BOARD MEETING OF FEBRUARY 1, 2007

Beth Anderson, Chair C. Kent Conine, Vice-Chair



Shadrick Bogany, Member Sonny Flores, Member Gloria Ray, 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 February 1, 2007

ROLL CALL

	Present	Absent
Anderson, Beth, Chair		
Conine, C. Kent, Vice-Chair		
Bogany, Shadrick, Member		
Ray, Gloria, Member		
Flores, Sonny, Member		
Salinas, Norberto, Member		
Number Present		
Number Absent		
, Pı	residing Officer	

AUDIT COMMITTEE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS Capitol Extension Auditorium February 1, 2007 8:00 am

AGENDA

CALL TO ORDER, ROLL CALL

Shadrick Bogany, Chair

CERTIFICATION OF QUORUM

Shadrick Bogany, Chair

PUBLIC COMMENT

The Audit Committee of the Board of the Texas Department of Housing and Community Affairs 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 Committee.

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

ACTION ITEMS

Item 1: Presentation, Discussion and Possible Approval of 2007 TDHCA Internal Audit Plan David Gaines

- Item 2: Presentation, Discussion and Acceptance of Audit Report from Deloitte and Touche, LLP (Fiscal Year 2006):
 - 1. Communications with Audit Committee Letter
 - 2. Opinion Audit on FY 2006 Basic Financial Statements
 - 3. Opinion Audit on FY 2006 Revenue Bond Program Financial Statements
 - 4. Opinion Audit on FY 2006 Computation of Unencumbered Fund Balances
 - 5. Report to Management (Management Letter)

REPORT ITEMS

Item 3: External Quality Assurance Review Report of the TDHCA Internal Audit Division	David Gaines
Item 4: Internal Audit of the Energy Assistance	
Weatherization Assistance Program - Subrecipient Monitoring	David Gaines
Item 5: Status of Prior Audit Issues	David Gaines
Item 6: Status of Internal/External Audits	David Gaines

EXECUTIVE SESSION

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

ADJOURN Shadrick Bogany, Chair

To access this agenda and 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 78701-2410, 512-475-3934 and request the information.

Individuals who require the 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.

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS BOARD MEETING

February 1, 2007 9:30 AM Capitol Extension Auditorium, Austin, TX

AGENDA

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 December 14, 2006

Community Affairs Division Items:

- b) Presentation, Discussion and Possible Approval of Section 8 2007 Annual Public Housing Agency (PHA) Plan
- c) Presentation, Discussion and Possible Approval of Energy Assistance Department of Energy Weatherization Assistance Program Annual Plan

Financial Division Items:

d) 1st Quarter Investment Report

Community Development Block Grant Items Administered by the Office of Rural Community Affairs:

e) Presentation, Discussion and Possible Approval of Requests for Amendments to CDBG contracts administered by ORCA:

Contract #: DRS060023 Contractor Gallatin

Contract #: DRS060054 Contractor Montgomery County
Contract #: DRS060024 Contractor Galveston County

Contract #: DRSCOG06004 Contractor South East Texas Regional Planning Commission

f) Presentation, Discussion and Possible Approval to modify the CDBG Disaster Recovery Action Plan to allow non-housing activities to be funded in communities and Indian Tribes that do not levy a local property tax or sales tax option

HOME Program Division Items:

g) Presentation, Discussion and Possible Approval of Single Family HOME Disaster Relief Award recommendations:

2006-0219 DR	Uvalde County	\$520,000
2006-0220 DR	Grayson County	\$114,400

ACTION ITEMS

Item 2: Presentation, Discussion and Possible Approval of Items from Audit Committee: Shadrick Bogany

- a) Presentation, Discussion and Acceptance of Audit Report from Deloitte and Touche, LLP (Fiscal Year 2006):
 - 1. Communications with Audit Committee Letter
 - 2. Opinion Audit on FY 2006 Basic Financial Statements
 - 3. Opinion Audit on FY 2006 Revenue Bond Program Financial Statements
 - 4. Opinion Audit on FY 2006 Computation of Unencumbered Fund Balances
 - 5. Report to Management (Management Letter)
- b) Presentation, Discussion and Possible Approval of 2007 TDHCA Internal Audit Plan
- c) Presentation of Report Items from Audit Committee
 - 1. External Quality Assurance Review Report of the TDHCA Internal Audit Division
 - 2. Internal Audit of the Energy Assistance Weatherization Assistance Program-Subrecipient Monitoring
 - 3. Status of Prior Audit Issues
 - 4. Status of Internal/External Audits

Item 3: Approval of the Partial Texas Action Plan for Disaster Recovery to Use Community Development Block Grant (CDBG) Funding to Assist with the Recovery of Distressed Areas Related to the Consequences of Hurricanes Katrina, Rita, and Wilma in the Gulf of Mexico in 2005

Item 4: Presentation, Discussion and Possible Approval of Portfolio Management & Compliance Division Items:

- a) Presentation, Discussion and Possible Approval of Requests for Amendments for Program Year 2005 and 2006 HOME OCC Contracts (including Rita) to Increase the maximum amount of assistance per home
- b) Presentation, Discussion and Possible Approval of Requests for Amendments to HOME Investment Partnerships Program contracts:

1000596 Jefferson County

Item 5: Presentation, Discussion and Approval of Real Estate Analysis Items:

a) Presentation, discussion and possible action on a timely filed appeal regarding the termination of a development under the HOME/HTC/Tax Exempt Bond program, development Ennis Senior Estates in Ennis, TX

Item 6: Presentation, Discussion and Possible Approval of Department Rules

- a) Presentation, Discussion, and Possible Approval for publication in the Texas Register of a Draft Deobligation Policy to be codified at 10 Texas Administrative Code §1.19 for public comment and public comment on the deletion of 10 Texas Administrative Code §53.62(c)
- b) Presentation, Discussion and Possible Approval of the Draft Asset Resolution and Enforcement Rule for publication in the Texas Register to receive public comment
- c) Presentation, Discussion and Possible Approval for publication in the Texas Register of the Final Texas Bootstrap Loan Program Rules, to be codified at 10 Texas Administrative Code, Chapter 2, Part 1
- d) Presentation, Discussion and Possible Approval for publication in the Texas Register of the Final Colonia Self-Help Centers Rules, to be codified at 10 Texas Administrative Code, Chapter 3
- e) Presentation, Discussion and Possible Approval for publication in the Texas Register of the Final Colonia Housing Standards Rules, to be codified at 10 Texas Administrative Code, Section 1.18

