would have resulted in an application not being originally funded will not be considered. Amendment requests must be submitted in writing and signed by the person with signature authority on the contract at least thirty (30) days prior to the contract end date. Requests submitted after the contract end date will not be considered.

The 2006 HOME Rules in the Texas Administrative Code, Title 10, Part 1, Chapter 53, Rule §53.62(b)(3) states that modifications and/or amendments that increase the dollar amount by more than 25% of the original award or \$50,000, whichever is greater; or significantly decrease the benefits to be received by the Department, in the estimation of the Executive Director, will be presented to the Board for approval.

Contract Extensions

Contract extensions are the most commonly requested amendment type. From the inception of the CDB in January 2004, 148 of 296 HOME contracts have received contract extension approvals. Historically approximately 50% of the HOME contracts have required a time extension to complete contract performance requirements. Another 106 contracts are scheduled to expire before September 30, 2006. Based on historical data and on progress made on these 106 contracts to date, more extension requests are anticipated. See HOME Contracts – Data on Extended End Date Report as of April 20, 2006 which provides details on each of the 148 extended contracts sorted by activity.

PMC Initiatives

Staff is periodically monitoring the progress of ongoing contracts. Quarterly status reports are sent to Administrators to inform them of their contract performance, and administrators have been given deadlines to submit activity set-ups and draws. The goal of these efforts is to improve the commitment rate and expenditure rate of open contracts.

The 2006 HOME Rules were also revised to include incentives for performance. Applicants will receive points for having received an award and performed in accordance with their contracts and Department rules. If unsatisfactory performance exists on any prior award regardless of set aside or activity, a score of zero points will result for that category. In cases where entities have been funded for multiple years, the most recent award will be reviewed for performance. Unsatisfactory past performance on any contract will be forgiven if two (2) years from the application deadline date has elapsed.

Data on HOME Amendments Processed

Amendment Type	FY 2005	FY 2006 (To Date)
AMFI Revision	12	16
Budget Modification	18	28
Contract Extension	100	56
Loan Modification	1	0
Performance Statement	3	0
Revise # of Units	11	7
Totals	145	107

TDHCA HOME CONTRACTS WITH ENDING DATE >1/1/04								
Listing of time extensions								
Administrator	Contract Number	Activity Type	Total Budget	Beginning Date	Ending Date	Amended End Date	# of Days Extended	# of Months Extended
WEBB COUNTY	542006	CFD	645,000.00	3/31/2003	4/30/2005	8/1/2006	451	15
COMMUNITY ACTION COUNCIL OF SOUTH TEXAS	530021	CFD	416,000.00	8/1/2000	3/31/2004	4/29/2005	389	13
ORGANIZACION PROGRESSIVA DE SAN ELIZARIO	542005	CFD	645,000.00	3/31/2003	4/30/2005	12/31/2005	240	8
UNITED CEREBRAL PALSY ASSOCIATION OF TEXAS	531200	CFD	380,990.73	11/1/2002	4/30/2004	10/31/2004	180	6
FUTURO COMMUNITIES INC.	542057	HBA	320,000.00	10/1/2003	9/30/2005	9/30/2007	720	24
MIDLAND COMMUNITY DEVELOPMENT CORPORATION	1000192	HBA	375,000.00	10/1/2003	9/30/2005	9/30/2007	720	24
CITY OF CENTER	542051	HBA	156,000.00	10/1/2003	9/30/2005	4/30/2007	570	19
CITY OF COMMERCE	531018	HBA	46,800.00	11/30/2001	4/30/2004	10/31/2005	540	18
HOUSING PLUS, INC.	542054	HBA	117,000.00	10/1/2003	9/30/2005	3/31/2007	540	18
TOWN OF PECOS CITY	542058	HBA	275,600.00	10/1/2003	9/30/2005	3/31/2007	540	18
AFFORDABLE HOUSING OF PARKER COUNTY	542004	HBA	81,250.00	3/31/2003	9/30/2004	2/28/2006	508	17
AFFORDABLE HOUSING OF PARKER COUNTY	542010	HBA	170,625.00	3/31/2003	9/30/2004	12/31/2005	450	15
CITY OF DEKALB	530203	HBA	117,000.00	11/30/2001	3/31/2005	3/31/2006	360	12
UNITED CEREBRAL PALSY ASSOCIATION OF TEXAS	542011	HBA	222,731.45	3/31/2003	10/31/2004	10/31/2005	360	12
CITY OF SOCORRO	542052	HBA	514,467.47	10/1/2003	9/30/2005	9/30/2006	360	12
COMMUNITY ACTION SOCIAL SERVICES & EDUCATION, INC.	1000194	HBA	300,000.00	10/1/2003	9/30/2005	9/30/2006	360	12
PINEYWOODS HOME TEAM AFFORDABLE HOUSING	1000200	HBA	208,000.00	10/1/2003	9/30/2005	9/30/2006	360	12
HOUSING PLUS, INC.	530266	HBA	159,367.59	8/1/2000	1/31/2004	10/31/2004	270	9
LAREDO-WEBB NEIGHBORHOOD HOUSING	542040	HBA	298,523.54	10/1/2003	9/30/2005	6/30/2006	270	9
CITY OF LA FERIA	542061	HBA	103,584.00	10/1/2003	9/30/2005	6/30/2006	270	9
COMMUNITY DEVELOPMENT CORPORATION	542001	HBA	525,000.00	3/31/2003	9/30/2004	4/30/2005	210	7
CITY OF DAINGERFIELD	531023	HBA	117,300.00	11/30/2001	1/31/2004	7/31/2004	180	6
TAYLOR HOUSING AUTHORITY	531027	HBA	171,600.00	11/30/2001	6/30/2004	12/31/2004	180	6
TEMPLE HOUSING AUTHORITY	542045	HBA	401,346.17	10/1/2003	9/30/2005	3/31/2006	180	6
CITY OF BAY CITY	542047	HBA	186,512.27	10/1/2003	9/30/2005	3/31/2006	180	6
COMMUNITY COUNCIL OF SOUTHWEST TEXAS, INC.	542053	HBA	305,908.52	10/1/2003	9/30/2005	3/31/2006	180	6
SOUTH PLAINS COMMUNITY ACTION ASSOCIATION	542055	HBA	196,904.26	10/1/2003	9/30/2005	3/31/2006	180	6
CITY OF HUNTSVILLE	542056	HBA	41,600.00	10/1/2003	9/30/2005	3/31/2006	180	6
COMMUNITY ACTION CORPORATION OF SOUTH TEXAS	542063	HBA	59,725.50	10/1/2003	9/30/2005	3/31/2006	180	6
STARR COUNTY	542064	HBA	207,063.75	10/1/2003	9/30/2005	3/31/2006	180	6
CITY OF PHARR	531032	HBA	119,723.62	11/30/2001	4/30/2004	9/30/2004	150	5
CITY OF RIO HONDO	531030	HBA	139,942.84	11/30/2001	6/30/2004	10/31/2004	120	4
CITY OF FRISCO	542060	HBA	31,400.00	10/1/2003	9/30/2005	1/31/2006	120	4

TDHCA HOME CONTRACTS WITH ENDING DATE >1/1/04								
Listing of time extensions								
Administrator	Contract Number	Activity Type	Total Budget	Beginning Date	Ending Date	Amended End Date	# of Days Extended	# of Months Extended
CITY OF MOUNT PLEASANT	542039	HBA	45,000.00	10/1/2003	9/30/2005	12/31/2005	90	3
SOUTHEAST TEXAS HOUSING FINANCE CORPORATION	542048	HBA	503,327.03	10/1/2003	9/30/2005	12/31/2005	90	3
TRAVIS COUNTY HOUSING FINANCE CORPORATION	542042	HBA	161,800.00	1/1/2004	12/31/2005	3/31/2006	90	3
CITY OF ALBANY	530213	HBA/Rehab	270,427.55	7/1/2003	6/30/2005	12/31/2005	180	6
CITY OF ALICE	538201	OCC	490,194.33	6/1/2002	7/31/2004	7/31/2006	720	24
CITY OF HOLLAND	1000113	OCC	416,000.00	9/1/2003	8/31/2005	2/28/2007	538	18
CITY OF ALICE	531082	OCC	412,566.82	11/30/2001	6/30/2004	10/31/2005	480	16
CITY OF LULING	1000105	OCC	520,000.00	9/1/2003	8/31/2005	9/30/2006	390	13
CITY OF SANTA ROSA	1000162	OCC	208,000.00	9/1/2003	8/30/2005	9/1/2006	361	12
UNITED CEREBRAL PALSY ASSOCIATION OF TEXAS	1000152	OCC	228,401.55	3/31/2003	9/30/2004	9/30/2005	360	12
WEBB COUNTY	1000038	OCC	520,000.00	9/1/2003	8/31/2005	8/31/2006	360	12
INSTITUTE OF RURAL DEVELOPMENT, INC.	1000000	OCC	400,400.00	12/1/2003	11/30/2005	11/30/2006	360	12
CITY OF ROBSTOWN	1000012	OCC	496,280.78	12/1/2003	11/30/2005	11/30/2006	360	12
CITY OF TERRELL	1000036	OCC	222,348.94	9/1/2003	8/31/2005	6/30/2006	300	10
CITY OF TOYAH	1000136	OCC	349,390.00	9/1/2003	11/17/2005	8/31/2006	284	9
CITY OF ROBSTOWN	531086	OCC	246,696.00	11/30/2001	3/31/2004	12/31/2004	270	9
CITY OF HAWK COVE	1000077	OCC	497,203.00	9/1/2003	8/30/2005	5/30/2006	270	9
CITY OF DAWSON	1000078	OCC	286,000.00	9/1/2003	8/31/2005	5/31/2006	270	9
CITY OF LA COSTE	1000139	OCC	343,200.00	9/1/2003	8/31/2005	5/31/2006	270	9
CITY OF MURCHISON	1000149	OCC	285,958.00	9/1/2003	8/31/2005	5/31/2006	270	9
CITY OF ENCINAL	1000153	OCC	520,000.00	9/1/2003	8/31/2005	5/30/2006	270	9
LA SALLE COUNTY	1000155	OCC	520,000.00	9/1/2003	8/31/2005	5/31/2006	270	9
VAL VERDE COUNTY	1000156	OCC	510,395.13	9/1/2003	8/30/2005	5/30/2006	270	9
CRYSTAL CITY HOUSING AUTHORITY	1000163	OCC	398,320.00	9/1/2003	8/30/2005	5/30/2006	270	9
CITY OF DICKINSON	1000061	OCC	428,464.26	9/1/2003	8/31/2005	4/30/2006	240	8
CITY OF CLEVELAND	1000103	OCC	497,629.50	9/1/2003	8/31/2005	4/30/2006	240	8
CITY OF STOCKDALE	530211	OCC	253,438.02	6/1/2002	5/31/2004	12/31/2004	210	7
CITY OF BERTRAM	531075	OCC	64,870.00	11/30/2001	3/31/2004	9/30/2004	180	6
LIVE OAK COUNTY	1000003	OCC	520,000.00	12/1/2003	11/30/2005	5/31/2006	180	6
RURAL ECONOMIC ASSISTANCE LEAGUE, INC.	1000005	OCC	400,400.00	12/1/2003	11/30/2005	5/31/2006	180	6
CITY OF TUSCOLA	1000007	OCC	520,000.00	12/1/2003	11/30/2005	5/31/2006	180	6
CITY OF BENAVIDES	1000009	OCC	423,629.40	12/1/2003	11/30/2005	5/30/2006	180	6
JIM WELLS COUNTY	1000014	OCC	400,400.00	12/1/2003	11/30/2005	5/31/2006	180	6

TDHCA HOME CONTRACTS WITH ENDING DATE >1/1/04

Listing of time extensions

Administrator	Contract Number	Activity Type	Total Budget	Beginning Date	Ending Date	Amended End Date	# of Days Extended	# of Months Extended
CITY OF COTULLA	1000020	OCC	520,000.00	12/1/2003	11/30/2005	5/31/2006	180	6
LIVE OAK COUNTY	1000023	OCC	520,000.00	12/1/2003	11/30/2005	5/31/2006	180	6
CITY OF FLATONIA	1000176	OCC	208,000.00	1/1/2004	12/31/2005	6/30/2006	180	6
CITY OF MANOR	1000178	OCC	416,000.00	1/1/2004	12/31/2005	6/30/2006	180	6
COMMUNITY RESOURCE GROUP, INC.	1000035	OCC	416,000.00	9/1/2003	8/31/2005	2/28/2006	178	6
CITY OF BELLMEAD	1000040	OCC	498,971.45	9/1/2003	8/31/2005	2/28/2006	178	6
CITY OF LUFKIN	1000059	OCC	421,863.56	9/1/2003	8/31/2005	2/28/2006	178	6
CITY OF GAINESVILLE	1000062	OCC	395,273.22	9/1/2003	8/31/2005	2/28/2006	178	6
CITY OF CELESTE	1000063	OCC	416,323.76	9/1/2003	8/31/2005	2/28/2006	178	6
CITY OF RICE	1000064	OCC	457,600.00	9/1/2003	8/31/2005	2/28/2006	178	6
CITY OF FARMERSVILLE	1000066	OCC	386,932.09	9/1/2003	8/31/2005	2/28/2006	178	6
CITY OF ROCKDALE	1000075	OCC	171,600.00	9/1/2003	8/31/2005	2/28/2006	178	6
COMMUNITY & SENIOR SERVICES OF MIDLAND, INC.	1000076	OCC	121,573.60	9/1/2003	8/31/2005	2/28/2006	178	6
CITY OF ROYSE CITY	1000087	OCC	151,984.27	9/1/2003	8/31/2005	2/28/2006	178	6
CITY OF NAPLES	1000095	OCC	195,520.77	9/1/2003	8/31/2005	2/28/2006	178	6
CITY OF TEAGUE	1000102	OCC	204,968.93	9/1/2003	8/31/2005	2/28/2006	178	6
CITY OF BROWNWOOD	1000106	OCC	472,075.62	9/1/2003	8/31/2005	2/28/2006	178	6
CITY OF NEVADA	1000112	OCC	191,880.00	9/1/2003	8/31/2005	2/28/2006	178	6
CITY OF FLATONIA	1000115	OCC	286,000.00	9/1/2003	8/31/2005	2/28/2006	178	6
CITY OF NEW DEAL	1000121	OCC	467,032.99	9/1/2003	8/31/2005	2/28/2006	178	6
CITY OF STANTON	1000124	OCC	505,743.33	9/1/2003	8/31/2005	2/28/2006	178	6
CITY OF GRAND SALINE	1000125	OCC	388,891.73	9/1/2003	8/30/2005	2/28/2006	178	6
CITY OF SANGER	1000127	OCC	410,594.39	9/1/2003	8/31/2005	2/28/2006	178	6
CITY OF MERKEL	1000135	OCC	515,442.85	9/1/2003	8/31/2005	2/28/2006	178	6
CITY OF BOERNE	1000145	OCC	198,518.09	9/1/2003	8/31/2005	2/28/2006	178	6
CITY OF BOWIE	1000146	OCC	494,454.62	9/1/2003	8/31/2005	2/28/2006	178	6
CITY OF LOS INDIOS	1000154	OCC	520,000.00	9/1/2003	8/31/2005	2/28/2006	178	6
CITY OF ROMA	1000157	OCC	492,917.72	9/1/2003	8/30/2005	2/28/2006	178	6
CITY OF ROCKDALE	1000158	OCC	114,400.00	9/1/2003	8/30/2005	2/28/2006	178	6
CITY OF SMITHVILLE	1000159	OCC	513,153.00	9/1/2003	8/30/2005	2/28/2006	178	6
LONE STAR GARDEN DEVELOPMENT CORPORATION	1000160	OCC	466,592.50	9/1/2003	8/30/2005	2/28/2006	178	6
LA SALLE COUNTY	1000028	OCC	520,000.00	12/1/2003	11/30/2005	4/30/2006	150	5
CITY OF DAWSON	1000164	OCC	201,373.32	1/1/2004	12/31/2005	5/31/2006	150	5