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

a) Presentation, Discussion and Possible Action for Housing Tax Credit Amendments Not Recommended by Staff:

070001 Fairway Crossing Dallas

b) Presentation, Discussion and Possible Action for Housing Tax Credit Extensions Not Recommended by Staff:

04200 Alvin Manor Estates Alvin

- Presentation, Discussion and Possible Action of Request for Reallocation of Housing Tax Credits and Extension of the Commencement of Substantial Construction to Wesleyan Retirement Homes, TDHCA #05142
- d) Presentation, Discussion and Possible Issuance of Determination Notices for Housing Tax Credits Associated with Mortgage Revenue Bond Transactions with Other Issuers:

060440 Town Square Apartments, Converse, Texas

Converse HFC is the Issuer

Recommended Credit Amount of \$730,219

07401 Gulfway Manor, Corpus Christi, Texas

Nueces County HFC is the Issuer

Recommended Credit Amount of \$481,841

07402 Rockwell Manor, Brownsville, Texas

Cameron County HFC is the Issuer

Recommended Credit Amount of \$364,165

07403 Amelia Parc, Fort Worth, Texas

Tarrant County HFC is the Issuer

Recommended Credit Amount of \$738,472

e) Presentation, Discussion and Possible Action on Waivers of a portion of §49.12(f) of 2007 Qualified Allocation Plan and Rules for:

060420	Gardens of DeCordova	DeCordova
060419	Gardens of Weatherford	Weatherford
060421	Woodside Manor Senior Community	Conroe
060429	Lakes of Goldshire	Rosenberg

f) Presentation, Discussion and Possible Action on Extension of the Application Deadline for HTC Applications Associated with Mortgage Revenue Bond Transactions with Other Issuers that Participated in the Bond Review Board Lottery:

07411	Spencer Manor Senior	Denton County HFC
07410	Cantrell Manor Senior	Tarrant County HFC
07409	HomeTowne at Matador Ranch	Tarrant County HFC
07407	Lakeside Apartments	Southeast Texas HFC
07406	The Villas at Shaver	Southeast Texas HFC
07408	The Villas at Tomball	Southeast Texas HFC

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

a) Presentation, Discussion and Possible Issuance of Multifamily Mortgage Revenue Bonds and Housing Tax Credits with TDHCA as the Issuer:

- O7601 Park Place at Loyola, Travis County Texas for a bond Amount Not to Exceed \$15,000,000 and the Issuance of a Determination Notice Recommended Credit Amount of \$1,225,615. Resolution No. 07-002
- b) Presentation, Discussion and Possible Issuance of Multifamily Mortgage Revenue Bonds, Housing Tax Credits and HOME funds with TDHCA as the Issuer:
 - 060612 Ennis Senior Community, Ennis, Ellis County Texas for a bond Amount Not to Exceed \$0, the Issuance of a Determination Notice Recommended Credit Amount of \$0 and an award of HOME funds in the Amount of \$0. Resolution No. 07-004
- c) Presentation, Discussion, and Possible Action for the 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 2007, Resolution No. 07-003:

07618	Chaparral Apartments	Odessa
07608	Cove Village	Copperas Cove
07615	El Nido Apartments	El Paso
07611	Garden Apartments	Lubbock
07616	High Plains Apartments	Lubbock
07610	Jose Antonio Escajeda Apartments	El Paso
07617	Los Ebanos Apartments	Brownsville
07612	Peppertree Acres	Fort Worth
07613	River Park Village East	Lampasas
07607	Sierra Vista Apartments	El Paso
07614	Spring Terrace	Amarillo
07609	Win-Lin Village	Amarillo
07619	Costa Rialto	Houston
07620	Windshire Apartments	Houston

Item 9: Presentation, Discussion and Possible Approval of HOME Division Items:

- a) Presentation, Discussion and Possible Approval of a 2007 HOME Notice of Funding Availability for Tenant Based Rental Assistance serving Persons with Disabilities
- b) Presentation, Discussion and Possible Approval of a 2007 HOME Notice of Funding Availability for the HOME Homebuyer Assistance Program Directed to Assist Persons with Disabilities
- c) Presentation, Discussion and Possible Action for an Amendment of the HOME Commitment for:

1000383 Star Village Apartments San Benito

d) Presentation, Discussion and Possible Approval of Single Family Colonia Model Subdivision Program Awards from the following list of Applications:

	Recommended	
2006-0216 Pharr Housing Development Corporation	\$1,415,449	City of Pharr
2006-0215 Community Development Corporation of Brownsville	\$1,500,000	Cameron/Willacy
2006-0212 Alianza Para El Desarrollo Comunitario, Inc.	\$0	San Elizario
2006-0213 Neighborhood Housing Services of Dimmitt County	\$0	Carrizo Springs
2006-0214 Centro De Salud Familiar La Fe, Inc.	\$0	San Elizario

e) Presentation, Discussion and Action regarding use of the Housing Trust Fund as leverage for the FEMA Alternative Housing Pilot Program in the amount of \$1 million

Item 10: Presentation, Discussion and Possible Approval of Bond Finance Items

a) Resolution authorizing application to the Texas Bond Review Board for reservation of Single Family Private Activity Bond Authority and Presentation, Discussion and Possible Preliminary Approval of Single Family Mortgage Revenue Bonds, 2007 Series A, Single Family Mortgage Revenue Bonds, 2007 Series B (Variable Rate Demand Bonds), Single Family Mortgage Revenue Refunding Bonds, 2007 Series C and Approval of Underwriting Team for Program 69, Resolution No. 07-001 1/24/2007 4:41 PM

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
- c) Consultation with Attorney Pursuant to §551.071, Texas Government Code:
 - 1. With Respect to pending litigation styled *TP Seniors II, Ltd. v. TDHCA*, filed in State Court in Travis County, Texas
 - 2. With Respect to pending litigation styled *Gary Traylor, et. al v. TDHCA*, filed in State Court in Travis County, Texas
 - 3. With Respect to pending litigation styled Dever v. TDHCA Filed in Federal Court
 - 4. With Respect to pending litigation styled Ballard v. TDHCA Filed in Federal Court
 - 5. 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. Quarterly Report on Housing Tax Credit Ownership Transfers
- 2. TDHCA Outreach Activities, November 2006

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, 512-475-3934; TDHCA, 221 East 11th Street, Austin, Texas 78701, 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.

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EXECUTIVE OFFICE - BOARD

BOARD ACTION REQUEST February 1, 2007

Action Item

Summary of Board Meeting Minutes for December 14, 2006.

Required Action

Review minutes of the December 14, 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

December 14, 2006; 9:30 AM

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS Capitol Extension Auditorium Austin, TX

SUMMARY OF MINUTES

CALL TO ORDER, ROLL CALL CERTIFICATION OF QUORUM

The Board Meeting of the Texas Department of Housing and Community Affairs of December 14, 2006 was called to order by the Chair, Elizabeth Anderson at 9:42 a.m. It was held at 1100 Congress Ave, Capitol Extension Auditorium, Austin, Texas 78701. Roll call certified a quorum was present.

Members Present:

Elizabeth Anderson – Chair C. Kent Conine – Vice-Chair The Honorable Norberto Salinas – Member Shadrick Bogany – Member Gloria Ray – Member

Member Absent:

Sonny Flores - Member

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

Memorial Resolution in Honor of former State Senator Frank L. Madla, Resolution No. 06-053 Ms. Ray read resolution for the record. Approved unanimously.

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.

<u>Aurora Geis, director of Fannie Mae's Community Business Center in San Antonio, Texas,</u> provided testimony.

<u>Daniel Lopez, Fannie Mae's Community Business Center in San Antonio, Texas, provided testimony.</u>
Barry Kahn, provided testimony.

Honorable Dean Robinson, former Mayor of City of Silsbee, provided testimony.

Doug Dowler, Executive Director of the Piney Woods Home Team, provided testimony.

Kurt Arbuckle, Maroup Holdings, provided testimony.

Jeff Garrison-Tate, chairperson for the Disability Policy Consortium, provided testimony.

Jean Langendorf, Executive Director of United Cerebral Palsy of Texas, provided testimony.

Bob Kafka, an organizer for Adaptive Texas, provided testimony.

Stephanie Thomas, Adaptive Texas, provided testimony.

Kevin McKeever, administrator for operations with Lamar Consolidated Independent School District, read into the record a letter from Dr. Thomas Randall, superintendent of LCISD.

Walter Moreau, Director of Foundation Communities, provided testimony.

Chairman Anderson's designation of New Committee Members for the Board's Audit Committee Ms. Anderson announced that Ms. Ray and Mr. Flores have been designated as members to the Audit Committee, chaired by Mr. Bogany.

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.

Motion made by Mr. Conine to pull Agenda Item 1h from the Consent agenda for further consideration.

AGENDA ITEM 1:

e)

Approval of the following items presented in the Board materials:

General Administration Items:

- a) Minutes of the Board Meeting of October 12, 2006
- b) Minutes of the Board Meeting of November 9, 2006

Legal Division Items:

c) Approval of the law firm of Holland & Knight, LLP as Outside Tax Credit Counsel for the Department in response to a Request for Proposals

Multifamily Division Items:

d)	Housing 7	Fax Credit Amendments	
•	03159	Summit Senior Village of Gainesville	Gainesville
	04026	Oak Timbers	White Settlement
	04101	Pleasant Hill	Austin
	04108	Tamarac Pines	The Woodlands
	04167	Oxford Place	Houston
	05207	Parker Lane Seniors	Austin
	060027	Parkway Ranch	Houston
	060128	Jacksonville Pines	Jacksonville
	060149	Women's Shelter of East Texas	Lufkin

Housing '	Tax Credit Extensions	
04066	Pineywoods Community	Orange
04206	Lake Jackson Manor	Lake Jackson
04224	Commons of Grace	Houston
05004	The Pavilion @ Samuels Avenue	Ft. Worth
05005	Cambridge Court	Ft. Worth
05097	Cathy's Pointe	Amarillo
05099	Madison Pointe	Cotulla
05127	Navigation Pointe	Corpus Christi
05137	Los Ebanos Apartments	Zapata
05159	San Juan Square	San Antonio
05160	The Alhambra	San Antonio
05166	Hampton Port	Corpus Christi
05179	The Villages of Huntsville	Huntsville
05198	Olive Grove	Houston

Community Affairs Division Items:

- f) Presentation, Discussion and Possible Approval Program Year 2007 Comprehensive Energy Assistance Allocation Awards
- g) Presentation, Discussion and Possible Approval of the Community Services Block Grant FFY 2007 Allocation Awards

Financial Administration Items (pulled from Consent Agenda for further consideration):

- h) Presentation, Discussion and Possible Approval of the FY 2007 Amended Operating Budget Single Family Finance Items:
- Presentation, Discussion and Possible Approval of Revised Terms for the Texas Loan Star Program with CitiMortgage

Bond Finance Items:

- j) Presentation, Discussion and Possible Approval of Resolution No. 06-051 authorizing the extension of the certificate purchase period for the Single Family Mortgage Revenue Bonds, 2004 Series A and 2004 Series B (Program 61)
- k) Presentation, Discussion and Possible Approval of Resolution No. 06-052 authorizing the extension of the certificate purchase period for the Single Family Mortgage Revenue Bonds, 2004 Series C and 2004 Series D (Program 62)

Motion made by Mr. Conine to approve Consent Agenda, with the exception of item h); seconded by Mr. Bogany; passed unanimously.