TDHCA HOME CONTRACTS WITH ENDING DATE >1/1/04								
Listing of time extensions								
Administrator	Contract Number	Activity Type	Total Budget	Beginning Date	Ending Date	Amended End Date	# of Days Extended	# of Months Extended
LAMAR COUNTY	1000173	OCC	162,557.29	1/1/2004	12/31/2005	5/31/2006	150	5
CITY OF SEALY	1000096	OCC	443,718.00	9/1/2003	8/31/2005	12/31/2005	120	4
JIM WELLS COUNTY	1000001	OCC	476,689.21	12/1/2003	11/30/2005	3/31/2006	120	4
SAN PATRICIO COUNTY	1000004	OCC	402,628.18	12/1/2003	11/30/2005	3/31/2006	120	4
RURAL ECONOMIC ASSISTANCE LEAGUE, INC.	1000015	OCC	520,000.00	12/1/2003	11/30/2005	3/31/2006	120	4
JIM WELLS COUNTY	1000016	OCC	461,202.46	12/1/2003	11/30/2005	3/31/2006	120	4
RURAL ECONOMIC ASSISTANCE LEAGUE, INC.	1000019	OCC	520,000.00	12/1/2003	11/30/2005	3/31/2006	120	4
JOHNSON, COUNTY OF	1000025	OCC	432,258.59	12/1/2003	11/30/2005	3/31/2006	120	4
CITY OF HONDO	1000027	OCC	477,637.76	12/1/2003	11/30/2005	3/31/2006	120	4
CITY OF CARTHAGE	1000166	OCC	243,279.82	1/1/2004	12/31/2005	4/30/2006	120	4
CITY OF TAYLOR	1000179	OCC	416,000.00	1/1/2004	12/31/2005	4/30/2006	120	4
CITY OF CELINA	1000060	OCC	435,896.31	9/1/2003	8/31/2005	11/30/2005	90	3
CITY OF BONHAM	1000104	OCC	327,401.85	9/1/2003	8/31/2005	11/30/2005	90	3
CITY OF CARTHAGE	1000167	OCC	242,214.28	1/1/2004	12/31/2005	3/31/2006	90	3
CITY OF TEMPLE	1000182	OCC	376,423.74	1/1/2004	12/31/2005	3/31/2006	90	3
CITY OF BISHOP	1000183	OCC	454,993.56	1/1/2004	12/31/2005	3/31/2006	90	3
CITY OF LOCKHART	1000049	OCC	504,513.04	9/1/2003	8/31/2005	10/31/2005	60	2
CITY OF CROCKETT	1000057	OCC	278,876.00	9/1/2003	8/31/2005	9/30/2005	30	1
CITY OF CROCKETT	1000058	OCC	152,995.24	9/1/2003	8/31/2005	9/30/2005	30	1
CITY OF PALESTINE	1000101	OCC	325,580.38	9/1/2003	8/31/2005	9/30/2005	30	1
WILLIAMSON-BURNET CO. OPPORTUNITIES, INC	531001	RHD	1,710,208.00	12/1/2001	11/30/2004	2/28/2006	448	15
ST. JOHN COLONY NEIGHBORHOOD ASSOCIATION	530200	RHD	340,200.00	2/1/2002	1/31/2005	1/31/2006	360	12
CENTER FOR HOUSING & ECONOMIC OPP. CORP.	531300	RHD	125,000.00	3/31/2003	4/30/2005	2/28/2006	298	10
CENTER FOR HOUSING & ECONOMIC OPP. CORP.	531300	RHD	1,254,602.00	3/31/2003	4/30/2005	2/28/2006	298	10
COMMUNITY SERVICES AGENCY OF SOUTH TEXAS, INC	530201	RHD	943,289.00	6/1/2002	12/31/2004	9/30/2005	270	9
FREER HOUSING, LTD.	531102	RHD	571,801.00	11/30/2001	1/31/2004	9/30/2004	240	8
SENIOR CITIZENS AID INC.	530687	RHD	609,308.00	8/1/2000	1/31/2004	8/31/2004	210	7
STATEWIDE CONSOLIDATED CDC	531114	RHD	827,893.00	6/1/2002	6/30/2006	10/31/2006	120	4
COMMUNITY PARTNERSHIP FOR THE HOMELESS	1000365	RHD/New	1,500,000.00	5/1/2005	4/30/2006	10/1/2007	511	17
AFFORDABLE HOUSING OF PARKER COUNTY	542076	RHD/New	575,707.00	10/1/2003	3/31/2005	12/31/2005	270	9
AFFORDABLE CARING HOUSING, INC.	542075	RHD/New	967,436.00	10/1/2003	3/31/2005	9/30/2005	180	6
FDI-GOLDEN MANOR, LTD.	1000239	RHD/Rehab	333,497.21	9/1/2004	3/1/2005	12/1/2006	630	21
FDI-SHADY OAKS, LTD.	1000243	RHD/Rehab	461,158.47	9/1/2004	3/1/2005	12/1/2006	630	21

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Administrator	Contract Number	Activity Type	Total Budget	Beginning Date	Ending Date	Amended End Date	# of Days Extended	# of Months Extended
COLEMAN FOUNTAINHEAD, LP.	542068	RHD/Rehab	202,332.35	10/1/2003	3/31/2005	9/30/2005	180	6
HILLSBORO FOUNTAINHEAD, LTD.	542069	RHD/Rehab	467,741.37	10/1/2003	3/31/2005	9/30/2005	180	6
FDI-BAYSHORE MANOR, LTD.	1000428	RHD/Rehab	385,000.00	10/1/2005	10/1/2007	12/1/2007	60	2
FDI-COUNTRY SQUARE, LTD.	1000429	RHD/Rehab	385,000.00	10/1/2005	10/1/2007	12/1/2007	60	2
LUBBOCK REGIONAL MHMR CENTER	1000197	TBRA	228,821.00	2/1/2004	7/31/2006	10/31/2007	450	15
LUBBOCK REGIONAL MHMR CENTER	1000197	TBRA	286,000.00	2/1/2004	7/31/2006	10/31/2007	450	15
TWIN CITY MISSION	531106	TBRA	322,366.58	11/30/2001	7/31/2004	7/31/2005	360	12
TWIN CITY MISSION	542036	TBRA	485,334.00	8/15/2003	3/31/2006	3/31/2007	360	12
ARCIL, INC.	1000223	TBRA	225,986.00	8/1/2004	1/31/2007	10/31/2007	270	9
LIFETIME INDEPENDENCE FOR EVERYONE, INC.	542032	TBRA	417,139.00	8/15/2003	3/31/2006	11/30/2006	240	8
ALPHA CONCEPTS, INC.	530754	TBRA	405,489.24	8/1/2000	1/31/2005	8/31/2005	210	7
BURKE CENTER	542022	TBRA	517,660.00	8/15/2003	3/31/2006	9/30/2006	180	6
DALLAS AREA NORTHSTAR AUTHORITY	531011	TBRA	410,439.99	11/30/2001	7/31/2004	12/31/2004	150	5
SABINE VALLEY CENTER (MHMR)	531013	TBRA	161,037.29	11/30/2001	7/31/2004	12/31/2004	150	5
ACCESSIBLE HOUSING RESOURCES, INC.	1000360	TBRA	752,264.00	2/1/2005	7/31/2007	10/31/2007	90	3
LIFETIME INDEPENDENCE FOR EVERYONE, INC.	1000364	TBRA	295,286.00	3/1/2005	8/31/2007	10/31/2007	60	2
PINEYWOODS HOME TEAM AFFORDABLE HOUSING	535242	INT	110,250.00	5/1/1997	1/1/2004	1/1/2004	0	0
CITY OF ATHENS	531022	HBA	104,000.00	11/30/2001	1/30/2004	1/30/2004	0	0
BURKE CENTER	530734	TBRA	499,237.82	8/1/2000	1/31/2004	1/31/2004	0	0
FORNEY FOUNTAINHEAD, LP	531100	RHD	575,000.00	11/30/2001	1/31/2004	1/31/2004	0	0
HENDERSON FOUNTAINHEAD, L.P.	531101	RHD	300,000.00	11/30/2001	1/31/2004	1/31/2004	0	0
TEMPLE HOUSING AUTHORITY	531025	HBA	258,000.00	11/30/2001	1/31/2004	1/31/2004	0	0
MEIER MORTGAGE	531028	HBA	257,521.03	11/30/2001	1/31/2004	1/31/2004	0	0
MEIER MORTGAGE	531035	HBA	194,419.02	11/30/2001	1/31/2004	1/31/2004	0	0
GARDEN TERRACE HOUSING CORP.	531105	RHD	1,000,000.00	2/1/2002	1/31/2004	1/31/2004	0	0
EAST AUSTIN ECONOMIC DEVELOPMENT CORPORATION	531103	RHD	1,049,885.00	2/1/2002	1/31/2004	1/31/2004	0	0
CITY OF CHINA	531112	OCC	285,994.00	6/1/2002	1/31/2004	1/31/2004	0	0
CITY OF HUGHES SPRINGS	536003	HBA	224,500.00	2/1/1997	2/29/2004	2/29/2004	0	0
CITY OF SLATON	531039	OCC	216,921.86	11/30/2001	2/29/2004	2/29/2004	0	0
PANHANDLE COMMUNITY SERVICES	530046	HBA	370,537.04	8/1/2000	3/31/2004	3/31/2004	0	0
RIO GRANDE VALLEY MULTIBANK CORPORATION	531029	HBA	238,393.00	11/30/2001	4/30/2004	4/30/2004	0	0
BORGER FOUNTAINHEAD	531099	RHD	500,000.00	11/30/2001	4/30/2004	4/30/2004	0	0
EDINBURG HOUSING AUTHORITY	539095	TBRA	207,666.58	7/1/1999	5/31/2004	5/31/2004	0	0

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COTO DE CASA, INC.	539096	HBA	202,263.20	7/1/1999	5/31/2004	5/31/2004	0	0
CITY OF BELLMEAD	531071	OCC	480,414.80	11/30/2001	6/30/2004	6/30/2004	0	0
TRAVIS COUNTY HOUSING AUTHORITY	530202	TBRA	400,574.32	1/30/2001	7/31/2004	7/31/2004	0	0
LUBBOCK REGIONAL MHMR CENTER	531012	TBRA	252,352.26	11/30/2001	7/31/2004	7/31/2004	0	0
CENTRAL TEXAS MHMR	531015	TBRA	55,696.83	11/30/2001	7/31/2004	7/31/2004	0	0
TROPICAL TEXAS CENTER FOR MHMR	531017	TBRA	51,843.30	11/30/2001	7/31/2004	7/31/2004	0	0
CITY OF MIDLAND	531034	HBA	172,971.94	11/30/2001	7/31/2004	7/31/2004	0	0
COLLIN COUNTY MHMR CENTER	531095	TBRA	451,090.39	11/30/2001	7/31/2004	7/31/2004	0	0
BLUEBONNET TRAILS COMMUNITY MHMR	531097	TBRA	396,278.84	11/30/2001	7/31/2004	7/31/2004	0	0
COMAL COUNTY HOUSING AUTHORITY	531098	TBRA	306,650.44	11/30/2001	7/31/2004	7/31/2004	0	0
NUECES COUNTY MHMR COMMUNITY CENTER	539203	TBRA	60,079.08	11/30/2001	7/31/2004	7/31/2004	0	0
TEMPLE HOUSING AUTHORITY	539204	TBRA	231,151.30	11/30/2001	7/31/2004	7/31/2004	0	0
CITY OF PADUCAH	538202	OCC	284,908.20	6/1/2002	7/31/2004	7/31/2004	0	0
GRAYSON COUNTY CDC	542009	HBA	357,000.00	3/31/2003	9/30/2004	9/30/2004	0	0
TRI-COUNTY MHMR	531010	TBRA	435,047.65	11/30/2001	1/31/2005	1/31/2005	0	0
SPECIAL HEALTH RESOURCES	531014	TBRA	189,609.36	11/30/2001	1/31/2005	1/31/2005	0	0
FDI-BB 2003, LTD.	542070	RHD/Rehab	250,000.00	10/1/2003	3/31/2005	3/31/2005	0	0
FDI-WC 2003.LTD	542071	RHD/Rehab	180,000.00	10/1/2003	3/31/2005	3/31/2005	0	0
FDI-PM 2003, LTD.	542072	RHD/Rehab	250,000.00	10/1/2003	3/31/2005	3/31/2005	0	0
FDI-GM 2003, LTD	542073	RHD/Rehab	200,000.00	10/1/2003	3/31/2005	3/31/2005	0	0
AFFORDABLE HOUSING OF PARKER COUNTY	531301	RHD	598,500.00	3/31/2003	4/30/2005	4/30/2005	0	0
CITY OF MATHIS	530214	OCC	354,179.00	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF FLOYDADA	1000037	OCC	255,528.00	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF NASH	1000039	OCC	482,865.60	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF HILLSBORO	1000041	OCC	465,103.66	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF ONALASKA	1000042	OCC	312,000.00	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF SAN AUGUSTINE	1000043	OCC	502,046.02	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF DIBOLL	1000044	OCC	234,479.37	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF KENEDY	1000045	OCC	312,000.00	9/1/2003	8/31/2005	8/31/2005	0	0
WHARTON COUNTY	1000046	OCC	479,406.97	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF JOURDANTON	1000047	OCC	286,000.00	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF JOURDANTON	1000048	OCC	228,800.00	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF CLARKSVILLE	1000050	OCC	505,262.67	9/1/2003	8/31/2005	8/31/2005	0	0

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Administrator	Contract Number	Activity Type	Total Budget	Beginning Date	Ending Date	Amended End Date	# of Days Extended	# of Months Extended
CITY OF CHARLOTTE	1000051	OCC	286,000.00	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF CHARLOTTE	1000052	OCC	234,000.00	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF MATHIS	1000053	OCC	491,862.83	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF MARLIN	1000054	OCC	394,134.40	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF RUNGE	1000055	OCC	228,800.00	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF RUNGE	1000056	OCC	184,685.79	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF GOLDSMITH	1000079	OCC	428,979.36	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF CENTER	1000080	OCC	208,000.00	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF CENTER	1000081	OCC	306,518.35	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF HUGHES SPRINGS	1000088	OCC	286,000.00	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF SEMINOLE	1000089	OCC	512,044.00	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF CARRIZO SPRINGS	1000090	OCC	514,800.00	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF DEVINE	1000091	OCC	514,800.00	9/1/2003	8/31/2005	8/31/2005	0	0
DIMMIT, COUNTY OF	1000092	OCC	514,800.00	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF PLEASANTON	1000093	OCC	312,000.00	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF ZAVALLA	1000094	OCC	270,600.00	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF MAUD	1000097	OCC	286,000.00	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF LOTT	1000098	OCC	496,623.34	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF OMAHA	1000099	OCC	286,000.00	9/1/2003	8/31/2005	8/31/2005	0	0
CULBERSON COUNTY	1000100	OCC	286,000.00	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF BELTON	1000107	OCC	514,800.00	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF MILFORD	1000108	OCC	514,800.00	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF LOG CABIN	1000109	OCC	477,415.37	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF PREMONT	1000110	OCC	514,764.00	9/1/2003	8/31/2005	8/31/2005	0	0
CAPROCK COMMUNITY ACTION ASSOCIATION	1000114	OCC	517,703.80	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF TEXARKANA	1000116	OCC	499,577.00	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF REDWATER	1000117	OCC	169,397.67	9/1/2003	8/31/2005	8/31/2005	0	0
PALACIOS HOUSING AUTHORITY	1000118	OCC	514,800.00	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF HUNTINGTON	1000119	OCC	510,590.00	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF PALACIOS	1000120	OCC	514,800.00	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF BIG WELLS	1000122	OCC	514,800.00	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF GREGORY	1000123	OCC	514,800.00	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF SANTA FE	1000128	OCC	514,725.12	9/1/2003	8/31/2005	8/31/2005	0	0

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Listing of time extensions								
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CITY OF SINTON	1000129	OCC	450,519.86	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF EAGLE LAKE	1000130	OCC	514,800.00	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF BAY CITY	1000131	OCC	455,928.76	9/1/2003	8/31/2005	8/31/2005	0	0
BAY CITY HOUSING AUTHORITY	1000132	OCC	410,401.21	9/1/2003	8/31/2005	8/31/2005	0	0
BEE COUNTY	1000133	OCC	445,398.21	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF TRINITY	1000134	OCC	514,800.00	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF VAN HORN	1000140	OCC	286,000.00	9/1/2003	8/31/2005	8/31/2005	0	0
PRESIDIO COUNTY	1000142	OCC	519,999.00	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF MEXIA	1000143	OCC	513,352.32	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF LITTLEFIELD	1000144	OCC	514,800.00	9/1/2003	8/31/2005	8/31/2005	0	0
LETULLE FOUNDATION	1000147	OCC	514,800.00	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF COAHOMA	1000148	OCC	520,000.00	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF NEVADA	1000150	OCC	328,120.00	9/1/2003	8/31/2005	8/31/2005	0	0
CITY OF PARIS	542041	HBA	304,500.00	10/1/2003	9/30/2005	9/30/2005	0	0
CITY OF SAN BENITO	542044	HBA	302,000.00	10/1/2003	9/30/2005	9/30/2005	0	0
CITY OF NASH	542050	HBA	167,337.32	10/1/2003	9/30/2005	9/30/2005	0	0
ALT AFFORDABLE HOUSING SERVICES, INC.	542065	HBA	199,074.53	10/1/2003	9/30/2005	9/30/2005	0	0
BASTROP HOUSING AUTHORITY	542066	HBA	52,000.00	10/1/2003	9/30/2005	9/30/2005	0	0
EDINBURG HOUSING OPPORTUNITY CORPORATION	1000189	HBA	300,000.00	10/1/2003	9/30/2005	9/30/2005	0	0
PROYECTO AZTECA	1000191	HBA	369,600.00	10/1/2003	9/30/2005	9/30/2005	0	0
CROSSROADS HOUSING DEVELOPMENT CORPORATION	1000193	HBA	125,000.00	10/1/2003	9/30/2005	9/30/2005	0	0
CAPITAL AREA HOUSING FINANCE CORP	542062	HBA	335,829.77	12/1/2003	11/30/2005	11/30/2005	0	0
DIMMIT, COUNTY OF	1000006	OCC	460,963.13	12/1/2003	11/30/2005	11/30/2005	0	0
CITY OF BIG WELLS	1000008	OCC	499,644.99	12/1/2003	11/30/2005	11/30/2005	0	0
MEDINA COUNTY	1000010	OCC	455,192.29	12/1/2003	11/30/2005	11/30/2005	0	0
KARNES COUNTY	1000011	OCC	432,427.40	12/1/2003	11/30/2005	11/30/2005	0	0
CITY OF KENEDY	1000013	OCC	457,643.10	12/1/2003	11/30/2005	11/30/2005	0	0
INSTITUTE OF RURAL DEVELOPMENT, INC.	1000018	OCC	475,411.67	12/1/2003	11/30/2005	11/30/2005	0	0
SAN PATRICIO COUNTY	1000021	OCC	480,467.20	12/1/2003	11/30/2005	11/30/2005	0	0
INSTITUTE OF RURAL DEVELOPMENT, INC.	1000022	OCC	520,000.00	12/1/2003	11/30/2005	11/30/2005	0	0
SAN PATRICIO COUNTY	1000024	OCC	514,800.00	12/1/2003	11/30/2005	11/30/2005	0	0
RUSK COUNTY	1000026	OCC	90,602.03	12/1/2003	11/30/2005	11/30/2005	0	0
NHH-CANAL STREET APARTMENTS, INC.	1000084	RHD/New	1,500,000.00	11/1/2003	12/31/2005	12/31/2005	0	0