ACTION ITEMS

AGENDA ITEM 1h (Pulled from Consent Agenda):

Financial Administration Items (pulled from Consent Agenda for further consideration):

h) Presentation, Discussion and Possible Approval of the FY 2007 Amended Operating Budget

Motion made by Ms. Ray to approve the amended budget, Item 1h; seconded by Mr. Bogany; passed unanimously.

AGENDA ITEM 2:

Proposed Texas Action Plan for Disaster Recovery to Use Community Development Block Grant (CDBG) Funding to Assist with the Recovery of Distressed Areas Related to the Consequences of Hurricanes Katrina, Rita, and Wilma in the Gulf of Mexico in 2005

William Dally, Deputy Executive Director for Administration, provided report.

<u>Pete De La Cruz, Acting Director, Southeast Texas Regional Planning Commission, provided testimony.</u>

Mark Viator, chairman of the Recovery Coalition of Southeast Texas, provided testimony.

<u>John Dubose</u>, county commissioner in Orange County and with Southeast Texas Regional Planning, provided testimony.

Kitty Shivers-Key, resident of Sabine Pass, provided testimony.

Dale Watson, Director of Planning for the City of Port Arthur, provided testimony.

Adam Saunders, resident of Sabine Pass, provided testimony.

Robert Reyna, Executive Director of the Housing Authority of the City of Beaumont, provided testimony.

Candye Anderson, Community Development Director for the Southeast Texas Regional Planning Commission, provided testimony.

Gay Ferguson, City of Orange, provided testimony.

<u>Judy Johnson, President and CEO of Southeast Texas Interfaith Organization for Disaster Recovery, provided testimony.</u>

Linda Clark, supervisor of case management for Lutheran Social Services, provided testimony.

Andy Narramore, Executive Director of Nehemiah's Vision, provided testimony.

<u>Joe Higgs</u>, with the Southeast Texas Interfaith Organization and the Industrial Areas Foundation, provided testimony.

Motion made by Ms. Ray to accept the staff recommendation to release the amended action plan for public comment, returning to the board for the February meeting for further consideration; seconded by Mr. Bogany; past unanimously.

AGENDA ITEM 3:

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

a) Presentation, Discussion and Possible Approval of Requests for Amendments to HOME Investment Partnerships Program contracts:

1000186 Brewster County

<u>Lucy Trevino, Manager of Portfolio, Management and Compliance</u>, provided report. Motion made by Mr. Conine to grant a four-month extension; seconded by Mr. Bogany; passed unanimously.

1000189 Edinburg Housing Opportunity Corporation

Lucy Trevino, Manager of Portfolio, Management and Compliance, provided report.

Homer Cabello, Manager of Office of Colonia Initiatives, provided report.

Motion made by Mayor Salinas to approve staff recommendation; seconded by Mr. Bogany. Mayor Salinas withdrew motion. Motion made by Mr. Conine to table until the February meeting; seconded by Mr. Bogany; passed unanimously.

1000290 City of Granger

Motion made by Mr. Conine to grant the extension subject to staff conditions; seconded by Mr. Bogany; passed unanimously.

1000360 Coastal Bend Center for Independent Living

Motion made by Ms. Ray to approve staff recommendation; seconded by Mr. Bogany; passed unanimously.

1000604 San Augustine County

1000605 Trinity County

1000607 Angelina County

Motion made by Mayor Salinas to approve staff recommendation for San Augustine, Trinity and Angelina Counties; seconded by Mr. Bogany; Motion made by Mr. Conine to amend the motion to grant the time but not the income adjustments; seconded by Mr. Bogany; passed unanimously.

b) Presentation, Discussion and Possible Approval of Requests for Amendments for Program Year 2005 and 2006 HOME OCC Contracts (including Rita) to Increase the maximum amount of assistance.

No Action Taken: deferred to February.

AGENDA ITEM 4:

Presentation, Discussion and Approval of Real Estate Analysis Items:

 a) Presentation, Discussion and Possible Rescission of the 4% Tax Credit Determination notice associated with 2006 Private Activity Bond Development #060427 Mansions at Turkey Creek

Motion made by Mr. Conine to grant approval; seconded by Mr. Bogany; passed unanimously.

AGENDA ITEM 5:

Presentation, Discussion and Possible Approval of Department Rules

- a) Presentation, Discussion and Possible Approval for publication in the Texas Register of Draft Amendments to Title 10, Part 1, Chapter 60, Subchapter A and Adopt Repeal of Title 10, Part 1, Subchapter A, Sections 1.11, 1.13 and 1.14
 - Motion made by Mr. Conine to approve; seconded by Mr. Bogany; passed unanimously.
- b) Presentation, Discussion and Possible Approval for publication in the Texas Register of the Final Rule for Action by Department if Outstanding Balance Exists, to be codified at 10 Texas Administrative Code §1.13

Withdrawn from consideration.

c) Presentation, Discussion and Possible Approval for publication in the Texas Register of the final Underwriting, Market Analysis, Appraisal, Environmental Site Assessment, Property Condition Assessment, and Reserve for Replacement Rules and Guidelines, to be codified at 10 Texas Administrative Code §1.31 through §1.37

Tom Gouris, Director of Real Estate Analysis, provided report.

Granger MacDonald, TAAHP, provided testimony.

Motion made by Mr. Conine to approve the real estate analysis rules with one amendment allowing the executive director to make the change in Section 132 (i)(2) referred to by Mr. McDonald; passed unanimously.

EXECUTIVE SESSION

At 12:00 p.m. Ms. Anderson convened the Executive Session. The Executive Session concluded at 12:45 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) Consultation pursuant to §551.072, Texas Government Code with respect to an offer regarding a land transaction related to 6.5 acres of undeveloped land in Tyler, Texas.
- c) 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.
- d) Consultation with Attorney Pursuant to §551.071, Texas Government Code: [Kevin]
 - 1. With Respect to pending litigation styled *TP Seniors II, Ltd. v. TDHCA*, Filed in State Court in Travis County, Texas
 - 2. With Respect to pending litigation styled *Gary Traylor*, et. al v. TDHCA, filed in State Court in Travis County, Texas
 - 3. With Respect to pending litigation styled Dever v. TDHCA Filed in Federal Court
 - 4. With Respect to pending litigation styled Ballard v. TDHCA Filed in Federal Court
 - 5. With Respect to Any Other Pending Litigation Filed Since the Last Board Meeting

OPEN SESSION

Ms. Anderson reconvened Open Session at 12:45 p.m. and announced that no action had been taken during the Executive Session and certified that the posted agenda was followed.