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Administrator	Contract Number	Activity Type	Total Budget	Beginning Date	Ending Date	Amended End Date	# of Days Extended	# of Months Extended
CITY OF AVERY	1000165	OCC	337,165.87	1/1/2004	12/31/2005	12/31/2005	0	0
CITY OF EMORY	1000168	OCC	520,000.00	1/1/2004	12/31/2005	12/31/2005	0	0
CITY OF HUGHES SPRINGS	1000169	OCC	228,730.00	1/1/2004	12/31/2005	12/31/2005	0	0
CITY OF PALESTINE	1000170	OCC	64,381.31	1/1/2004	12/31/2005	12/31/2005	0	0
CITY OF QUEEN CITY	1000171	OCC	228,800.00	1/1/2004	12/31/2005	12/31/2005	0	0
CITY OF SULPHUR SPRINGS	1000172	OCC	514,592.00	1/1/2004	12/31/2005	12/31/2005	0	0
MORRIS COUNTY	1000174	OCC	435,674.05	1/1/2004	12/31/2005	12/31/2005	0	0
RED RIVER COUNTY	1000175	OCC	514,800.00	1/1/2004	12/31/2005	12/31/2005	0	0
CITY OF LEXINGTON	1000177	OCC	228,800.00	1/1/2004	12/31/2005	12/31/2005	0	0
CITY OF BLUM	1000180	OCC	49,475.90	1/1/2004	12/31/2005	12/31/2005	0	0
CITY OF COOLIDGE	1000181	OCC	446,031.08	1/1/2004	12/31/2005	12/31/2005	0	0
CITY OF VICTORIA	1000184	OCC	410,921.57	1/1/2004	12/31/2005	12/31/2005	0	0
SAN PATRICIO COUNTY	1000185	OCC	459,800.00	1/1/2004	12/31/2005	12/31/2005	0	0
BREWSTER COUNTY	1000186	OCC	520,000.00	1/1/2004	12/31/2005	12/31/2005	0	0
CITY OF VAN HORN	1000187	OCC	197,683.89	1/1/2004	12/31/2005	12/31/2005	0	0
CULBERSON COUNTY	1000188	OCC	190,974.73	1/1/2004	12/31/2005	12/31/2005	0	0
CITY OF HUGHES SPRINGS	1000195	HBA	80,115.30	1/1/2004	12/31/2005	12/31/2005	0	0
COMAL COUNTY HOUSING AUTHORITY	542020	TBRA	415,039.00	8/15/2003	3/31/2006	3/31/2006	0	0
SPINDLETOP MHMR SVCS (FKA LIFE RESOURCE)	542021	TBRA	168,187.00	8/15/2003	3/31/2006	3/31/2006	0	0
AFFORDABLE HOUSING OF PARKER COUNTY	542023	TBRA	81,106.63	8/15/2003	3/31/2006	3/31/2006	0	0
TEMPLE HOUSING RESIDENTIAL CORPORATION	542024	TBRA	194,220.00	8/15/2003	3/31/2006	3/31/2006	0	0
GULF COAST CENTER-GALVESTON, THE	542025	TBRA	519,293.00	8/15/2003	3/31/2006	3/31/2006	0	0
GULF BEND MHMR CENTER	542026	TBRA	53,500.00	8/15/2003	3/31/2006	3/31/2006	0	0
COMBINED COMMUNITY ACTION, INC.	542027	TBRA	49,842.00	8/15/2003	3/31/2006	3/31/2006	0	0
BLUEBONNET TRAILS COMMUNITY MHMR	542030	TBRA	90,301.00	8/15/2003	3/31/2006	3/31/2006	0	0
BLUEBONNET TRAILS COMMUNITY MHMR	542031	TBRA	409,984.72	8/15/2003	3/31/2006	3/31/2006	0	0
CAMERON COUNTY HOUSING AUTHORITY	542033	TBRA	519,132.51	8/15/2003	3/31/2006	3/31/2006	0	0
BUCKNER CHILDREN & FAMILY SER. INC. DBA BUCKNER FAMILY PLACE	542034	TBRA	77,650.00	8/15/2003	3/31/2006	3/31/2006	0	0
BUCKNER CHILDREN & FAMILY SER. INC. DBA BUCKNER FAMILY PLACE	542035	TBRA	310,907.00	8/15/2003	3/31/2006	3/31/2006	0	0
SPECTRUM HOUSING	542037	TBRA	514,405.78	8/15/2003	3/31/2006	3/31/2006	0	0
COMMUNITY ACTION CORPORATION OF SOUTH TEXAS	542038	TBRA	185,120.00	8/15/2003	3/31/2006	3/31/2006	0	0
MARBLE FALLS HOUSING AUTHORITY	542028	TBRA	410,275.03	8/15/2003	3/31/2006	3/31/2006	0	0
LEXINGTON COURT, LTD.	1000246	RHD/New	1,500,000.00	9/1/2004	4/30/2006	4/30/2006	0	0

TDHCA HOME CONTRACTS WITH ENDING DATE >1/1/04								
Listing of time extensions								
Administrator	Contract Number	Activity Type	Total Budget	Beginning Date	Ending Date	Amended End Date	# of Days Extended	# of Months Extended
CITY OF TOYAH	1000202	OCC	514,800.00	6/1/2004	5/31/2006	5/31/2006	0	0
BROOKS COUNTY	1000203	OCC	514,800.00	6/1/2004	5/31/2006	5/31/2006	0	0
INSTITUTE OF RURAL DEVELOPMENT, INC.	1000204	OCC	260,000.00	6/1/2004	5/31/2006	5/31/2006	0	0
RURAL ECONOMIC ASSISTANCE LEAGUE, INC.	1000205	OCC	260,000.00	6/1/2004	5/31/2006	5/31/2006	0	0
UNITED CEREBRAL PALSY ASSOCIATION OF TEXAS	1000207	HBA/Rehab	452,282.63	6/1/2004	5/31/2006	5/31/2006	0	0
VALLEY ASSOCIATION FOR INDEPENDENT LIVING (VAIL)	1000196	TBRA	122,826.00	2/1/2004	7/31/2006	7/31/2006	0	0
AFFORDABLE CARING HOUSING, INC.	1000199	TBRA	71,474.00	2/1/2004	7/31/2006	7/31/2006	0	0
CAMERON COUNTY	1000217	OCC	520,000.00	8/1/2004	7/31/2006	7/31/2006	0	0
FALFURRIAS HOUSING AUTHORITY	1000218	OCC	514,800.00	8/1/2004	7/31/2006	7/31/2006	0	0
HANDS OF HOPE	1000219	OCC	514,800.00	8/1/2004	7/31/2006	7/31/2006	0	0
INSTITUTE OF RURAL DEVELOPMENT, INC.	1000220	OCC	514,800.00	8/1/2004	7/31/2006	7/31/2006	0	0
NEWTON COUNTY	1000221	HBA	438,464.00	8/1/2004	7/31/2006	7/31/2006	0	0
BROOKS COUNTY	1000222	OCC	514,800.00	8/1/2004	7/31/2006	7/31/2006	0	0
CITY OF FALFURRIAS	1000236	OCC	514,800.00	8/1/2004	7/31/2006	7/31/2006	0	0
CITY OF KAUFMAN	1000440	OCC	25,032.00	8/1/2005	7/31/2006	7/31/2006	0	0
PERRYTON FOUNTAINHEAD, L.P.	1000238	RHD/Rehab	500,000.00	8/31/2004	8/31/2006	8/31/2006	0	0
MAVERICK FOUNTAINHEAD, L.P.	1000242	RHD/Rehab	320,000.00	8/31/2004	8/31/2006	8/31/2006	0	0
KAUFMAN FOUNTAINHEAD, L.P.	1000244	RHD/Rehab	500,000.00	8/31/2004	8/31/2006	8/31/2006	0	0
CAMERON FOUNTAINHEAD, L.P.	1000245	RHD/Rehab	650,000.00	8/31/2004	8/31/2006	8/31/2006	0	0
DAYTON HOUSING AUTHORITY	1000249	HBA	31,200.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF ROXTON	1000250	OCC	400,400.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF TRINIDAD	1000251	OCC	514,800.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF COOPER	1000252	OCC	286,965.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF LEWISVILLE	1000253	OCC	432,640.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF MCKINNEY	1000254	HBA	156,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF HUNTSVILLE	1000255	OCC	520,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
TEMPLE HOUSING RESIDENTIAL CORPORATION	1000256	HBA	62,400.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF LA MARQUE	1000257	OCC	427,971.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF CLEVELAND	1000258	OCC	516,233.00	10/1/2004	9/30/2006	9/30/2006	0	0
TEMPLE HOUSING RESIDENTIAL CORPORATION	1000259	HBA	246,106.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF WAKE VILLAGE	1000260	OCC	286,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF NEW BRAUNFELS	1000261	OCC	19,561.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF BOYD	1000262	OCC	250,192.00	10/1/2004	9/30/2006	9/30/2006	0	0

TDHCA HOME CONTRACTS WITH ENDING DATE >1/1/04								
Listing of time extensions								
Administrator	Contract Number	Activity Type	Total Budget	Beginning Date	Ending Date	Amended End Date	# of Days Extended	# of Months Extended
CITY OF ALVARADO	1000263	OCC	451,360.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF MIDLAND	1000264	HBA	78,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
CATHOLIC CHARITIES OF CORPUS CHRISTI, INC.	1000265	HBA	520,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF BONHAM	1000266	HBA	104,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF CANEY CITY	1000267	OCC	286,965.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF CORRIGAN	1000268	OCC	348,757.00	10/1/2004	9/30/2006	9/30/2006	0	0
CORRIGAN HOUSING AUTHORITY	1000269	OCC	348,756.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF DE LEON	1000270	OCC	240,888.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF WASKOM	1000271	OCC	514,800.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF RANGER	1000272	OCC	514,800.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF DILLEY	1000273	OCC	165,750.00	10/1/2004	9/30/2006	9/30/2006	0	0
DILLEY HOUSING AUTHORITY	1000274	OCC	165,750.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF GRANDFALLS	1000275	OCC	514,800.00	10/1/2004	9/30/2006	9/30/2006	0	0
INSTITUTE OF RURAL DEVELOPMENT, INC.	1000276	OCC	243,802.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF JONESTOWN	1000277	OCC	424,494.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF JOSEPHINE	1000278	OCC	514,800.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF LOMETA	1000279	OCC	514,800.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF PREMONT	1000281	OCC	222,738.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF WOLFE CITY	1000282	OCC	514,800.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF CISCO	1000283	OCC	520,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF THRALL	1000284	OCC	286,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF SAN MARCOS	1000285	OCC	472,023.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF HALLETTSVILLE	1000286	OCC	520,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF BRIDGEPORT	1000287	OCC	286,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF WHITESBORO	1000288	OCC	514,800.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF CROSBYTON	1000289	OCC	260,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF GRANGER	1000290	OCC	188,663.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF JUNCTION	1000291	OCC	117,068.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF LAMESA	1000292	OCC	117,067.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF NACOGDOCHES	1000293	OCC	520,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF ROPESVILLE	1000294	OCC	520,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF TEMPLE	1000295	OCC	54,071.00	10/1/2004	9/30/2006	9/30/2006	0	0
COMMUNITY COLONIAS ORGANIZATION	1000296	OCC	254,800.00	10/1/2004	9/30/2006	9/30/2006	0	0

TDHCA HOME CONTRACTS WITH ENDING DATE >1/1/04								
Listing of time extensions								
Administrator	Contract Number	Activity Type	Total Budget	Beginning Date	Ending Date	Amended End Date	# of Days Extended	# of Months Extended
ZAPATA COUNTY	1000297	OCC	520,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
TOWN OF ANTHONY	1000298	OCC	187,546.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF PEARSALL	1000299	OCC	520,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF BALMORHEA	1000300	OCC	520,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
ALPHA CONCEPTS, INC.	1000301	HBA	364,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF PRESIDIO	1000302	OCC	466,802.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF COMBES	1000303	OCC	228,962.00	10/1/2004	9/30/2006	9/30/2006	0	0
COMMUNITY ACTION CORPORATION OF SOUTH TEXAS	1000304	OCC	465,920.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF TEXARKANA	1000305	OCC	84,645.00	10/1/2004	9/30/2006	9/30/2006	0	0
SOUTH PLAINS COMMUNITY ACTION ASSOCIATION	1000306	OCC	462,050.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF JACKSONVILLE	1000307	OCC	312,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
FRIO COUNTY	1000308	OCC	520,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF SANTA ROSA	1000309	OCC	520,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
HABITAT FOR HUMANITY COUNCIL OF NORTH CENTRAL TEXAS	1000310	HBA	104,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF SAN BENITO	1000311	HBA	149,017.33	10/1/2004	9/30/2006	9/30/2006	0	0
SPARKS HOUSING DEVELOPMENT CORPORATION	1000312	HBA	352,342.00	10/1/2004	9/30/2006	9/30/2006	0	0
COMMUNITY DEVELOPMENT CORPORATION	1000313	HBA	520,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
SOUTHEAST TEXAS HOUSING FINANCE CORPORATION	1000314	HBA	260,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF LORENZO	1000315	HBA	104,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
HARRISON COUNTY HOUSING FINANCE CORPORATION	1000316	HBA	104,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
BEEVILLE HOUSING AUTHORITY	1000317	HBA	156,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
SOUTHEAST TEXAS HOUSING FINANCE CORPORATION	1000318	HBA	260,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF HAMILTON	1000320	HBA	168,480.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF JACKSONVILLE	1000322	HBA	260,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
FAITH TEMPLE COGIC-SILSBEE, INC.	1000323	HBA	78,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
SOUTHERN RIO SERVICES	1000324	HBA	364,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
COMMUNITY COLONIAS ORGANIZATION	1000325	HBA	126,932.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF COMMERCE	1000326	OCC	250,192.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF MESQUITE	1000327	OCC	520,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION	1000328	OCC	10,400.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF ABERNATHY	1000329	OCC	514,800.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF TERRELL	1000330	OCC	520,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF BELLMEAD	1000331	OCC	54,072.00	10/1/2004	9/30/2006	9/30/2006	0	0

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Listing of time extensions								
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CITY OF LACY LAKEVIEW	1000332	OCC	213,257.82	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF MIDLAND	1000333	OCC	249,600.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF WHARTON	1000350	OCC	361,563.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF MATHIS	1000351	OCC	361,562.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF DAYTON	1000352	OCC	520,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
CITY OF COTULLA	1000353	OCC	520,000.00	10/1/2004	9/30/2006	9/30/2006	0	0
ZAVALA COUNTY	1000354	OCC	520,000.00	11/1/2004	10/31/2006	10/31/2006	0	0
CITY OF RALLS	1000355	OCC	488,426.00	11/1/2004	10/31/2006	10/31/2006	0	0
CITY OF LORENZO	1000356	OCC	488,426.00	11/1/2004	10/31/2006	10/31/2006	0	0
COMMUNITY ACTION COUNCIL OF SOUTH TEXAS	1000357	OCC	520,000.00	1/1/2005	12/31/2006	12/31/2006	0	0
ZAVALA COUNTY	1000362	OCC	520,000.00	3/1/2005	2/28/2007	2/28/2007	0	0
CITY OF CRYSTAL CITY	1000363	OCC	520,000.00	3/1/2005	2/28/2007	2/28/2007	0	0
COMAL COUNTY HOUSING AUTHORITY	1000334	TBRA	346,430.00	10/1/2004	3/31/2007	3/31/2007	0	0
TEMPLE HOUSING AUTHORITY	1000335	TBRA	196,560.00	10/1/2004	3/31/2007	3/31/2007	0	0
SPECIAL HEALTH RESOURCES	1000336	TBRA	520,000.00	10/1/2004	3/31/2007	3/31/2007	0	0
CENTRAL TEXAS MHMR	1000337	TBRA	249,600.00	10/1/2004	3/31/2007	3/31/2007	0	0
LATINO EDUCATION PROJECT	1000338	TBRA	312,000.00	10/1/2004	3/31/2007	3/31/2007	0	0
COMBINED COMMUNITY ACTION, INC.	1000339	TBRA	83,200.00	10/1/2004	3/31/2007	3/31/2007	0	0
AFFORDABLE HOUSING OF PARKER COUNTY	1000340	TBRA	170,508.00	10/1/2004	3/31/2007	3/31/2007	0	0
AFFORDABLE CARING HOUSING, INC.	1000341	TBRA	242,643.00	10/1/2004	3/31/2007	3/31/2007	0	0
AFFORDABLE CARING HOUSING, INC.	1000342	TBRA	181,010.00	10/1/2004	3/31/2007	3/31/2007	0	0
WILLACY COUNTY HOUSING AUTHORITY	1000343	TBRA	208,000.00	10/1/2004	3/31/2007	3/31/2007	0	0
TEXAS NEIGHBORHOOD SERVICES	1000344	TBRA	511,755.00	10/1/2004	3/31/2007	3/31/2007	0	0
BUCKNER CHILDREN & FAMILY SER. INC. DBA BUCKNER FAMILY PLACE	1000345	TBRA	81,282.00	10/1/2004	3/31/2007	3/31/2007	0	0
EDINBURG HOUSING AUTHORITY	1000346	TBRA	469,227.00	10/1/2004	3/31/2007	3/31/2007	0	0
BUCKNER CHILDREN & FAMILY SER. INC. DBA BUCKNER FAMILY PLACE	1000347	TBRA	412,867.00	10/1/2004	3/31/2007	3/31/2007	0	0
SPINDLETOP MHMR SERVICES	1000348	TBRA	170,248.00	10/1/2004	3/31/2007	3/31/2007	0	0
EL PASO COMMUNITY MHMR CENTER	1000349	TBRA	420,202.00	10/1/2004	3/31/2007	3/31/2007	0	0
UNITED CEREBRAL PALSY ASSOCIATION OF TEXAS	1000371	HBA/Rehab	530,000.00	6/1/2005	5/31/2007	5/31/2007	0	0
AFFORDABLE HOUSING OF PARKER COUNTY	1000370	RHD/New	1,500,000.00	6/1/2005	6/1/2007	6/1/2007	0	0
TEXAS COMMUNITY SOLUTIONS, INC.	1000359	TBRA	24,358.00	2/1/2005	7/31/2007	7/31/2007	0	0
DALLAS METROCARE SERVICES	1000361	TBRA	336,055.00	2/1/2005	7/31/2007	7/31/2007	0	0
HASKELL COUNTY	1000407	OCC	520,000.00	8/1/2005	7/31/2007	7/31/2007	0	0

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Listing of time extensions								
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PLEASANT VALLEY	1000408	OCC	520,000.00	8/1/2005	7/31/2007	7/31/2007	0	0
SAN SABA COUNTY	1000409	OCC	520,000.00	8/1/2005	7/31/2007	7/31/2007	0	0
IOWA PARK	1000410	OCC	520,000.00	8/1/2005	7/31/2007	7/31/2007	0	0
CITY OF SEYMOUR	1000411	OCC	520,000.00	8/1/2005	7/31/2007	7/31/2007	0	0
DALLAS HOUSING AUTHORITY	1000366	TBRA	492,900.00	3/1/2005	8/31/2007	8/31/2007	0	0
VALLEY ASSOCIATION FOR INDEPENDENT LIVING (VAIL)	1000367	TBRA	122,748.00	3/1/2005	8/31/2007	8/31/2007	0	0
WINDVALE PARK, LTD.	1000437	RHD/New	1,500,000.00	9/1/2005	9/1/2007	9/1/2007	0	0
CITY OF WHITNEY	1000515	OCC	277,342.00	10/3/2005	9/25/2007	9/25/2007	0	0
CITY OF MIDLAND	1000450	OCC	156,000.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF EUSTACE	1000454	OCC	232,630.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF HITCHCOCK	1000455	OCC	514,800.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF BANDERA	1000456	OCC	514,800.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF PLAINS	1000457	OCC	177,387.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF MILES	1000458	OCC	514,800.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF INGLESIDE	1000459	OCC	286,000.00	10/3/2005	9/28/2007	9/28/2007	0	0
KENDALL COUNTY	1000460	OCC	99,219.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF GARRISON	1000461	OCC	514,800.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF ODEM	1000462	OCC	514,800.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF RISING STAR	1000463	OCC	514,800.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF YOAKUM	1000464	OCC	378,601.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF MARBLE FALLS	1000465	OCC	441,601.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF VAN	1000466	OCC	514,800.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF EL CENIZO	1000467	OCC	514,800.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF ASHERTON	1000468	OCC	514,800.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF WICKETT	1000469	OCC	514,800.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF CARRIZO SPRINGS	1000470	OCC	514,800.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF ENCINAL	1000472	OCC	514,800.00	10/3/2005	9/28/2007	9/28/2007	0	0
LA SALLE COUNTY	1000476	OCC	69,559.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF ROMA	1000477	OCC	69,559.00	10/3/2005	9/28/2007	9/28/2007	0	0
CRYSTAL CITY HOUSING AUTHORITY	1000479	OCC	514,800.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF NEW BRAUNFELS	1000483	OCC	330,625.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF SOCORRO	1000484	OCC	138,123.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF DAINGERFIELD	1000485	OCC	129,240.00	10/3/2005	9/28/2007	9/28/2007	0	0

TDHCA HOME CONTRACTS WITH ENDING DATE >1/1/04								
Listing of time extensions								
Administrator	Contract Number	Activity Type	Total Budget	Beginning Date	Ending Date	Amended End Date	# of Days Extended	# of Months Extended
CITY OF NASH	1000486	OCC	512,162.00	10/3/2005	9/28/2007	9/28/2007	0	0
EBENZ, INC.	1000488	OCC	260,000.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF MCKINNEY	1000491	OCC	520,000.00	10/3/2005	9/28/2007	9/28/2007	0	0
WHARTON COUNTY	1000492	OCC	520,000.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF DEKALB	1000493	OCC	232,630.00	10/3/2005	9/28/2007	9/28/2007	0	0
WEBB COUNTY	1000494	OCC	70,261.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF SAN MARCOS	1000497	OCC	420,900.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF WILLIS	1000500	OCC	412,253.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF BELLMEAD	1000501	OCC	520,000.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF DENVER CITY	1000502	OCC	255,116.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF TAFT	1000503	OCC	179,177.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF TURKEY	1000504	OCC	514,800.00	10/3/2005	9/28/2007	9/28/2007	0	0
WHARTON COUNTY	1000505	OCC	514,800.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF LONE OAK	1000506	OCC	408,130.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF MALAKOFF	1000507	OCC	514,800.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF KEMP	1000508	OCC	514,800.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF MCCAMEY	1000509	OCC	514,800.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF STAMFORD	1000511	OCC	149,224.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF GROESBECK	1000512	OCC	74,197.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF BERRYVILLE	1000516	OCC	520,000.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF PRINCETON	1000520	OCC	514,800.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF BRONTE	1000521	OCC	514,800.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF DELL CITY	1000522	OCC	514,800.00	10/3/2005	9/28/2007	9/28/2007	0	0
HUDSPETH COUNTY	1000523	OCC	126,027.00	10/3/2005	9/28/2007	9/28/2007	0	0
INSTITUTE OF RURAL DEVELOPMENT, INC.	1000524	OCC	126,027.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF BELLS	1000525	OCC	514,800.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF NOME	1000526	OCC	514,800.00	10/3/2005	9/28/2007	9/28/2007	0	0
EL PASO COLLABORATIVE FOR COMMUNITY AND ECONOMIC DEVELOPMENT	1000528	OCC	514,800.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF MONTGOMERY	1000530	HBA/Rehab	520,000.00	10/3/2005	9/28/2007	9/28/2007	0	0
LATINO EDUCATION PROJECT	1000531	OCC	520,000.00	10/3/2005	9/28/2007	9/28/2007	0	0
PECOS COUNTY	1000534	HBA/Rehab	520,000.00	10/3/2005	9/28/2007	9/28/2007	0	0
DEL RIO HOUSING AUTHORITY	1000535	HBA/Rehab	520,000.00	10/3/2005	9/28/2007	9/28/2007	0	0
	1000537	HBA/Rehab	514,800.00	10/3/2005	9/28/2007	9/28/2007	0	0

TDHCA HOME CONTRACTS WITH ENDING DATE >1/1/04								
Listing of time extensions								
Administrator	Contract Number	Activity Type	Total Budget	Beginning Date	Ending Date	Amended End Date	# of Days Extended	# of Months Extended
ALIANZA PARA EL DESARROLLO COMUNITARIO, INC.	1000538	HBA/Rehab	514,800.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF SAN BENITO	1000542	OCC	520,000.00	10/3/2005	9/28/2007	9/28/2007	0	0
LAREDO-WEBB NEIGHBORHOOD HOUSING	1000543	OCC	514,800.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF WINNSBORO	1000544	OCC	232,630.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF CORSICANA	1000545	OCC	208,000.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF CENTER	1000547	OCC	243,617.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF BOGATA	1000548	OCC	93,992.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF AMHERST	1000550	OCC	514,800.00	10/3/2005	9/28/2007	9/28/2007	0	0
NEWTON COUNTY	1000551	OCC	498,160.00	10/3/2005	9/28/2007	9/28/2007	0	0
HARDIN COUNTY	1000552	OCC	315,640.00	10/3/2005	9/28/2007	9/28/2007	0	0
WHARTON COUNTY	1000553	OCC	514,800.00	10/3/2005	9/28/2007	9/28/2007	0	0
CITY OF EL CAMPO	1000554	OCC	520,000.00	10/3/2005	9/28/2007	9/28/2007	0	0
BEE COMMUNITY ACTION AGENCY	1000558	OCC	286,000.00	10/17/2005	9/28/2007	9/28/2007	0	0
CITY OF PRIMERA	1000559	OCC	230,219.00	10/17/2005	9/28/2007	9/28/2007	0	0
DENTON AFFORDABLE HOUSING CORPORATION	1000190	HBA	286,000.00	10/1/2003	9/30/2007	9/30/2007	0	0
BRADY-CHARGER PROPERTIES, LP	1000432	RHD/Rehab	285,664.00	10/1/2005	10/1/2007	10/1/2007	0	0
HAMILTON-CHARGER PROPERTIES, LP	1000433	RHD/Rehab	255,517.00	10/1/2005	10/1/2007	10/1/2007	0	0
CLIFTON-CHARGER PROPERTIES, LP	1000434	RHD/Rehab	515,566.00	10/1/2005	10/1/2007	10/1/2007	0	0
BORDER FAIR HOUSING AND ECONOMIC JUSTICE CENTER	1000561	HBA/Rehab	514,800.00	10/14/2005	10/13/2007	10/13/2007	0	0
AYUDA, INC.	1000562	HBA/Rehab	520,000.00	10/14/2005	10/13/2007	10/13/2007	0	0
CITY OF SOCORRO	1000563	HBA/Rehab	62,400.00	10/14/2005	10/13/2007	10/13/2007	0	0
COMMUNITY SERVICES AGENCY OF SOUTH TEXAS, INC	1000564	HBA/Rehab	457,600.00	10/14/2005	10/13/2007	10/13/2007	0	0
LA GLORIA DEVELOPMENT CORPORATION	1000565	HBA/Rehab	286,000.00	10/14/2005	10/13/2007	10/13/2007	0	0
COMMUNITY ACTION SOCIAL SERVICES & EDUCATION, INC.	1000566	HBA/Rehab	520,000.00	10/14/2005	10/13/2007	10/13/2007	0	0
COMMUNITY COLONIAS ORGANIZATION	1000567	HBA/Rehab	514,800.00	10/14/2005	10/13/2007	10/13/2007	0	0
WEBB COUNTY	1000568	HBA/Rehab	520,000.00	10/14/2005	10/13/2007	10/13/2007	0	0
EL PASO COUNTY	1000569	HBA/Rehab	254,800.00	10/14/2005	10/13/2007	10/13/2007	0	0
CITY OF LOS INDIOS	1000560	OCC	69,559.00	10/17/2005	10/16/2007	10/16/2007	0	0
HOUSING PLUS, INC.	1000383	RHD/New	1,675,000.00	7/1/2005	11/1/2007	11/1/2007	0	0
SPRING TERRACE HOUSING CORPORATION	1000417	RHD/Rehab	786,446.28	11/1/2005	11/1/2007	11/1/2007	0	0
CENTER FOR HOUSING & ECONOMIC OPP. CORP.	1000555	RHD/New	1,500,000.00	11/1/2005	11/1/2007	11/1/2007	0	0
FDI-PARK PLACE, LTD.	1000430	RHD/Rehab	225,000.00	10/1/2005	12/1/2007	12/1/2007	0	0
FDI-UNIVERSITY PLACE, LTD.	1000431	RHD/Rehab	375,000.00	10/1/2005	1/1/2008	1/1/2008	0	0

TDHCA HOME CONTRACTS WITH ENDING DATE >1/1/04								
Listing of time extensions								
Administrator	Contract Number	Activity Type	Total Budget	Beginning Date	Ending Date	Amended End Date	# of Days Extended	# of Months Extended
AHPC SPRING GARDENS V, LP	1000415	RHD/New	600,000.00	10/1/2005	2/1/2008	2/1/2008	0	0
HVM FLORESVILLE, LTD.	1000586	RHD/Rehab	364,562.00	2/1/2006	2/1/2008	2/1/2008	0	0
BURKE CENTER	1000444	TBRA	65,423.00	10/3/2005	3/31/2008	3/31/2008	0	0
ELLIS TOWNHOMES, INC	1000445	TBRA	30,656.00	10/3/2005	3/31/2008	3/31/2008	0	0
TRI-COUNTY MHMR	1000446	TBRA	171,859.00	10/3/2005	3/31/2008	3/31/2008	0	0
CHRISTIAN COMMUNITY ACTION	1000447	TBRA	520,000.00	10/3/2005	3/31/2008	3/31/2008	0	0
TRI-COUNTY MHMR	1000448	TBRA	356,937.00	10/3/2005	3/31/2008	3/31/2008	0	0
HOUSING AUTHORITY OF FRISCO	1000449	TBRA	213,476.00	10/3/2005	3/31/2008	3/31/2008	0	0
BUCKNER CHILDREN & FAMILY SER. INC. DBA BUCKNER FAMILY PLACE	1000451	TBRA	208,000.00	10/3/2005	3/31/2008	3/31/2008	0	0
EL PASO COMMUNITY ACTION PROGRAM, PROJECT BRAVO, INC.	1000452	TBRA	97,545.00	10/3/2005	3/31/2008	3/31/2008	0	0
AFFORDABLE HOUSING OF PARKER COUNTY	1000453	TBRA	225,240.00	10/3/2005	3/31/2008	3/31/2008	0	0
BLUEBONNET TRAILS COMMUNITY MHMR	1000471	TBRA	110,400.00	10/3/2005	3/31/2008	3/31/2008	0	0
BLUEBONNET TRAILS COMMUNITY MHMR	1000473	TBRA	105,225.00	10/3/2005	3/31/2008	3/31/2008	0	0
BLUEBONNET TRAILS COMMUNITY MHMR	1000474	TBRA	52,000.00	10/3/2005	3/31/2008	3/31/2008	0	0
BLUEBONNET TRAILS COMMUNITY MHMR	1000475	TBRA	52,000.00	10/3/2005	3/31/2008	3/31/2008	0	0
MARBLE FALLS HOUSING AUTHORITY	1000478	TBRA	262,049.00	10/3/2005	3/31/2008	3/31/2008	0	0
ALPHA CONCEPTS, INC.	1000480	TBRA	44,881.00	10/3/2005	3/31/2008	3/31/2008	0	0
			202,973,762.84					