AGENDA ITEM 11: (Item 11a taken following Executive Session at the Chairs' Discretion)

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

a) Presentation, Discussion and Possible Issuance of Multifamily Mortgage Revenue Bonds and Housing Tax Credits with TDHCA as the issuer:

060628 Lancaster Apartments, Harris County Texas for a bond Amount Not to Exceed \$15,000,000 and the Issuance of a Determination Notice Recommended Credit Amount of \$1,137,297. Resolution No. 06-050

<u>Jeremy Mazur, chief of staff for the Honorable State Representative Bill Callegari, provided testimony.</u>

Steven Pustejovsky, Principal, Sundown Elementary School, Katy Independent School District, provided testimony.

Katherine Buxkamper of Katy, Texas, provided testimony.

John Burleson, assistant chief of Westlake Volunteer Fire Department, provided testimony.

John Blanke, resident of Sundown Subdivision, provided testimony.

David Buxkamper, resident of Sundown Subdivision, provided testimony.

Efrain Barrella Martinez, resident of Sundown Subdivision, provided testimony.

Terry Carr-Miller, resident of Sundown Subdivision, provided testimony.

Leta Wisenhunt, resident of Sundown Subdivision, provided testimony.

Steve Grubbs, vice president, Sundown Property Owners Association, provided testimony.

<u>Connie Merrill, resident of Sundown Subdivision,</u> provided testimony and read excerpts from a letter submitted to the Board by Judith McLaughlin and Tess Zimmerman, directors of Mayde Creek Community Acting Together, Inc.

James Montgomery, resident of Sundown Subdivision, provided testimony.

<u>Peter McElwain, the district architect and planner for Katy Independent School District, provided testimony.</u>

Sarah Anderson, the developer's representative with the community, provided testimony.

Pamela McGlaschen, regional vice president, Orion Real Estate Services, provided testimony.

Kiki Campbell, manager Millstone Apts., provided testimony.

Britton Leever, resident of Millstone Apts., provided testimony.

Steve Ford, Resolution, Inc., provided testimony.

David Brown, engineer of record for the Lancaster Apartments, provided testimony.

Motion made by Mr. Bogany to accept staff's recommendation; seconded by Ms. Ray; passed 3-1, Mayor Salinas voting no..

AGENDA ITEM 5 (CONTINUED):

Presentation, Discussion and Possible Approval of Department Rules

- d) Presentation, Discussion and Possible Approval of the Draft Asset Resolution and Enforcement Rule for publication in the *Texas Register* to receive public comment No Action Taken; deferred to February.
- e) Presentation, Discussion and Possible Approval for publication in the *Texas Register* of the Final Texas Bootstrap Loan Program Rules, to be codified at 10 Texas Administrative Code, Chapter 2, Part 1

No Action Taken; deferred to February.

f) Presentation, Discussion and Possible Approval for publication in the *Texas Register* of the Final Colonia Self-Help Centers Rules, to be codified at 10 Texas Administrative Code, Chapter 3

No Action Taken; deferred to February.

g) Presentation, Discussion and Possible Approval for publication in the *Texas Register* of the Final Colonia Housing Standards Rules, to be codified at 10 Texas Administrative Code, Chapter 1, Section 1.18

No Action Taken; deferred to February.

AGENDA ITEM 6:

Presentation, Discussion and Possible Approval of Policy and Public Affairs Items:

a) Presentation, Discussion and Possible Approval of the Final State of Texas Low Income Housing Plan and Annual Report

Brooke Boston, Deputy Executive Director of Programs, made presentation.

Ann Chappell, Executive Director of Habitat for Humanity Council of North Central Texas, provided testimony.

<u>Steven Carriker</u>, Texas Association of Community Development Corporations, provided testimony.

Motion made by Mr. Bogany to accept the amended rules; seconded by Ms. Ray; passed unanimously.

- b) Presentation, Discussion and Possible Approval of the 2007 State of Texas Final Consolidated Plan: One-Year Action Plan
 - Brooke Boston, Deputy Executive Director of Programs, made presentation.
 - Motion made by Mr. Conine to approve; seconded by Mr. Bogany; passed unanimously.
- c) Presentation, Discussion and Possible Approval of the 2007 Regional Allocation Formula Methodology for the HOME Program
- d) Presentation, Discussion and Possible Approval of the 2007 Affordable Housing Needs Score Methodology for the HOME Program

Brooke Boston, Deputy Executive Director of Programs, made presentation.

Joy Horak-Brown, New Hope Housing, provided testimony.

Motion made by Mr. Bogany to approve Items c & d; seconded by Ms. Ray; passed unanimously.

AGENDA ITEM 7:

Presentation, Discussion and Possible Approval of Housing Programmatic Items:

- a) Presentation, Discussion and Possible Approval of a 2007 HOME Multifamily Preservation and Rental Development Program Notice of Funding Availability
- b) Presentation, Discussion and Possible Approval of a 2007 HOME Multifamily
 Community Housing Development Organization Program Notice of Funding Availability
 Brooke Boston, Deputy Executive Director of Programs, provided report.

 Motion made by Mr. Bogany to approve staff recommendation for Items a & b; seconded by
 Mr. Conine; passed unanimously.
- c) Presentation, Discussion and Possible Action for an Amendment of the HOME Commitment for Star Village Apartments
 No Action Taken: deferred to February.

AGENDA ITEM 8:

Presentation, Discussion and Possible Approval of Community Affairs Division:

a) Presentation, Discussion and Possible Approval of Draft Public Housing Authority (PHA) Plan for Program Year 2007

No Action Taken; deferred to February.