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Administrator	Contract Number	Activity Type	Award Amt	Date Received	Date Prepared	Date Approved	Contract Begin Date	Contract End Date	Extended End Date	Funding Sources	Amendment Type	Consultant
Spectrum Housing	542037	TBRA	\$520,000.00	9/2/2005			8/15/2003	3/31/2006		HOME	AMFI Revision	
Accessible Communities Inc.	1000360	TBRA	\$265,000.00	9/16/2005	11/1/2005	11/30/2005	2/1/2005	7/31/2007	10/31/2007	HOME	AMFI Revision	
Lifetime Independence for Everyone, Inc.	1000364	TBRA	\$178,686.00	9/16/2005	1/10/2006	3/8/2006	3/1/2005	8/31/2007	10/31/2007	HOME	AMFI Revision	
ARCIL, Inc.	1000223	TBRA	\$109,386.00	9/26/2005	10/7/2005	11/3/2005	10/1/2004	1/31/2007	10/31/2007	HOME	AMFI Revision	
Lubbock Regional MHMR Center	1000197	TBRA	\$211,661.00	9/26/2005	10/7/2005	12/19/2005	2/1/2004	7/31/2006	10/31/2007	HOME	AMFI Revision	
Burke Center	542022	TBRA	\$517,660.00	10/5/2005	10/31/2005	11/25/2005	8/15/2003	3/31/2006	9/30/2006	HOME	AMFI Revision	
ARCIL, Inc.	542313	TBRA	\$225,986.00	11/14/2005	12/12/2005	1/17/2006	8/1/2004	10/31/2007		HOME	AMFI Revision	
Marble Falls Housing Authority	1000478	TBRA	\$101,505.00	1/3/2006	2/13/2006	2/16/2006	10/3/2005	3/31/2008		HOME	AMFI Revision	
ARCIL, Inc.	10002231	TBRA	\$225,986.00	1/9/2006	1/24/2006	1/24/2006	8/1/2004	10/31/2007		HOME	AMFI Revision	
Lifetime Independence for Everyone, Inc.	5420321	TBRA	\$418,408.00	2/22/2006	3/8/2006	4/3/2006	8/15/2003	3/31/2006	11/30/2006	HOME	AMFI Revision	
Cameron County Housing Authority	542033	TBRA	\$520,000.00	3/13/2006	3/27/2006		8/15/2003	3/31/2006	12/31/2006	HOME	AMFI Revision	
Affordable Caring Housing, Inc.	1000341	TBRA	\$242,643.00	3/21/2006	3/29/2006		10/1/2004	3/31/2007		HOME	AMFI Revision	
Affordable Caring Housing, Inc.	1000342	TBRA	\$242,643.00	3/21/2006			10/1/2004	3/31/2007		HOME	AMFI Revision	
Affordable Caring Housing, Inc.	1000309	TBRA	\$520,000.00	11/8/2005	1/5/2006	2/7/2006	10/1/2004	9/30/2006		HOME	Budget Modification	
Combined Community Action, Inc.	542027	TBRA	\$53,456.00	3/23/2006	3/29/2006		8/15/2003	3/31/2006	12/31/2006	HOME	AMFI Revision	
Spindletop MHMR Services	542021	TBRA	\$170,248.00	3/28/2006			8/15/2003	3/31/2006		HOME	AMFI Revision	
BLUEBONNET TRAILS COMMUNITY MHMR	1000473	TBRA	\$105,225.00	3/31/2006			10/3/2005	3/31/2008		HOME	AMFI Revision	
Burke Center	1000444	TBRA	\$65,423.00	3/13/2006	3/23/2006		10/3/2005	3/31/2008		HOME	Budget Modification	
											AMFI Revision Count	17
City of Wake Village	1000260	OCC	\$286,000.00	9/30/2005	11/2/2005	12/14/2005	10/1/2004	9/30/2006		HOME	Budget Modification	Lucas & Associates Inc.
Institute of Rural Development	1000900	OCC	\$520,000.00	10/25/2005	11/16/2005	11/30/2005	12/1/2003	11/30/2005		HOME	Budget Modification	Grantworks
San Patricio County	1000004	OCC	\$520,000.00	11/22/2005	12/6/2005	12/15/2005	12/1/2003	11/30/2005		HOME	Budget Modification	Grantworks
Cisco	1000283	OCC	\$520,000.00	12/5/2005	1/24/2006	2/24/2006	10/1/2004	9/30/2006		HOME	Budget Modification	Langford & Associates
Hallettsville	1000286	OCC	\$520,000.00	12/5/2005	1/23/2006	2/28/2006	10/1/2004	9/30/2006		HOME	Budget Modification	Langford & Associates
Cameron County	1000217	OCC	\$520,000.00	12/27/2005	1/24/2006		8/1/2004	7/31/2006		HOME	Budget Modification	
Midland	1000333	OCC	\$249,600.00	12/29/2005	1/25/2006	2/24/2006	10/1/2004	9/30/2006		HOME	Budget Modification	
Avery	1000165	OCC	\$343,200.00	1/2/2006		2/10/2006	1/1/2004	12/31/2005		HOME	Budget Modification	Resource Management Consulting
Abernathy	1000329	OCC	\$514,800.00	1/10/2006	1/26/2006		10/1/2004	9/30/2006		HOME	Budget Modification	
Celina	1000060	OCC	\$480,125.00	1/17/2006		1/31/2005	9/1/2003	11/30/2005		HOME	Budget Modification	Public Management
Toyah	1000202	OCC	\$514,800.00	1/27/2006			6/1/2004	5/31/2006		HOME	Budget Modification	Grantworks
Toyah	1000136	OCC	\$349,390.00	1/27/2006	4/7/2006		9/30/2003	8/31/2006		HOME	Budget Modification	Grantworks
Josephine	1000278	OCC	\$495,000.00	2/1/2006	2/15/2006	4/5/2006	10/1/2004	9/30/2006		HOME	Budget Modification	Grantworks
Abernathy	1000329	OCC	\$514,800.00	2/6/2006	3/9/2006	3/15/2006	10/1/2004	9/30/2006		HOME	Budget Modification	Grantworks
Community Colonias Organization	1000296	OCC	\$254,800.00	2/6/2006	2/17/2006		10/1/2004	9/30/2006		HOME	Budget Modification	
Ranger	1000272	OCC	\$514,800.00	2/6/2006	3/7/2006		10/1/2004	9/30/2006		HOME	Budget Modification	Grantworks
Webb County	1000038	OCC	\$520,000.00	2/17/2006	3/6/2006		9/1/2003	8/31/2006		HOME	Budget Modification	
Dayton	1000352	OCC	\$520,000.00	2/24/2006	3/21/2006		10/1/2004	9/30/2006		HOME	Budget Modification	Public Management
Yoakum	1000464	OCC	\$379,601.00	3/1/2006	3/21/2006		10/3/2005	9/28/2007		HOME	Budget Modification	Langford & Associates
Cooper	1000252	OCC	\$286,965.00	3/8/2006	3/22/2006		10/1/2004	9/30/2006		HOME	Budget Modification	Resource Management Consulting
Dickinson	1000061	OCC	\$457,600.00	3/8/2006	4/6/2006		8/31/2005	4/30/2006		HOME	Budget Modification	Public Management
Marble Falls	1000465	OCC	\$441,601.00	3/14/2006	3/22/2006		10/3/2005	9/28/2007		HOME	Budget Modification	
Town of Anthony	1000298	OCC	\$187,546.00	3/20/2006	3/29/2006		10/1/2004	9/30/2006		HOME	Budget Modification	
Ropesville	1000294	OCC	\$520,000.00	3/23/2006	4/11/2006		10/1/2004	9/30/2006		HOME	Budget Modification	South Plains Community Action Assoc
La Marque	1000257	OCC	\$427,971.00	3/30/2006	4/5/2006		10/1/2004	9/30/2006		HOME	Budget Modification	Public Management
Abernathy	1000329	OCC	\$514,800.00	4/3/2006	4/12/2006		10/1/2006	9/30/2006		HOME	Budget Modification	
											Budget Modification Count	26

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Administrator	Contract Number	Activity Type	Award Amt	Date Received	Date Prepared	Date Approved	Contract Begin Date	Contract End Date	Extended End Date	Funding Sources	Amendment Type	Consultant
LAREDO-WEBB NHS	542040	HBA	\$312,000.00	9/2/2005	9/30/2005	10/20/2005	10/1/2003	9/30/2005	6/30/2006	HOME	Contract Extension	
Edinburg Housing Opp. Corp	1000189	HBA	\$315,000.00	9/6/2005	9/12/2005		10/1/2003	9/30/2005	9/30/2007	HOME	Contract Extension	
Benavides	1000009	OCC	\$520,000.00	9/7/2005	9/12/2005	10/11/2005	10/1/2003	11/30/2005	11/30/2006	HOME	Contract Extension	Castillo Engineering
La Feria	542061	HBA	\$208,000.00	9/12/2005	12/11/2005	1/12/2006	10/1/2003	9/30/2005	6/30/2006	HOME	Contract Extension	
Southeast Texas Housing Finance Corporation	542048	HBA	\$520,000.00	9/15/2005	10/5/2005	11/10/2005	10/1/2003	9/30/2005	12/31/2005	HOME	Contract Extension	
City of DeKalb	530203	HBA	\$117,000.00	9/26/2005	10/6/2005	2/7/2006	11/30/2001	9/30/2005	3/31/2006	HOME	Contract Extension	Lucas & Associates Inc.
Starr County	542064	HBA	\$208,000.00	9/30/2005	11/17/2005	12/29/2005	10/1/2003	9/30/2005	3/31/2006	HOME	Contract Extension	
Benavides	1000009	OCC	\$520,000.00	10/11/2005	1/23/2006	2/28/2006	12/1/2003	11/30/2005	5/30/2006	HOME	Contract Extension	Castillo Engineering
San Patricio County	1000004	OCC	\$520,000.00	10/21/2005	1/31/2006	2/24/2006	12/1/2003	11/30/2005	3/31/2006	HOME	Contract Extension	Grantworks
Bishop	1000183	OCC	\$520,000.00	10/24/2005	1/31/2006	2/21/2006	1/1/2004	12/31/2005	3/31/2006	HOME	Contract Extension	Grantworks
Manor	1000178	OCC	\$416,000.00	10/24/2005	1/11/2006	3/10/2006	1/1/2004	12/31/2005	6/30/2006	HOME	Contract Extension	Leo Wood & Associates
Taylor	1000179	OCC	\$416,000.00	10/24/2005	12/12/2005	1/17/2006	1/1/2004	12/31/2005	4/30/2006	HOME	Contract Extension	Leo Wood & Associates
Cotulla	1000020	OCC	\$520,000.00	10/25/2005	11/16/2005	12/29/2005	12/1/2003	11/30/2005	5/31/2006	HOME	Contract Extension	SMI Consulting
County of Johnson	1000025	OCC	\$520,000.00	10/25/2005	11/22/2005	12/29/2005	12/1/2003	11/30/2005	3/31/2006	HOME	Contract Extension	Grantworks
Institute of Rural Development	1000018	OCC	\$520,000.00	10/25/2005	2/1/2006		12/1/2003	11/30/2005	2/28/2006	HOME	Contract Extension	Grantworks
Jim Wells County	1000001	OCC	\$520,000.00	10/25/2005	2/1/2006	2/28/2006	12/1/2003	11/30/2005	3/31/2006	HOME	Contract Extension	Grantworks
Jim Wells County	1000016	OCC	\$520,000.00	10/25/2005	1/31/2006	2/24/2006	12/1/2003	11/30/2005	3/31/2006	HOME	Contract Extension	Grantworks
RURAL ECONOMIC ASSISTANCE LEAGUE, INC.	1000005	OCC	\$520,000.00	10/25/2005	2/17/2006	4/11/2006	12/1/2003	11/30/2005	3/31/2006	HOME	Contract Extension	Grantworks
RURAL ECONOMIC ASSISTANCE LEAGUE, INC.	1000019	OCC	\$520,000.00	10/25/2005	1/31/2006	4/5/2006	12/1/2003	11/30/2005	3/31/2006	HOME	Contract Extension	Grantworks
RURAL ECONOMIC ASSISTANCE LEAGUE, INC.	1000015	OCC	\$520,000.00	10/25/2005	1/31/2006	2/21/2006	12/1/2003	11/30/2005	4/30/2006	HOME	Contract Extension	Grantworks
Institute of Rural Development	1000022	OCC	\$520,000.00	10/26/2005	2/1/2006		12/1/2003	11/30/2005	5/31/2006	HOME	Contract Extension	Grantworks
Jim Wells County	1000014	OCC	\$520,000.00	10/26/2005	3/7/2006	3/30/2006	12/1/2003	11/30/2005	5/31/2006	HOME	Contract Extension	Grantworks
La Salle County	1000028	OCC	\$520,000.00	10/26/2005	11/18/2005	12/29/2005	12/1/2003	11/30/2005	4/30/2006	HOME	Contract Extension	SMI Consulting
Live Oak County	1000023	OCC	\$520,000.00	10/26/2005	2/1/2006	2/28/2006	12/1/2003	11/30/2005	5/31/2006	HOME	Contract Extension	Grantworks
Live Oak County	1000003	OCC	\$520,000.00	10/26/2005	2/1/2006	2/28/2006	12/1/2003	11/30/2005	5/31/2006	HOME	Contract Extension	Grantworks
Tuscola	1000007	OCC	\$520,000.00	10/26/2005	2/24/2006	4/5/2006	12/1/2003	11/30/2005	5/31/2006	HOME	Contract Extension	Grantworks
Hondo	1000027	OCC	\$520,000.00	10/27/2005	11/18/2005	12/29/2005	12/1/2003	11/30/2005	3/31/2006	HOME	Contract Extension	SMI Consulting
SPARKS HOUSING DEVELOPMENT CORP	1000312	HBA	\$352,342.00	10/28/2005			10/1/2004	9/30/2006		HOME	Contract Extension	
CAPITAL AREA HOUSING FINANCE CORP	542062	HBA	\$338,000.00	11/3/2005		1/5/2006	12/1/2003	11/30/2005	5/31/2006	HOME	Contract Extension	
Lexington	1000177	OCC	\$228,800.00	11/9/2005	1/23/2006	4/18/2006	1/1/2004	12/31/2005	5/31/2006	HOME	Contract Extension	Kerbow & Associates
Temple	1000182	OCC	\$392,080.00	11/9/2005	11/21/2005	1/4/2006	1/1/2004	12/31/2005	3/31/2006	HOME	Contract Extension	Gary Traylor and Associates
Temple Housing Residential Corporation	1000256	HBA	\$62,400.00	11/21/2005	12/12/2005	1/12/2006	10/1/2004	9/30/2006		HOME	Contract Extension	
Lufkin	1000059	OCC	\$520,000.00	11/28/2005	12/28/2005	1/20/2006	9/1/2003	11/30/2005	2/28/2006	HOME	Contract Extension	Gary Traylor and Associates
Dickinson	1000061	OCC	\$457,600.00	11/30/2005	12/9/2005	1/12/2006	9/1/2003	11/30/2005	1/31/2006	HOME	Contract Extension	Public Management
Flaton	1000176	OCC	\$208,000.00	12/5/2005	12/14/2005	1/17/2006	1/1/2004	12/31/2005	6/30/2006	HOME	Contract Extension	Langford & Associates
Futuro Communities	5420570	HBA	\$336,000.00	12/13/2005	12/13/2005	12/13/2005	10/1/2003	9/30/2007		HOME	Contract Extension	
Dawson	1000164	OCC	\$222,560.00	12/16/2005	1/23/2006	3/24/2006	1/1/2004	12/31/2005	5/31/2006	HOME	Contract Extension	Kerbow & Associates
Mount Pleasant	542039	HBA	\$75,000.00	12/16/2005	12/16/2005	1/20/2006	10/1/2003	11/30/2005	12/31/2005	HOME	Contract Extension	
ALT Affordable Housing Services, Inc.	542065	HBA	\$208,000.00	12/20/2005	1/24/2006		10/1/2003	9/30/2005	3/31/2006	HOME	Contract Extension	
Carthage	1000167	OCC	\$260,000.00	12/27/2005	1/2/2006	1/17/2006	1/1/2004	12/31/2005	3/31/2006	HOME	Contract Extension	Gary Traylor and Associates
Carthage	1000166	OCC	\$260,000.00	12/27/2005	1/5/2006	1/17/2006	1/1/2004	12/31/2005	4/30/2006	HOME	Contract Extension	Gary Traylor and Associates
TRAVIS COUNTY HOUSING FINANCE CORP	5420421	HBA	\$312,000.00	12/30/2005	1/6/2006	2/13/2006	1/1/2004	12/31/2005	3/31/2006	HOME	Contract Extension	
Murchison	1000149	OCC	\$285,958.00	1/11/2006	2/1/2006	2/24/2006	9/1/2003	2/28/2006	5/31/2006	HOME	Contract Extension	Resource Management Consulting
Cleveland	10001031	OCC	\$520,000.00	1/17/2006	2/1/2006	3/27/2006	9/1/2003	11/30/2005	4/30/2006	HOME	Contract Extension	Public Management
Dickinson	1000061	OCC	\$457,600.00	1/20/2006	1/31/2006	2/24/2006	9/1/2003	1/31/2006	4/30/2006	HOME	Contract Extension	Public Management
Terrell	1000036	OCC	\$312,000.00	1/24/2006	1/25/2006	3/8/2006	9/1/2003	2/28/2006	6/30/2006	HOME	Contract Extension	A & J HOWCO Services Inc.

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Bowie	1000146	OCC	\$520,000.00	2/15/2006	3/8/2006	3/24/2006	9/1/2003	11/30/2005	2/28/2006	HOME	Contract Extension	Grantworks
Edinburg Housing Opp. Corp	1000209	CHDO Operating	\$15,000.00	2/16/2006	3/1/2006		10/1/2003	9/30/2005	9/30/2007	HOME	Contract Extension	
CAPITAL AREA HOUSING FINANCE CORP	5420621	HBA	\$338,000.00	2/21/2006	3/21/2006		12/1/2003	11/30/2005		HOME	Contract Extension	
Lone Star Garden Development Corporation	1000160	OCC	\$520,000.00	2/22/2006	2/22/2006		9/1/2003	2/28/2006	6/30/2006	HOME	Contract Extension	FM Consulting
Habitat for Humanity Council of North Central TX	1000310	HBA	\$104,000.00	3/2/2006	3/31/2006		10/1/2004	9/30/2006		HOME	Contract Extension	
Southeast Texas Housing Finance Corporation	542048	HBA	\$503,327.03	3/10/2006	3/28/2006		10/1/2003	12/31/2005	3/31/2006	HOME	Contract Extension	
Huntsville	542056	HBA	\$41,600.00	3/22/2006	3/29/2006		10/1/2003	3/31/2006	6/30/2006	HOME	Contract Extension	
Temple	1000182	OCC	\$392,080.00	3/24/2006	3/27/2006		1/1/2004	3/31/2006	4/30/2006	HOME	Contract Extension	Gary Traylor and Associates
South Plains CAA	542055	HBA	\$208,000.00	4/3/2006	4/5/2006		10/1/2003	3/31/2006	4/30/2006	HOME	Contract Extension	
Southern Rio Services	1000324	HBA	\$364,000.00	4/3/2006	4/10/2006		10/1/2004	9/30/2006		HOME	Contract Extension	
											Contract Extension Count	56
STATEWIDE CONSOLIDATED CDC	531114	RHD	\$827,893.00	12/21/2005	12/29/2005		6/1/2002	10/31/2006		HOME	Revisions on # of Units	
Williamson-Burnet County Opportunities	5310010	RHD	\$1,710,208.00	12/21/2005	1/5/2006	2/11/2006	12/1/2001	4/30/2005	2/28/2006	HOME	Revisions on # of Units	
Community Services Agency of South Texas	5302013	RHD	\$943,289.00	1/3/2006	1/5/2006		6/1/2002	9/30/2005		HOME	Revisions on # of Units	
Center Housing and Economic Opport. Corp.	531300	RHD	\$335,873.00	2/9/2006	2/16/2006		3/31/2003	2/28/2006	2/28/2006	HOME	Revisions on # of Units	
Affordable Housing of Parker County	5420762	RHD	\$575,707.00	2/13/2006	2/23/2006		10/1/2003	12/31/2005		HOME	Revisions on # of Units	
Grandview Retirement Village	539099	RHD	\$695,000.00	3/21/2006	3/21/2006		6/1/1999	3/31/2000	3/31/2000	HOME	Revisions on # of Units	
Valcrest Investments, Inc	536288	RHD	\$992,188.00	3/21/2006	3/21/2006		4/29/1997	12/31/1998	12/31/1998	HOME	Revisions on # of Units	
											Revisions on # of Units Count	7
											Grand Count	107