AGENDA ITEM 9:

Presentation, Discussion and Possible Approval of Office of Colonia Initiatives Division Items:

a) Presentation, Discussion and Possible Approval of awards of the Housing Trust Fund - Texas Bootstrap Loan Program:

Bryan/College Station Habitat for Humanity

Waco Habitat for Humanity

Community Action Social Services & Education, Inc.

Fort Worth Area Habitat for Humanity

Midland Habitat for Humanity

Habitat for Humanity-Corpus Christi, Inc.

Brazos McLennan

Maverick Tarrant & Johnson

Midland

Nueces

Motion made by Mr. Conine to approve including Community Development Center Brownsville in funding as recommended by staff; seconded by Mr. Bogany; passed unanimously.

AGENDA ITEM 10:

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

a) Presentation, Discussion and Possible Action for Housing Tax Credit Amendments or Extensions Not Being Recommended by Staff

01482

The Claremont

Arlington

<u>David Homsher, CapMark Finance</u>, provided testimony.

Motion made by Mr. Conine to accept staff recommendation; seconded by Mr. Bogany; passed unanimously.

02135

Lakeridge

Texarkana

Robbye Meyer, Director, Multifamily Finance Production, provided report.

Erin Thiebery, Lakeridge Apts., Ltd, provided testimony.

Jerry Moore, Lakeridge Apts., Ltd, provided testimony.

Motion made by Mr. Conine to table item until next meeting for clarification; seconded by Mr.

Bogany; passed unanimously.

060007

Landa Place

New Braunfels

060132

Vista Pines

Nacogdoches

Waco

060244 River Park

Motion made by Mr. Conine to grant the waiver on the carryover extension requirement and defer the point discussion on Landa Place. Vista Pines and River Park, to the next board meeting; seconded by Mr. Bogany; passed unanimously.

b) Presentation, Discussion and Possible Action of Waivers to Eligibility for the 2004 & 2005 Credit Increase Policy

04154

Plainview Vista

Plainview

Motion made by Mr. Bogany to grant the waiver; seconded by Mr. Conine; Chair Anderson voted against; motion passed.

c) Presentation, Discussion and Possible Action of Award from the Approved 2006 Waiting List

No Action Taken: deferred to February.

d) Presentation, Discussion and Possible Issuance of Determination Notices for Housing Tax Credits Associated with Mortgage Revenue Bond Transactions with Other Issuers: 060433 Costa Verde, Clute, Texas; Southeast Texas HFC is the Issuer; Recommended Credit Amount of \$798,840

Motion made by Mr. Bogany to approve staff recommendation; seconded by Mr. Conine; passed unanimously.

e) Presentation, Discussion and Possible Approval of Waivers of a portion of §49.12(f) of 2007 QAP for Gardens of DeCordova, Gardens of Weatherford and Lakes of Goldshire No Action Taken; deferred to February.

AGENDA ITEM 11: (Item 11a taken following Executive Session at the Chairs' Discretion) Presentation, Discussion and Possible Approval of Multifamily Division Items - Specifically Multifamily Private Activity Bond Program Items:

b) Presentation, Discussion, and Possible Action for the 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 2007, Resolution No. 06-048:

07604

Terraces at Cibolo

Boerne Houston

07605

Summit Point Apartments

Austin

07606 Santora Villas

Motion made by Mr. Conine to grant Resolution No. 06-048; seconded by Mr. Bogany; passed unanimously.

REPORT ITEMS

Executive Director's Report

- 1. TDHCA Outreach Activities, November 2006
- 2. Discussion about Work Sessions for Flores
- 3. Report on status of previously approved Bond Finance Program 68
- 4. Progress Report on 2006 Disaster HOME OCC Awards Made in May 2006
- 5. Quarterly Status Report on Prior HOME Amendments
- 6. Status of Prior Year HOME Balances in IDIS

No Action Taken; deferred to February.

ADJOURN Since there was no other business to come before the Board, the meeting was adjourned at 2:45 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

COMMUNITY AFFAIRS DIVISION SECTION 8 PROGRAM BOARD ACTION REQUEST February 1, 2007

Action Item

Presentation, Discussion and Possible Approval of Section 8 2007 Annual Public Housing Agency (PHA) Plan for the Texas Department of Housing and Community Affairs.

Required Action

The proposed Streamlined 2007 PHA Plan was on the November board agenda. During the November meeting, the Board received public comment indicating that the Department's Streamlined 5-Year PHA Plan did not indicate that the Department would apply for special-purpose vouchers targeted to families with disabilities, should they become available. The Plan was tabled to give staff time to address the public comments.

In lieu of resubmitting the 5-Year Plan, which was not on the Board agenda, staff recommends approval of the proposed Streamlined Annual PHA Plan for Fiscal Year 2007 with changes on page 10 to address the public comment. These changes target available assistance to families with disabilities including that the Department may apply for special-purpose vouchers, should they become available; and will affirmatively market to local non-profit agencies assisting families with disabilities. The Plan is written in compliance with 42 U.S.C.1437(c-1)(a) and (b).

Background

Section 511 of the Quality Housing and Work Responsibility Act (QHWRA), (Public Law No. 105-276), signed into law on October 21, 1998, made several changes to the requirements for entities which administer the Section 8 Housing Choice Voucher Program (HCVP). 42 U.S.C. 1437(c-1)(b) requires public housing agencies such as the Department to submit an Annual Plan.

On June 24, 2003 (FR-4753-F-02), HUD published in the *Federal Register* (Vol. 68, No. 121, Page 37664) a final rule "Deregulation for Small Housing Agencies," that simplifies and streamlines HUD's regulatory requirements for small PHAs that administer the public housing and voucher assistance programs under the United States Housing Act of 1937.

PHAs administering only vouchers are eligible to submit the new streamlined Annual PHA Plan. This year's plan covers the third year of the five year plan that is currently in effect. On June 13, 2006, HUD changed the Department's HCVP budget year from July 1st through June 30th to January 1st through December 31st. At that time, the Department asked HUD if the Department would be required to submit a new PHA plan. On September 28, 2006, HUD responded that the Department must submit a new plan to cover the change in our fiscal year. The streamlined annual plan is limited to reporting only a few select components, and a certification listing any components (programs and policies) changed since submission of the last Annual Plan.

Recommendation

Approve 2007 Annual PHA Plan as presented by staff.

PHA Plans

Streamlined Annual Version

U.S. Department of Housing and Urban Development
Office of Public and Indian
Housing

OMB No. 2577-0226 (exp. 08/31/2009)

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937 that introduced 5-year and annual PHA Plans. The full PHA plan provides a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission and strategies for serving the needs of low-income and very low-income families. This form allows eligible PHAs to make a streamlined annual Plan submission to HUD consistent with HUD's efforts to provide regulatory relief for certain types of PHAs. Public reporting burden for this information collection is estimated to average 11.7 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development, Federal Housing Administration, is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Information in PHA plans is publicly available.

Streamlined Annual PHA Plan

for Fiscal Year: 2007

PHA Name:

Texas Department of Housing and Community Affairs

NOTE: This PHA Plan template (HUD-50075-SA) is to be completed in accordance with instructions contained in previous Notices PIH 99-33 (HA), 99-51 (HA), 2000-22 (HA), 2000-36 (HA), 2000-43 (HA), 2001-4 (HA), 2001-26 (HA), 2003-7 (HA), and any related notices HUD may subsequently issue.

Streamlined Annual Plan for Fiscal Year 2007

PHA Name: TDHCA HA Code: TX901

Streamlined Annual PHA Plan Agency Identification

PHA Name: Texas Depart	ment of I	Housing and Comm	nunity Affairs	
PHA Number: TX901				
PHA Fiscal Year Beginnii	ng: (01/20	007)		
PHA Programs Administed Public Housing and Section Number of public housing units: Number of S8 units:	8 Se		ublic Housing Onler of public housing units	
PHA Consortia: (check l	ox if subr			table)
Participating PHAs	PHA Code	Program(s) Included in the Consortium	Programs Not in the Consortium	# of Units Each Program
Participating PHA 1:				
Participating PHA 2:				
Participating PHA 3:				
PHA Plan Contact Inform Name: E. E. Fariss TDD: 1-800-735-2989 Public Access to Informat Information regarding any ac (select all that apply) PHA's main administrat	ion tivities out	_	efariss@tdhca.sta	ontacting:
Display Locations For PH The PHA Plan revised policies of public review and inspection. If yes, select all that apply: ✓ Main administrative offi ─ PHA development mana ✓ Main administrative offi ─ Public library	or program Yes ce of the P gement off ce of the lo	changes (including att No. HA fices	tachments) are avai	
PHA Plan Supporting Documen Main business office of			(select all that applement managemen	

Form HUD-50076, <u>PHA Certifications of Compliance with the PHA Plans and Related Regulations:</u> <u>Board Resolution to Accompany the Streamlined Annual Plan</u> identifying policies or programs the PHA has revised since submission of its last Annual Plan, and including Civil Rights certifications and assurances the changed policies were presented to the Resident Advisory Board for review and comment, approved by the PHA governing board, and made available for review and inspection at the PHA's principal office;

For PHAs Applying for Formula Capital Fund Program (CFP) Grants:

Form HUD-50070, Certification for a Drug-Free Workplace;

Form HUD-50071, Certification of Payments to Influence Federal Transactions; and

Form SF-LLL &SF-LLLa, Disclosure of Lobbying Activities.

PHA Name: TDHCA HA Code: TX901

1. Site-Based Waiting Lists (Eligibility, Selection, Admissions Policies)

[24 CFR Part 903.12(c), 903.7(b)(2)]

Exemptions: Section 8 only PHAs are not required to complete this component.

*N/A to AGENCY

A. Site-Based Waiting Lists-Previous Year

1. Has the PHA operated one or more site-based waiting lists in the previous year? If yes, complete the following table; if not skip to B.

Site-Based Waiting Lists				
Development Information: (Name, number, location)	Date Initiated	Initial mix of Racial, Ethnic or Disability Demographics	Current mix of Racial, Ethnic or Disability Demographics since Initiation of SBWL	Percent change between initial and current mix of Racial, Ethnic, or Disability demographics
at one time?		based waiting list deve an applicant turn down		2 11 2

2.	2. What is the number of site based waiting list developments to which families may apply at one time?							
3.	How many unbased waiting	•	n applicant turn down	before being removed	d from the site-			
4.	Yes No: Is the PHA the subject of any pending fair housing complaint by HUD or any court order or settlement agreement? If yes, describe the order, agreement or complaint and describe how use of a site-based waiting list will not violate or be inconsistent with the order, agreement or complaint below:							
В.	Site-Based W	aiting Lists –	Coming Year					
	If the PHA plans to operate one or more site-based waiting lists in the coming year, answer each of the following questions; if not, skip to next component.							
1. I	How many site-	based waiting	lists will the PHA ope	erate in the coming year	ar?			
2.	☐ Yes ☐ No	•	hey are not part of a p	ased waiting lists new reviously-HUD-appro				

PHA Name: TDHCA Streamlined Annual Plan for Fiscal Year 2007 HA Code: TX901 If yes, how many lists? 3. The Yes No: May families be on more than one list simultaneously If yes, how many lists? 4. Where can interested persons obtain more information about and sign up to be on the sitebased waiting lists (select all that apply)? PHA main administrative office All PHA development management offices Management offices at developments with site-based waiting lists At the development to which they would like to apply Other (list below) 2. Capital Improvement Needs [24 CFR Part 903.12 (c), 903.7 (g)] *N/A to AGENCY Exemptions: Section 8 only PHAs are not required to complete this component. Α. **Capital Fund Program** 1. Tyes No Does the PHA plan to participate in the Capital Fund Program in the upcoming year? If yes, complete items 7 and 8 of this template (Capital Fund Program tables). If no, skip to B. 2. Yes No: Does the PHA propose to use any portion of its CFP funds to repay debt incurred to finance capital improvements? If so, the PHA must identify in its annual and 5-year capital plans the development(s) where such improvements will be made and show both how the proceeds of the financing will be used and the amount of the annual payments required to service the debt. (Note that separate HUD approval is required for such financing activities.). B. HOPE VI and Public Housing Development and Replacement Activities (Non-Capital Fund) Applicability: All PHAs administering public housing. Identify any approved HOPE VI and/or public housing development or replacement activities not described in the Capital Fund Program

Annual Statement.