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Nueces County	539203	TBRA	\$520,000.00	7/7/2004	3/8/2005	3/8/2005	11/30/2001	7/31/2004	7/31/2005	HOME	AMFI Revision
Queen City	543243		\$228,800.00	10/22/2004	11/23/2004	12/30/2004	1/1/2004	12/21/2005		HOME	AMFI Revision
Community Council of Southwest Texas	542053		\$390,000.00	10/26/2004	11/23/2004	12/30/2004	10/1/2003	9/30/2005		HOME	AMFI Revision
Travis County Housing Authority	530202	TBRA	\$520,000.00	12/20/2004	4/25/2005	6/30/2005	1/30/2001	7/31/2004		HOME	AMFI Revision
Affordable Housing of Parker County	544385	TBRA	\$136,406.00	2/24/2005	3/1/2005	4/1/2005	10/1/2004	3/31/2007	3/31/2007	HOME	AMFI Revision
Texas Neighborhood Services	544365	TBRA	\$511,905.00	4/7/2005	4/12/2005	5/16/2005	10/1/2004	3/31/2007		HOME	AMFI Revision
Community Action Corporation of South Texas	542038	TBRA	\$185,120.00	4/18/2005	4/18/2005	5/16/2005	8/15/2003	3/31/2006		HOME	AMFI Revision
Twin City Mission	542036	TBRA	\$485,334.00	4/29/2005	5/24/2005	6/17/2005	8/15/2003	3/31/2006		HOME	AMFI Revision
BLUEBONNET TRAILS COMMUNITY MHMR	542030	TBRA	\$52,000.00	5/12/2005	6/2/2005	6/30/2005	8/15/2003	3/31/2006		HOME	AMFI Revision
Lifetime Independence for Everyone, Inc.	542032	TBRA	\$418,408.00	5/13/2005	5/23/2005	6/2/2005	8/15/2003	3/31/2006		HOME	AMFI Revision
BLUEBONNET TRAILS COMMUNITY MHMR	542031	TBRA	\$416,000.00	5/31/2005	6/7/2005	6/30/2005	8/15/2003	3/31/2006		HOME	AMFI Revision
Community Action Council of South Texas	5420380	TBRA	\$185,120.00	8/1/2005	9/29/2005	10/3/2005	8/15/2003	3/31/2006	3/31/2007	HOME	AMFI Revision
										AMFI Revision Count	12
Hughes Springs	536274		\$104,000.00	9/1/2004	9/9/2004	9/21/2004	1/1/2004	12/31/2005		HOME	Budget Modification
Abernathy	1000329	OCC	\$514,800.00	10/1/2004	11/17/2005	12/19/2005	10/1/2004	9/30/2006		HOME	Budget Modification
City of Celina	542176	OCC	\$520,000.00	11/5/2004	3/14/2005	4/4/2005	9/1/2003	8/31/2005		HOME	Budget Modification
Redwater	1000117	OCC	\$228,800.00	11/8/2004	11/30/2004	5/25/2005	9/1/2003	8/31/2005		HOME	Budget Modification
Dickinson	542163	OCC	\$520,000.00	11/10/2004	2/11/2005	4/11/2005	9/1/2003	8/31/2005		HOME	Budget Modification
Victoria	537178	OCC	\$457,600.00	1/31/2005			1/1/2004	12/31/2005		HOME	Budget Modification
Naples	543171	OCC	\$286,000.00	2/24/2005	3/1/2005	4/22/2005	9/1/2003	8/31/2005		HOME	Budget Modification
Medina County	531186	OCC	\$520,000.00	3/16/2005	3/30/2005	4/6/2005	12/1/2003	11/30/2005		HOME	Budget Modification
Cleveland	1000103	OCC	\$520,000.00	5/16/2005	6/22/2005		9/1/2003	8/31/2005		HOME	Budget Modification
Avery	1000165	OCC	\$343,200.00	5/17/2005	6/20/2005	6/21/2005	1/1/2004	12/31/2005		HOME	Budget Modification
Grayson County Community Development Corporation	1000585	CHDO Operating	\$196,875.00	5/26/2005	6/10/2005		3/31/2003	9/30/2007		HOME	Budget Modification
Toyah	1000202	OCC	\$514,800.00	6/1/2005	6/20/2005	1/11/2006	6/1/2004	5/31/2006		HOME	Budget Modification
Toyah	1000136	OCC	\$520,000.00	6/1/2005	6/20/2005	1/9/2006	9/1/2003	8/31/2005		HOME	Budget Modification
Futuro Communities	1000571	CHDO Operating	\$16,000.00	6/10/2005	6/15/2005	12/9/2005	10/1/2003	9/30/2007		HOME	Budget Modification
Dimmit	1000092	OCC	\$520,000.00	6/16/2005	6/28/2005	7/12/2005	9/1/2003	8/31/2005		HOME	Budget Modification
Cooper	1000252	OCC	\$286,965.00	6/20/2005	6/21/2005	7/22/2005	10/1/2005	9/3/2006		HOME	Budget Modification
Balmorhea	1000300	OCC	\$520,000.00	7/5/2005	7/27/2005	9/26/2005	10/1/2004	9/30/2006		HOME	Budget Modification
Alice	5382010	OCC	\$520,000.00	8/15/2005	8/31/2005	9/6/2005	6/1/2002	7/31/2006		HOME	Budget Modification
										Budget Modification Count	18
South Plains CAA	542055	HBA	\$208,000.00	8/31/2001	8/31/2005	10/7/2005	10/1/2003	9/30/2005	3/31/2006	HOME	Contract Extension
Palestine	1000101	OCC	\$416,000.00	8/23/2003	8/24/2005	9/20/2005	9/1/2003	8/31/2005	9/30/2005	HOME	Contract Extension
Bayou Housing Partners	542008	HBA	\$52,500.00	6/8/2004		1/5/2006	3/31/2003	9/30/2004		HOME	Contract Extension
Grayson County Community Development Corporation	542009	HBA	\$357,000.00	8/18/2004	6/23/2005		3/31/2003	9/30/2004	9/30/2007	HOME	Contract Extension
Affordable Housing of Parker County	542004	HBA	\$65,625.00	8/30/2004	1/7/2005	1/7/2005	3/1/2003	9/30/2004	2/28/2006	HOME	Contract Extension
Affordable Housing of Parker County	542010	HBA	\$170,625.00	9/10/2004	11/29/2004	12/30/2004	3/31/2003	9/30/2004	12/31/2005	HOME	Contract Extension
Pharr Housing Development	542003		\$312,000.00	9/22/2004	10/27/2004	12/30/2004	3/31/2003	9/30/2004	3/31/2005	HOME	Contract Extension
Southeast Texas Housing Partners	542002		\$63,000.00	10/4/2004	1/4/2004	1/24/2006	3/31/2004	9/30/2004	9/30/2005	HOME	Contract Extension

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Hope Action Care	535247		\$198,042.00	10/11/2004	11/11/2004	12/30/2004	3/3/2000	1/31/2003	11/1/2005	HOME	Contract Extension
Albany	530213		\$520,000.00	10/13/2004	1/27/2005	2/22/2005	7/1/2003	6/30/2005	12/31/2005	HOME	Contract Extension
Alpha Concepts	530754		\$420,801.00	11/5/2004	2/7/2005	2/22/2005	8/1/2000	1/31/2005	8/31/2005	HOME	Contract Extension
Alice	531082	OCC	\$513,178.00	12/7/2004	4/11/2005	6/15/2005	11/30/2001	12/31/2004	10/31/2005	HOME	Contract Extension
Lamar County	10001730	OCC	\$200,000.00	1/2/2005	3/6/2006	3/31/2006	1/1/2004	12/31/2005	5/31/2006	HOME	Contract Extension
Rio Hondo	531030		\$173,491.00	1/16/2005	3/9/2005	3/9/2005	11/30/2001	10/31/2004	2/28/2005	HOME	Contract Extension
United Cerebral Palsy of Texas	542011		\$265,000.00	1/18/2005	1/26/2005	2/24/2005	3/31/2003	10/31/2004	10/31/2005	HOME	Contract Extension
United Cerebral Palsy of Texas	542083		\$265,000.00	1/18/2005	1/26/2005	2/15/2005	3/31/2003	9/30/2004	9/30/2005	HOME	Contract Extension
Commerce	531018	HBA	\$109,200.00	1/31/2005	4/26/2005	5/26/2005	11/30/2001	1/31/2005	10/31/2005	HOME	Contract Extension
Falls City	531078	OCC	\$286,000.00	2/7/2005	2/23/2005	4/29/2005	11/30/2001	1/31/2005	7/31/2005	HOME	Contract Extension
CDC of Brownsville	542001	HBA	\$525,000.00	2/10/2005	10/10/2005	10/21/2005	3/31/2003	9/30/2004	4/30/2005	HOME	Contract Extension
Denton Affordable Housing Corporation	1000190	HBA	\$286,000.00	2/22/2005	6/17/2005		10/1/2003	9/30/2005		HOME	Contract Extension
Denton Affordable Housing Corporation	1000206	CHDO Operating	\$14,300.00	2/22/2005	6/30/2005		10/1/2003	9/30/2005	9/30/2007	HOME	Contract Extension
Midland Community Development Corp.	542264	HBA	\$132,000.00	2/22/2005	6/22/2005	12/29/2005	10/1/2003	9/30/2005	9/30/2007	HOME	Contract Extension
Midland Community Development Corp.	1000208	CHDO Operating	\$6,600.00	2/22/2005	6/30/2005	12/9/2005	10/1/2003	9/30/2005	9/30/2007	HOME	Contract Extension
Proyecto Azteca	542263	HBA	\$369,600.00	2/22/2005	6/23/2005		10/1/2003	9/30/2005	9/30/2007	HOME	Contract Extension
City of DeKalb	530203	HBA	\$117,000.00	3/15/2005	3/31/2005	4/19/2005	11/30/2001	3/31/2005	9/30/2005	HOME	Contract Extension
City of Holland	543166	HBA	\$416,000.00	3/15/2005	3/17/2005	4/19/2005	9/1/2003	8/31/2005	2/28/2007	HOME	Contract Extension
Socorro	542052	HBA	\$520,000.00	4/26/2005	5/23/2005	8/8/2005	10/1/2003	9/30/2005	9/30/2006	HOME	Contract Extension
Midland	1000264	HBA	\$78,000.00	6/6/2005	8/1/2005	8/9/2005	10/1/2004	9/30/2006		HOME	Contract Extension
Alice	538201	OCC	\$520,000.00	6/9/2005	6/29/2005	7/12/2005	6/1/2002	7/31/2005	7/31/2006	HOME	Contract Extension
Pineywoods Home Team Affordable Housing	1000200	HBA	\$312,000.00	6/9/2005	6/15/2005	6/24/2005	10/1/2003	9/30/2005	9/30/2006	HOME	Contract Extension
Proyecto Azteca	1000191	HBA	\$369,600.00	6/24/2005	8/3/2005		10/1/2003	9/30/2005	9/30/2007	HOME	Contract Extension
Proyecto Azteca	1000210	CHDO Operating	\$18,480.00	6/24/2005	8/6/2005		10/1/2003	9/30/2005	9/30/2007	HOME	Contract Extension
Catholic Charities of Corpus Christi, Inc.	1000265	HBA	\$520,000.00	6/30/2005	7/20/2005	8/17/2005	10/1/2004	9/30/2006		HOME	Contract Extension
Terrell	1000036	OCC	\$300,000.00	7/1/2005	8/16/2005	9/13/2005	9/1/2003	8/31/2005	2/28/2006	HOME	Contract Extension
Teague	1000102	OCC	\$208,000.00	7/7/2005	8/1/2005	9/16/2005	9/1/2003	8/31/2005	2/28/2006	HOME	Contract Extension
Lufkin	1000059	OCC	\$520,000.00	7/12/2005	7/19/2005	8/17/2005	9/1/2003	8/31/2005	11/30/2005	HOME	Contract Extension
Bellmead	1000040	OCC	\$520,000.00	7/13/2005	7/27/2005	8/17/2005	9/1/2003	8/31/2005	2/28/2006	HOME	Contract Extension
Webb County	1000038	OCC	\$520,000.00	7/14/2005	11/17/2005	12/29/2005	9/1/2003	8/31/2005	8/31/2006	HOME	Contract Extension
Center	542051	HBA	\$156,000.00	7/20/2005	8/11/2005	9/26/2005	10/1/2003	9/30/2005	4/30/2007	HOME	Contract Extension
Flatonia	1000115	OCC	\$312,000.00	7/20/2005	8/29/2005	10/20/2005	9/1/2003	8/31/2005	2/28/2006	HOME	Contract Extension
Smithville	1000159	OCC	\$520,000.00	7/25/2005	8/16/2005	9/15/2005	9/1/2003	8/30/2005	2/28/2006	HOME	Contract Extension
Affordable Housing of Parker County	5420100	HBA	\$170,625.00	7/26/2005	9/30/2005		3/31/2003	12/31/2005	12/31/2005	HOME	Contract Extension
Affordable Housing of Parker County	5420040	HBA	\$81,250.00	7/26/2005	9/30/2005		3/31/2003	2/28/2006	1/31/2008	HOME	Contract Extension
Celina	1000060	OCC	\$480,610.00	7/29/2005	8/25/2005	9/28/2005	9/1/2003	8/31/2005	11/30/2005	HOME	Contract Extension
Community & Senior Services of Midland, Inc.	1000076	OCC	\$260,000.00	7/29/2005	8/16/2005	9/26/2005	9/1/2003	8/31/2005	2/28/2006	HOME	Contract Extension
Dickinson	1000061	OCC	\$520,000.00	7/29/2005	8/26/2005	9/19/2005	9/1/2003	8/31/2005	11/30/2005	HOME	Contract Extension
Community Action Council of South Texas	542063	HBA	\$104,728.00	8/1/2005	11/21/2005	12/29/2005	10/1/2003	9/30/2005	3/31/2006	HOME	Contract Extension
Huntsville	542056	HBA	\$156,000.00	8/1/2005	10/27/2005	12/27/2005	10/1/2003	9/30/2005	3/31/2006	HOME	Contract Extension

HOME Amendments
FY 2005

April 20,2006

Administrator	Contract Number	Activity Type	Award Amt	Date Received	Date Prepared	Date Approved	Contract Begin Date	Contract End Date	Extended End Date	Funding Sources	Amendment Type
Cleveland	10001030	OCC	\$520,000.00	8/2/2005	8/29/2005	10/20/2005	9/1/2003	8/31/2005	11/30/2005	HOME	Contract Extension
Luling	1000105	OCC	\$520,000.00	8/3/2005	10/3/2005	10/24/2005	10/1/2003	9/30/2005	9/30/2006	HOME	Contract Extension
Santa Rosa	1000162	OCC	\$208,000.00	8/5/2005	10/5/2005	11/10/2005	9/1/2003	8/30/2005	9/1/2006	HOME	Contract Extension
Bonham	1000104	OCC	\$343,200.00	8/8/2005	8/9/2005	9/15/2005	9/1/2003	8/31/2005	11/30/2005	HOME	Contract Extension
Frisco	542060	HBA	\$100,000.00	8/8/2005	12/9/2005	1/11/2006	10/1/2003	9/30/2005	12/31/2005	HOME	Contract Extension
Naples	1000095	OCC	\$286,000.00	8/8/2005	8/11/2005	8/30/2005	9/1/2003	8/31/2005	2/28/2006	HOME	Contract Extension
Community Resource Group, Inc.	1000035	OCC	\$416,000.00	8/9/2005	8/22/2005	9/22/2005	9/1/2003	8/31/2005	2/28/2006	HOME	Contract Extension
Rockdale	1000158	OCC	\$182,000.00	8/9/2005	8/22/2005	9/19/2005	9/1/2003	8/30/2005	2/28/2006	HOME	Contract Extension
Rockdale	542226	OCC	\$182,000.00	8/9/2005	8/22/2005	9/19/2005	9/1/2003	8/31/2005	2/28/2006	HOME	Contract Extension
Roma	1000157	OCC	\$520,000.00	8/10/2005	8/9/2005	8/30/2005	9/1/2003	8/30/2005	2/28/2006	HOME	Contract Extension
Royse City	1000087	OCC	\$170,081.00	8/10/2005	8/10/2005	9/13/2005	9/1/2003	8/31/2005	2/28/2006	HOME	Contract Extension
Community Council of Southwest Texas	5420531	HBA	\$390,000.00	8/11/2005	10/27/2005	12/12/2005	10/1/2003	9/30/2005	3/31/2006	HOME	Contract Extension
Dawson	1000078	OCC	\$297,440.00	8/11/2005	8/25/2005	9/26/2005	9/1/2003	8/31/2005	5/31/2006	HOME	Contract Extension
Boerne	1000145	OCC	\$520,000.00	8/12/2005	9/12/2005	10/7/2005	9/1/2003	8/31/2005	2/28/2006	HOME	Contract Extension
Grand Saline	1000125	OCC	\$520,000.00	8/12/2005	9/1/2005	9/28/2005	9/1/2003	8/30/2005	2/28/2006	HOME	Contract Extension
Hawk Cove	1000077	OCC	\$499,200.00	8/12/2005	8/29/2005	9/28/2005	9/1/2003	8/30/2005	5/30/2006	HOME	Contract Extension
Temple Housing Residential Corporation	1000256	HBA	\$62,400.00	8/12/2005	9/13/2005	11/3/2005	10/1/2004	9/30/2006		HOME	Contract Extension
Val Verde County	1000156	OCC	\$520,000.00	8/12/2005	10/21/2005	11/18/2005	9/1/2003	8/30/2005	5/30/2006	HOME	Contract Extension
Bowie	1000146	OCC	\$520,000.00	8/15/2005	9/30/2005	10/28/2005	9/1/2003	8/31/2005	11/30/2005	HOME	Contract Extension
Celeste	542108	OCC	\$520,000.00	8/15/2005	9/22/2005	11/3/2005	9/1/2003	8/31/2005	2/28/2006	HOME	Contract Extension
Farmersville	1000066	OCC	\$520,000.00	8/15/2005	9/1/2005	10/4/2005	9/1/2003	8/31/2005	2/28/2006	HOME	Contract Extension
Gainesville	1000062	OCC	\$520,000.00	8/15/2005	9/22/2005	11/10/2005	9/1/2003	8/31/2005	2/28/2006	HOME	Contract Extension
La Coste	1000139	OCC	\$520,000.00	8/15/2005	3/7/2006	4/5/2006	9/1/2003	8/31/2005	5/31/2006	HOME	Contract Extension
Murchison	1000149	OCC	\$520,000.00	8/15/2005	9/22/2005	11/10/2005	9/1/2003	8/31/2005	2/28/2006	HOME	Contract Extension
New Deal	1000121	OCC	\$520,000.00	8/15/2005	9/22/2005	10/20/2005	9/1/2003	8/31/2005	2/28/2006	HOME	Contract Extension
Rice	1000064	OCC	\$520,000.00	8/15/2005	9/30/2005	10/20/2005	9/1/2003	8/30/2005	2/28/2006	HOME	Contract Extension
Stanton	1000124	OCC	\$520,000.00	8/15/2005	9/9/2005	9/22/2005	9/1/2003	8/31/2005	2/28/2006	HOME	Contract Extension
Temple Housing Authority	542045	HBA	\$429,000.00	8/15/2005	11/17/2005	12/15/2005	10/1/2003	9/30/2005	3/31/2006	HOME	Contract Extension
Crystal City Housing Authority	1000163	OCC	\$398,320.00	8/16/2005	10/25/2005	11/18/2005	9/1/2003	8/30/2005	5/30/2006	HOME	Contract Extension
PRESIDIO COUNTY	1000142	OCC	\$519,999.00	8/16/2005	4/6/2006		9/1/2003	8/31/2005	5/31/2006	HOME	Contract Extension
Merkel	1000135	OCC	\$520,000.00	8/17/2005	9/22/2005	10/18/2005	9/1/2003	8/31/2005	2/28/2006	HOME	Contract Extension
Mount Pleasant	542039	HBA	\$156,000.00	8/17/2005	10/3/2005	11/10/2005	10/1/2003	9/30/2005	11/30/2005	HOME	Contract Extension
Sanger	1000127	OCC	\$520,000.00	8/17/2005	9/21/2005	11/25/2005	9/1/2003	8/31/2005	2/28/2006	HOME	Contract Extension
Temple Housing Residential Corporation	1000259	HBA	\$246,106.00	8/17/2005	9/12/2005	11/3/2005	10/1/2004	9/30/2006		HOME	Contract Extension
Encinal	1000153	OCC	\$520,000.00	8/18/2005	10/21/2005	11/25/2005	9/1/2003	8/31/2005	5/30/2006	HOME	Contract Extension
HOUSING PLUS INC.	542054	HBA	\$117,000.00	8/18/2005	9/15/2005	1/20/2006	10/1/2003	9/30/2005	3/31/2007	HOME	Contract Extension
Los Indios	1000154	OCC	\$520,000.00	8/18/2005	10/21/2005	12/8/2005	9/1/2003	8/31/2005	2/28/2006	HOME	Contract Extension
Toyah	543147	OCC	\$520,000.00	8/18/2005	11/1/2005	1/4/2006	9/1/2003	8/31/2005	8/31/2006	HOME	Contract Extension
Brownwood	1000106	OCC	\$520,000.00	8/19/2005	9/22/2005	10/20/2005	9/1/2003	8/30/2005	2/28/2006	HOME	Contract Extension
City of Bay City	542047	HBA	\$195,000.00	8/19/2005	10/5/2005	11/10/2005	10/1/2003	9/30/2005	3/31/2006	HOME	Contract Extension

HOME Amendments
FY 2005

April 20,2006

Administrator	Contract Number	Activity Type	Award Amt	Date Received	Date Prepared	Date Approved	Contract Begin Date	Contract End Date	Extended End Date	Funding Sources	Amendment Type
Community Action Social Services & Education	1000194	HBA	\$300,000.00	8/19/2005	10/21/2005	12/8/2005	10/1/2003	9/30/2005	9/30/2006	HOME	Contract Extension
Lockhart	1000049	OCC	\$520,000.00	8/19/2005	10/7/2005	11/30/2005	9/1/2003	8/31/2005	10/31/2005	HOME	Contract Extension
Robstown	1000012	OCC	\$520,000.00	8/19/2005	12/21/2005	2/21/2006	12/1/2003	11/30/2005	11/30/2006	HOME	Contract Extension
Sealy	1000096	OCC	\$499,200.00	8/19/2005	11/2/2005	12/29/2005	9/1/2003	8/31/2005	12/31/2005	HOME	Contract Extension
Edgewood	542059	HBA	\$52,000.00	8/22/2005	10/18/2005	10/21/2005	10/1/2003	9/30/2005		HOME	Contract Extension
La Salle County	1000155	OCC	\$520,000.00	8/22/2005	10/28/2005	11/18/2005	9/1/2003	8/31/2005	5/31/2006	HOME	Contract Extension
Nevada	1000112	OCC	\$176,800.00	8/22/2005	2/7/2006	3/30/2006	9/1/2003	8/30/2005	2/28/2006	HOME	Contract Extension
Crockett	1000058	OCC	\$208,000.00	8/23/2005	8/26/2005	9/26/2005	9/1/2003	8/31/2005	9/30/2005	HOME	Contract Extension
Crockett	1000057	OCC	\$312,000.00	8/23/2005	8/26/2005	9/19/2005	9/1/2003	8/31/2005	9/30/2005	HOME	Contract Extension
Paris	542041	HBA	\$312,000.00	8/25/2005	3/16/2006		10/1/2003	9/30/2005	3/30/2007	HOME	Contract Extension
Lone Star Garden Development Corporation	10001601	OCC	\$520,000.00	8/29/2005	9/1/2005	11/21/2005	9/1/2003	8/31/2005	2/28/2006	HOME	Contract Extension
Pecos	542058	HBA	\$275,600.00	8/30/2005	9/9/2005	9/28/2005	10/1/2003	9/30/2005		HOME	Contract Extension
										Contract Extension Count	100
Futuro Communities	542057	HBA/Rehab	\$112,000.00	2/7/2005	6/23/2005	12/9/2005	10/1/2003	9/30/2005	9/30/2007	HOME	LOAN MODIFICATION
										LOAN MODIFICATION Count	1
Eastland Rental Housing Services	20002001	Preservation	\$633,078.00	10/26/2004	11/3/2004	12/2/2004	11/19/2002	7/31/2004	12/31/2004	HOME	Performance Statement
United Cerebral Palsy of Texas	1000207		\$530,000.00	1/18/2005	1/27/2005	2/15/2005	6/1/2004	5/31/2006		HOME	Performance Statement
Newton County	538379		\$438,464.00	1/31/2005	1/31/2005	3/9/2005	8/1/2004	7/31/2006		HOME	Performance Statement
										Performance Statement Count	3
St. John Colony	530200	RHD	\$340,200.00	1/4/2005	4/7/2005	5/9/2005	2/1/2002	1/31/2005	1/31/2006	HOME	Revisions on # of Units
Community Services Agency of South Texas	530201	RHD	\$943,289.00	1/21/2005	2/1/2005	2/1/2005	6/1/2002	12/31/2004	5/31/2005	HOME	Revisions on # of Units
Williamson-Burnet County Opportunities.	531001	RHD	\$1,474,378.00	1/24/2005	3/1/2005	3/11/2005	12/1/2001	11/30/2004	4/30/2005	HOME	Revisions on # of Units
Affordable Housing of Parker County	542076	RHD	\$484,000.00	2/25/2005	2/25/2005	4/18/2005	10/1/2003	9/30/2005	9/30/2005	HOME	Revisions on # of Units
Community Services Agency of South Texas	5302010	RHD	\$943,289.00	4/7/2005		6/22/2005	6/1/2002	5/31/2005	5/31/2005	HOME	Revisions on # of Units
Coleman Fountainhead, LP.	542068	RHD	\$220,000.00	5/5/2005		6/16/2005	10/1/2003	3/31/2005	6/30/2005	HOME	Revisions on # of Units
Hillsboro Fountainhead, Ltd.	542069	RHD	\$515,000.00	5/5/2005		6/16/2005	10/1/2003	3/31/2005	8/30/2005	HOME	Revisions on # of Units
Affordable Elderly Housing of Texas	538088	RHD	\$500,000.00	5/26/2005	6/22/2005	1/25/2006	11/24/1998	9/30/2000	9/30/2000	HOME	Revisions on # of Units
Affordable Caring Housing, Inc.	542075	RHD	\$967,436.00	5/31/2005	6/22/2005	8/8/2005	10/1/2003	3/31/2005	9/30/2005	HOME	Revisions on # of Units
Community Services Agency of South Texas	5302012	RHD	\$943,289.00	6/3/2005	6/7/2005	6/22/2005	6/1/2002	5/31/2005	9/30/2005	HOME	Revisions on # of Units
Center Housing and Economic Opport. Corp.	5313001	RHD	\$1,254,602.00	8/4/2005	10/21/2005	12/19/2005	3/31/2003	2/28/2006		HOME	Revisions on # of Units
										Revisions on # of Units Count	11
										Grand Count	145

PORTFOLIO MANAGEMENT AND COMPLIANCE DIVISION

**EXECUTIVE DIRECTOR'S REPORT ITEM
HOME PROGRAM FUNDS
RECONCILIATION OF IDIS AND TDHCA CONTRACT SYSTEM BALANCES
May 4, 2006**

Background

The TDHCA Board requested a report item for the May Board meeting on a reconciliation of HOME balances between HUD's IDIS Reporting System and the TDHCA Contract System.

HUD IDIS Reports and Scorecard

HUD's IDIS Reporting System provides several reports to track status on HOME Grants. These reports provide information on commitments and draws for the different fund types (i.e., Non-CHDO funds, CHDO funds, Administration and CHDO Operating). The HUD website also posts reports on a quarterly basis to track HOME funds. HUD also publishes a "Scorecard" to monitor the performance of HOME funds.

Monthly Fund Balance Report

Portfolio Management and Compliance staff provide Executive Management, Directors and Managers with a Monthly Fund Balance Report. The purpose of the monthly Fund Balance Report is to provide current balances of HOME funds available to award to a contract. These balances include all uncommitted funds and all deobligated funds. All open NOFAs are then deducted from the initial amount to give Production staff an accurate balance, which deducts set aside funds. HUD's IDIS reports, the TDHCA Contract System, NOFAs, and information from from Production staff regarding pending commitments and applications are used as source information for the Fund Balance Report.

**Summary of Reconciliation Report
between IDIS and TDHCA Contract System
as of April 20, 2006**

HOME FUNDS NOT COMMITTED TO A CONTRACT. This amount of \$24,196,666.52 as shown on IDIS Report PR27, page 1, reflects the amount of cumulative HOME funds awarded from program year 1992 to program year 2005 that are not committed to a Department HOME contract. HOME funds must be committed to a contract within 24 months after the last day of the month in which HUD notifies the Department of the HOME Grant Agreement. If not placed under a legally binding written commitment to affordable housing within this 24 month period, the funds are deobligated. The Department has historically met the 24-month requirement. This amount is also shown as the starting balance on the Monthly Fund Balance Report provided to Department management. Although this is the balance in the IDIS report, the Department adjusts the Monthly Fund Balance Report to account for all outstanding commitments, contracts, applications, and NOFAs.

CONTRACT FUNDS NOT COMMITTED TO AN ACTIVITY. This amount of \$80,545,500.06 as shown on IDIS Report PR27, pages 7 and 9, reflects the amount of cumulative HOME funds that have not been committed to an activity (specific household). These funds have been committed to a contract by the Department, but the contract Administrator has not identified what specific households will be assisted through their contract; therefore, the funds are not committed to a specific household.

TOTAL FUNDS NOT COMMITTED (CONTRACT LEVEL AND ACTIVITY LEVEL). This amount of \$104,742,166.58 reflects the total amount of HOME funds that remain uncommitted either to a contract or to an activity. Delays in committing funds to activities are usually due to the length of the contracts, which are typically written with a 24-month term. Administrators typically postpone committing activities in their contract until the end of their contract term.

On February 2001, HOME staff received IDIS training and received a manual, which included the procedures currently used to commit HOME activities into IDIS. Staff had been following the methodology that was presented at that time. On April 26, 2006, Department staff and HUD officials discussed a different method to commit HOME funds at the activity level. This updated methodology will improve the Department's commitment level on IDIS reports and on the HUD Scorecard. Department staff has already initiated procedures to commit these funds under the new process. By the end of May 2006, all program year 2005 funds will be committed at the activity level under the new procedures. By the end of June 2006, all program year 2004 funds will be committed at the activity level. Once these procedures are implemented, the amount of uncommitted funds will decrease significantly. We will continue to ensure that the most efficient method to commit funds is utilized in the administration of future HOME awards.

TOTAL FUNDS NOT DRAWN. This amount of \$135,154,385.20 as shown on IDIS Report PR27, pages 7 and 9, reflects the total amount of HOME funds that have not been drawn. Of this total amount, \$110,957,718.68 has been awarded to a contract, but the Administrator has not made sufficient progress to be able to draw the funds. Many Administrators require extensions on their original 24-month contract term to be able to complete the contract activity and draw the remaining funds.

The Department has recently undertaken several initiatives and projects to improve the commitment rate and expenditure rate of HOME contracts. These include reducing the amount of each single award, shortening the contract period to 18 months, and providing periodic benchmarks through the contract period. These initiatives should result in improvements in the Departments ranking in the HOME Scorecard.

**HOME Fund Balance Reconciliation
IDIS/TDHCA Contract System as of April 20, 2006**

HOME FUNDS NOT COMMITTED TO A CONTRACT			
	DATA SOURCE	IDIS	TDHCA CONTRACT SYSTEM VARIANCE
Total HOME Funds 1992 - 2005 (Authorized Amount excluding Administration and Operating funds)	IDIS Report PR27 p.1	<u>461,720,839.50</u>	(a)
	EN	24,464,616.58	
	CR	64,278,900.48	
	SU	<u>348,780,655.92</u>	
Total Authorized Commitments (Executed Contracts)	IDIS Report PR27 p.1	<u>437,524,172.98</u>	(b)
	CR	14,828,327.02	
	SU	<u>9,368,339.50</u>	
Funds Not Committed to a Contract (Fund Balance)	IDIS Report PR27 p.1	<u>24,196,666.52</u>	(c) 24,196,666.52 - (a-b)
CONTRACT FUNDS NOT COMMITTED TO AN ACTIVITY			
Total Authorized Commitments (Executed contracts)	IDIS Report PR27 p.1	<u>437,524,172.98</u>	(b)
	EN	24,464,616.58	
	CR	58,454,254.07	
	SU	<u>274,059,802.27</u>	
Amount Committed to Activities	IDIS Report PR27 p.7 & 9	<u>356,978,672.92</u>	(d)
	CR	5,824,646.41	
	SU	<u>74,720,853.65</u>	
Contract Funds Not Committed to an Activity	IDIS Report PR27 p.7 & 9	<u>80,545,500.06</u>	(e) 80,302,465.13 243,034.93 (h) (b-d)
TOTAL FUNDS NOT COMMITTED (CONTRACT LEVEL AND ACTIVITY LEVEL)			
	CR	20,652,973.43	
	SU	<u>84,089,193.15</u>	
Total Funds Not Committed	IDIS Report PR27 p.7 & 9	<u>104,742,166.58</u>	(c+e) 104,499,131.65 243,034.93 (h)
TOTAL FUNDS NOT DRAWN			
Total Authorized Commitments (Executed contracts)	IDIS Report PR27 p.1	<u>437,524,172.98</u>	(b)
	EN	24,464,616.58	
	CR	55,207,490.41	
	SU	<u>246,894,347.31</u>	
Total Disbursed	IDIS Report PR27 p.7 & 9	<u>326,566,454.30</u>	(f)
	CR	9,071,410.07	
	SU	<u>101,886,308.61</u>	
Funds Not Drawn from Contracts	IDIS Report PR27 p.7 & 9	<u>110,957,718.68</u>	(g) 110,270,792.89 686,925.79 (h) (b-f)
Funds Not Committed to a Contract (Fund Balance)	IDIS Report PR27 p.1	<u>24,196,666.52</u>	(c) 24,196,666.52 -
	CR	23,899,737.09	
	SU	<u>111,254,648.11</u>	
Total Funds Not Drawn	IDIS Report PR27 p.7 & 9	<u>135,154,385.20</u>	(g+c) 134,467,459.41 686,925.79 (h)
(h) Reconciling Items:			
	Not Committed	Not Drawn	
Refunds not in CDB		165,027.41	
CDC Brownsville contract not in CDB	500,000.00	500,000.00	
Cancelled activities not in IDIS	(220,000.00)		
Adjusting Items	(36,965.07)	21,898.38	
Total Reconciling items	<u>243,034.93</u>	<u>686,925.79</u>	

LEGEND: EN-State of Texas (PJ) Entitlement Funds; CR-CHDO Set-Aside Funds; SU-Subrecipient (Non-CHDO) Funds



HOME FUNDS AVAILABLE TO COMMIT

As of April 20, 2006

	CHDO	Non-CHDO	TOTAL
Per IDIS Report PR27 - Status of HOME Grants	(1) 14,828,327.02	(2) 9,368,339.50	\$24,196,666.52
<u>LESS: (not in IDIS)</u>			
S/F CHDO Re-structures approved by the Board	(\$644,400.00)		
M/F applications approved by the Board	(\$531,449.72)	(\$922,366.00)	
Total Deductions	(\$1,175,849.72)	(\$922,366.00)	(3) (\$2,098,215.72)
Available to Commit <u>BEFORE</u> set asides:	(4) \$13,652,477.30	\$8,445,973.50	(5) \$22,098,450.80
2002 Colonia Model Subdivision Ln Prg (deadline - 8/31/06)	(\$1,000,000.00)		
2003 Colonia Model Subdivision Ln Prg (deadline - 8/31/06)	(\$1,000,000.00)		
2004 Colonia Model Subdivision Ln Prg (deadline - 8/31/06)	(\$1,000,000.00)		
2005 Colonia Model Subdivision Ln Prg (deadline - 8/31/06)	(\$1,000,000.00)		
2006 Colonia Model Subdivision Ln Prg (Pending NOFA)	(\$1,000,000.00)		
2006 Non-CHDO Disaster-Pending Applications		(\$500,000.00)	
2006 NOFA - Multifamily CHDO Open Cycle (8/31/06)	(7) (\$10,000,000.00)		
2006 Disaster for Hurricane Rita	(8) (\$8,300,000.00)		
2006 Non-CHDO - Rental Preservation - (deadline 8/31/06)		(\$2,000,000.00)	(9)
2006 Non-CHDO - Rental Housing Development - (deadline 8/31/06)		(\$2,580,000.00)	(10)
2006 Contract for Deed Conversion		(\$2,000,000.00)	
2006 Direct Award for the Home of Your Own Program-UCP		(\$500,000.00)	
2006 Single Family - Subject to Regional Allocation (includes ADDI)		(\$23,344,954.00)	
2006 HOME Allocation - Pending Availability from HUD	\$6,095,463.00	\$30,424,954.00	(11) \$36,520,417.00
Total Set asides	(\$17,204,537.00)	(\$500,000.00)	(\$17,704,537.00)
Total Available to Commit <u>AFTER</u> set asides	(12) (\$3,552,059.70)	\$7,945,973.50	(13) \$4,393,913.80

NOTES:

- 1) Per IDIS Report PR 27-Status of HOME Grants for Texas as of 4/20/06-HUD Allocation through FY 2005-does not include Administration and CHDO Operating Funds.
\$14,828,327 CHDO Funds Available to Commit to a Contract
1,166,788 CHDO Operating Funds Available to Commit to a Contract
5,824,646 CHDO Funds Committed to a Contract - NOT yet committed to a specific household address
\$21,819,761 Total CHDO Funds Uncommitted Per IDIS Report PR27 - Status of CHDO Funds by Fiscal Year
- 2) \$9,368,340 - Non-CHDO (SU) Funds Available to Commit to a Contract
\$74,720,854 - Non-CHDO (SU) Committed to a contract-Not yet committed to a specific household address
\$84,089,194 - Total Non-CHDO(SU) Funds Uncommitted Per IDIS Report PR27 - Status of HOME Grants for Texas
- 3) Multifamily and Single Family recommendations approved by the Board as of April 20, 2006, but with funds not yet committed to a contract in IDIS (pending UOG numbers from HUD or pending commitments).
- 4) Total CHDO available to commit balance of \$13,652,981.25 consists of \$2,000,000 uncommitted from prior years, \$6,501,496.05 uncommitted from the 2005 allocation and \$5,150,981.25 from deobligated funds. The entire Non-CHDO balance of \$8,445,973.50 is from deobligated funds.
- 5) Available to be distributed by Production Divisions *before* set asides. This amount continually increases as program income is applied to draws and amounts are deobligated in IDIS.
- 6) 2002 - 2006 Colonia Model Subdivision original set aside \$5,000,000. Approximately \$700,000 in pending applications.
- 7) 2006 Multifamily CHDO original set aside \$10,000,000. Approximately \$10,520,000 in pending applications.
- 8) HUD approved a waiver for the state to suspend the 15% CHDO requirement for FY 2005 and 2006 HOME allocations, \$6,501,496.05 and \$6,095,463 respectively, totalling \$12,596,959.05. Approximately \$8.3M in pending applications.
- 9) 2006 Rental Preservation original set aside is \$2,000,000. Approximately \$1.3M in pending applications.
- 10) 2006 Multifamily Development original set aside was \$3,000,000, \$420,000 was already awarded. Approximately \$6.3M in pending applications.
- 11) Approximately \$40M is expected from HUD for the 2006 HOME Allocation. NOFAs for Multifamily (\$5M) and Single Family (\$23M) are either issued or in progress. NOFAs do not include Administration, Contract for Deed and CHDO Operating funds.
- 12) \$5,243,121 in CHDO Funds must be committed by August 31, 2006 in order to meet HUD's 24 month commitment requirement.
- 13) Available to be distributed by Production Divisions *after* set asides. This amount continually increases as program income is applied to draws and amounts are deobligated in IDIS.

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----- COMMITMENTS FROM AUTHORIZED FUNDS -----						
(A)	(B)	(C)	(D)	(I)	(J)	(K)
FISCAL YEAR	TOTAL AUTHORIZATION	AD/CO FUNDS ADMIN/OP RESERVATION	COMMITMENT REQUIREMENT	TOTAL AUTHORIZED COMMITMENTS	% OF REQ'T CMTD	% OF AUTH CMTD
1992	32,472,000.00	3,311,089.00	29,160,911.00	29,160,911.00	100.0	100.0
1993	23,338,000.00	2,462,903.00	20,875,097.00	20,617,828.55	98.7	98.8
1994	30,065,000.00	3,226,500.00	26,838,500.00	26,401,589.74	98.3	98.5
1995	33,303,000.00	3,631,796.00	29,671,204.00	29,077,320.34	97.9	98.2
1996	33,001,000.00	3,550,100.00	29,450,900.00	28,450,564.77	96.6	96.9
1997	32,699,000.00	3,518,846.00	29,180,154.00	28,499,279.22	97.6	97.9
1998	34,987,000.00	3,498,700.00	31,488,300.00	30,083,297.70	95.5	95.9
1999	37,060,000.00	3,942,502.91	33,117,497.09	32,900,610.82	99.3	99.4
2000	39,770,585.00	4,257,355.00	35,513,230.00	33,807,809.80	95.1	95.7
2001	41,517,415.00	5,080,541.00	36,436,874.00	35,897,756.41	98.5	98.7
2002	39,160,000.00	4,231,300.00	34,928,700.00	32,061,325.82	91.7	92.6
2003	45,094,671.00	4,509,467.10	40,585,203.90	38,201,340.37	94.1	94.7
2004	49,513,150.00	5,067,138.99	44,446,011.01	40,681,582.44	91.5	92.3
2005	44,687,663.00	4,659,405.50	40,028,257.50	31,682,956.00	79.1	81.3
TOTAL	516,668,484.00	54,947,644.50	461,720,839.50	437,524,172.98	94.7	95.3

AVAIL
To
Commit

24,196,666.52

----- COMMITMENTS FROM AUTHORIZED FUNDS CONTINUED -----					
(A)	(E)	(F)	(G)	(H)	(I)
FISCAL YEAR	CR/CC FUNDS AMOUNT RESERVED TO CHDOS + CC	% CHDO RSVD	SU FUNDS RESERVATIONS TO OTHER ENTITIES	EN FUNDS PJ COMMITMENTS TO ACTIVITIES	TOTAL AUTHORIZED COMMITMENTS
1992	6,043,933.05	18.6	8,021,651.18	15,095,326.77	29,160,911.00
1993	3,271,882.26	14.0	16,695,382.30	650,563.99	20,617,828.55
1994	4,813,395.67	16.0	20,772,785.49	815,408.58	26,401,589.74
1995	4,422,011.32	13.2	24,240,029.22	415,279.80	29,077,320.34
1996	3,980,583.00	12.0	24,465,680.97	4,300.80	28,450,564.77
1997	4,590,544.36	14.0	21,814,175.57	2,094,559.29	28,499,279.22
1998	4,988,402.00	14.2	25,094,895.70	0.00	30,083,297.70
1999	5,564,408.00	15.0	27,336,202.82	0.00	32,900,610.82
2000	4,313,626.54	10.8	27,741,356.26	1,752,827.00	33,807,809.80
2001	6,200,800.00	14.9	26,060,606.06	3,636,350.35	35,897,756.41
2002	5,527,868.00	14.1	26,533,457.82	0.00	32,061,325.82
2003	6,175,000.00	13.6	32,026,340.37	0.00	38,201,340.37
2004	4,386,446.28	8.8	36,295,136.16	0.00	40,681,582.44
2005	0.00	0.0	31,682,956.00	0.00	31,682,956.00
TOTAL	64,278,900.48	12.4	348,780,655.92	24,464,616.58	437,524,172.98

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CHDO FUNDS (CR)

FISCAL YEAR	CHDO REQUIREMENT	AMOUNT		FUNDS		BALANCE TO COMMIT	TOTAL		AVAILABLE TO DISBURSE
		RESERVED TO CHDOS	% REQ RSVD	COMMITTED FOR ACTIVITIES	% RSVD CMTD		DISBURSED	% DISB	
1992	4,870,800.00	6,043,933.05	124.0	6,043,933.05	100.0	0.00	6,043,933.05	100.0	0.00
1993	3,500,700.00	3,271,882.26	93.4	3,271,882.26	100.0	0.00	3,271,882.26	100.0	0.00
1994	4,509,750.00	4,813,395.67	106.7	4,813,395.67	100.0	0.00	4,813,395.67	100.0	0.00
1995	4,995,450.00	4,422,011.32	88.5	4,416,803.37	99.8	5,207.95	4,405,441.76	99.6	16,569.56
1996	4,950,150.00	3,980,583.00	80.4	3,980,583.00	100.0	0.00	3,980,583.00	100.0	0.00
1997	4,904,850.00	4,590,544.36	93.5	4,320,544.36	94.1	270,000.00	4,310,544.36	93.9	280,000.00
1998	5,248,050.00	4,988,402.00	95.0	4,988,402.00	100.0	0.00	4,988,402.00	100.0	0.00
1999	5,559,000.00	5,564,408.00	100.0	5,564,408.00	100.0	0.00	5,564,408.00	100.0	0.00
2000	5,673,450.00	4,313,626.54	76.0	4,313,626.54	100.0	0.00	4,115,301.40	95.4	198,325.14
2001	6,227,550.00	6,200,800.00	99.5	6,200,799.00	99.9	1.00	5,488,337.81	88.5	712,462.19
2002	5,906,400.00	5,527,868.00	93.5	3,949,268.00	71.4	1,578,600.00	3,579,080.55	64.7	1,948,787.45
2003	6,764,200.65	6,175,000.00	91.2	3,000,000.00	48.5	3,175,000.00	2,100,077.69	34.0	4,074,922.31
2004	6,789,157.80	4,386,446.28	64.6	3,590,608.82	81.8	795,837.46	2,546,102.86	58.0	1,840,343.42
2005	6,501,496.05	0.00	0.0	0.00	0.0	0.00	0.00	0.0	0.00
TOTAL	76,401,004.50	64,278,900.48	84.1	58,454,254.07	90.9	5,824,646.41	55,207,490.41	85.8	9,071,410.07

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----- RESERVATIONS TO STATE RECIPIENTS AND SUB-RECIPIENTS (SU) -----

FISCAL YEAR	AMOUNT RESERVED TO OTHER ENTITIES	% REQ RSVD	AMOUNT COMMITTED	% RSVD CMTD	BALANCE TO COMMIT	TOTAL DISBURSED	% DISB	AVAILABLE TO DISBURSE
1992	8,021,651.18	19.8	8,021,651.18	100.0	0.00	8,021,651.18	100.0	0.00
1993	16,695,382.30	41.6	16,604,458.30	99.4	90,924.00	16,570,268.10	99.2	125,114.20
1994	20,772,785.49	40.5	20,676,996.29	99.5	95,789.20	20,690,735.49	99.6	82,050.00
1995	24,240,029.22	42.1	24,169,186.22	99.7	70,843.00	24,226,518.22	99.9	13,511.00
1996	24,465,680.97	42.5	24,408,553.97	99.7	57,127.00	24,087,823.62	98.4	377,857.35
1997	21,814,175.57	39.7	21,043,701.33	96.4	770,474.24	19,173,221.85	87.8	2,640,953.72
1998	25,094,895.70	41.7	24,473,564.05	97.5	621,331.65	23,141,351.88	92.2	1,953,543.82
1999	27,336,202.82	42.3	26,649,678.82	97.4	686,524.00	24,992,070.19	91.4	2,344,132.63
2000	27,741,356.26	40.9	26,767,947.26	96.4	973,409.00	23,515,361.50	84.7	4,225,994.76
2001	26,060,606.06	38.2	21,109,403.95	81.0	4,951,202.11	17,279,291.31	66.3	8,781,314.75
2002	26,533,457.82	38.9	21,222,654.79	79.9	5,310,803.03	19,015,965.20	71.6	7,517,492.62
2003	32,026,340.37	40.7	27,005,507.12	84.3	5,020,833.25	23,132,115.42	72.2	8,894,224.95
2004	36,295,136.16	41.6	10,337,654.72	28.4	25,957,481.44	2,544,414.81	7.0	33,750,721.35
2005	31,682,956.00	40.5	1,568,844.27	4.9	30,114,111.73	503,558.54	1.5	31,179,397.46
TOTAL	348,760,655.92	39.8	274,059,802.27	78.5	74,720,853.65	246,894,347.31	70.7	101,886,308.61

MULTIFAMILY FINANCE PRODUCTION DIVISION
QUARTERLY REPORT OF CHANGES IN OWNERSHIP
(Covers changes from the last report on January 18, 2006 through April 20, 2006)

Dev. No.	Date Approved	Development	City	County	Re e g i o n	Entity Departing (GP=general partner, O=owner, SLP=special limited partner, D=developer)	New Member or Owner	Type of Ownership Change (S=sale. FS=sale involving foreclosure. R=restructure. D=default/removal of GP. NC=name change. L=change of limited partner). O=other change
05168	1/25/06	Lakeview Park	Denison	Grayson	3	Rumsey Development, LLC (GP)	Denison Lakeview Park GP, LLC	R - the original sole GP was replaced by its wholly owned subsidiary.
06547	1/25/06	Parkwood Place	Plano	Denton	3	Parkwood Place, L.P. (O)	Plano Sterling LLC (O)	S - Property was sold to new investors.
91019	2/6/06	Northridge	Arlington	Tarrant	3	WCW Property Management Company, LLC (O)	State Road Northridge, LP (O) & SRR Northridge, LP (O)	S - Property was sold to new investors. The new owners are tenants in common.
05020	2/10/06	Hereford Central Place	Hereford	Deaf Smith	1	I-Integrity Management (GP) & Richard L. Brown (GP)	CSR1 Investments, LLC (GP) & RLB Affordable Housing LLC (GP)	R - the two original GPs were replaced by their respective wholly owned subsidiaries.
05101	3/15/06	Creek Crossing	Canyon	Randall	1	KLT Associates, L.P. (GP)	Tammie Goldston & Associates, L.P. (GP)	R - the original GP was replaced by the wholly owned organization of one of the two principals of the original general partner. The other principal departed from the ownership organization.
60006	3/15/06	Tierra Blanca	Hereford	Deaf Smith	1	KLT Associates, L.P. (GP)	Tammie Goldston & Associates, L.P. (GP)	R - the original GP was replaced by the wholly owned organization of one of the two principals of the original general partner. The other principal departed from the ownership organization.
95008	3/15/06	Brookview Apts.	Dallas	Dallas	3	Miles-Regal Brook, L.L.L.P. (O)	Godinez-Alcala Properties, L.P. (O)	R - Property was sold to new investors.
05069	3/16/06	Santa Rosa Village	Santa Rosa	Cameron	11	VOA Texas Santa Rosa Village GP, Inc. (GP)	VOA Texas Santa Rosa Village I, LLC (GP)	R - the original sole GP was replaced by its wholly owned subsidiary.
05074	3/16/06	Alamo Village	Alamo	Hidalgo	11	VOA Texas Alamo Village GP, Inc. (GP)	VOA Texas Alamo Village I, LLC (GP)	R - the original sole GP was replaced by its wholly owned subsidiary.
05094	3/16/06	San Juan Village	San Juan	Hidalgo	11	VOA Texas San Juan Village GP, Inc. (GP)	VOA Texas San Juan Village I, LLC (GP)	R - the original sole GP was replaced by its wholly owned subsidiary.

MULTIFAMILY FINANCE PRODUCTION DIVISION
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(Covers changes from the last report on January 18, 2006 through April 20, 2006)

Dev. No.	Date Approved	Development	City	County	Re e g i o n	Entity Departing (GP=general partner, O=owner, SLP=special limited partner, D=developer)	New Member or Owner	Type of Ownership Change (S=sale. FS=sale involving foreclosure. R=restructure. D=default/removal of GP. NC=name change. L=change of limited partner). O=other change
93195	3/27/06	Village Creek	Fort Worth	Tarrant	3	BACDC Special Holding Company, Inc. (GP)	Cascade Dominion Square, LLC (GP)	R - Property was sold to new investors. The qualified nonprofit that was participating in this development merged with another nonprofit but kept its same tax identification number.
02483	3/28/06	Cypress View Villas	Weatherford	Parker	3	Glenn Lynch, 100% owner of GP	Operation Relief Center, Inc., 100% owner of GP	R - Glen Lynch departed as GP but remained as guarantor. Nonprofit is incoming GP.
02485	3/28/06	Almeda Villas	Fort Worth	Tarrant	3	Glenn Lynch, 100% owner of GP	Operation Relief Center, Inc., 100% owner of GP	R - Glen Lynch departed as GP but remained as guarantor. Nonprofit is incoming GP.
98005	3/29/06	Falcon Pointe	Rosenberg	Fort Bend	6	None	NHC Master I, LLC (GP)	R - New LLC became sole member of GP, replacing original 3 members. Original 3 members are sole members of new LLC.
98050	3/29/06	Las Villas	San Antonio	Bexar	9	None	NHC Master I, LLC (GP)	R - New LLC became sole member of GP, replacing original 3 members. Original 3 members are sole members of new LLC.
05166	3/31/06	Hampton Port	Corpus Christi	Nueces	10	Corpus Christi Finance Corporation (GP)	Hampton Port GP, LLC (GP)	R - New LLC became sole GP. Departing and incoming members were and are controlled by instrumentalities of the Corpus Christi Housing Authority.
03094	4/14/06	Reserve II at Las Brisas	Irving	Dallas	3	Agape Reserve Partners, Inc. (GP)	Irving Las Brisas, LLC (GP)	R - Sole GP replaced by new sole GP controlled by members of Dallas Housing Authority.
02477	4/18/06	Potter's House at Primrose	Dallas	Dallas	3	None	Housing Services, Inc. (GP)	R - Sole GP assigned minority share of its interest to new GP.