- 1. Yes No: Has the PHA received a HOPE VI revitalization grant? (if no, skip to #3; if yes, provide responses to the items on the chart located on the next page, copying and completing as many times as necessary).
 - 2. Status of HOPE VI revitalization grant(s):

PHA Name: TDHCA HA Code: TX901

HOPE VI Revitalization Grant Status								
a. Development Name:								
b. Development Number:								
Revitalizat Revitalizat Revitalizat	c. Status of Grant: Revitalization Plan under development Revitalization Plan submitted, pending approval Revitalization Plan approved Activities pursuant to an approved Revitalization Plan underway							
3. Yes No:	Does the PHA expect to apply for a HOPE VI Revitalization grant in the Plan year? If yes, list development name(s) below:							
4. Yes No:	Will the PHA be engaging in any mixed-finance development activities for public housing in the Plan year? If yes, list developments or activities below:							
5. Yes No: V	Will the PHA be conducting any other public housing development or replacement activities not discussed in the Capital Fund Program Annual Statement? If yes, list developments or activities below:							
	nt Based AssistanceSection 8(y) Homeownership Program R Part 903.12(c), 903.7(k)(1)(i)]							
1. Xes No:	Does the PHA plan to administer a Section 8 Homeownership program pursuant to Section 8(y) of the U.S.H.A. of 1937, as implemented by 24 CFR part 982? (If "No", skip to the next component; if "yes", complete each program description below (copy and complete questions for each program identified.)							
	The Department may collaborate with one or more PHAs that have a successful voucher homeownership program.							
2. Program Descriptia. Size of Program	on: The Department may implement a Section 8 Homeownership program.							
Yes No:	Will the PHA limit the number of families participating in the Section 8 homeownership option?							
	If the answer to the question above was yes, what is the maximum number of participants this fiscal year? 25 or fewer participants							

Page 7 of 18

low utilization rate for vouchers due to lack of suitable rental units

2. Indicate the number of units and general location of units (e.g. eligible census tracts or

access to neighborhoods outside of high poverty areas

other (describe below:)

smaller areas within eligible census tracts):

PHA Name: TDHCA HA Code: TX901

5. PHA Statement of Consistency with the Consolidated Plan

[24 CFR Part 903.15]

For each applicable Consolidated Plan, make the following statement (copy questions as many times as necessary) only if the PHA has provided a certification listing program or policy changes from its last Annual Plan submission.

1. Consolidated Plan jurisdiction: (provide name here)
2. The PHA has taken the following steps to ensure consistency of this PHA Plan with the Consolidated Plan for the jurisdiction: (select all that apply)
The PHA has based its statement of needs of families on its waiting lists on the needs expressed in the Consolidated Plan/s.
The PHA has participated in any consultation process organized and offered by the Consolidated Plan agency in the development of the Consolidated Plan.
The PHA has consulted with the Consolidated Plan agency during the development of this PHA Plan.
Activities to be undertaken by the PHA in the coming year are consistent with the initiatives contained in the Consolidated Plan. (list below)
Other: (list below)
3. The Consolidated Plan of the jurisdiction supports the PHA Plan with the following actions and commitments: (describe below)

and commitments: (describe below)

PHA Name: TDHCA HA Code: TX901

<u>6. Supporting Documents Available for Review for Streamlined Annual PHA Plans</u>

PHAs are to indicate which documents are available for public review by placing a mark in the "Applicable & On Display" column in the appropriate rows. All listed documents must be on display if applicable to the program activities conducted by the PHA.

List of Supporting Documents Available for Review								
Applicable & On Display	Supporting Document	Related Plan Component						
X	PHA Certifications of Compliance with the PHA Plans and Related Regulations and Board Resolution to Accompany the Standard Annual, Standard Five-Year, and Streamlined Five-Year/Annual Plans;	5 Year and Annual Plans						
X	PHA Certifications of Compliance with the PHA Plans and Related Regulations and Board Resolution to Accompany the Streamlined Annual Plan	Streamlined Annual Plans						
X	Certification by State or Local Official of PHA Plan Consistency with Consolidated Plan.	5 Year and standard Annual Plans						
X	Fair Housing Documentation Supporting Fair Housing Certifications: Records reflecting that the PHA has examined its programs or proposed programs, identified any impediments to fair housing choice in those programs, addressed or is addressing those impediments in a reasonable fashion in view of the resources available, and worked or is working with local jurisdictions to implement any of the jurisdictions' initiatives to affirmatively further fair housing that require the PHA's involvement.	5 Year and Annual Plans						
N/A	Housing Needs Statement of the Consolidated Plan for the jurisdiction(s) in which the PHA is located and any additional backup data to support statement of housing needs for families on the PHA's public housing and Section 8 tenant-based waiting lists.	Annual Plan: Housing Needs						
N/A	Most recent board-approved operating budget for the public housing program	Annual Plan: Financial Resources						
N/A	Public Housing Admissions and (Continued) Occupancy Policy (A&O/ACOP), which includes the Tenant Selection and Assignment Plan [TSAP] and the Site-Based Waiting List Procedure.	Annual Plan: Eligibility, Selection, and Admissions Policies						
N/A	Deconcentration Income Analysis	Annual Plan: Eligibility, Selection, and Admissions Policies						
N/A	Any policy governing occupancy of Police Officers and Over-Income Tenants in Public Housing. Check here if included in the public housing A&O Policy.	Annual Plan: Eligibility, Selection, and Admissions Policies						
X	Section 8 Administrative Plan	Annual Plan: Eligibility, Selection, and Admissions Policies						
N/A	Public housing rent determination policies, including the method for setting public housing flat rents. Check here if included in the public housing A & O Policy.	Annual Plan: Rent Determination						
N/A	Schedule of flat rents offered at each public housing development. Check here if included in the public housing A & O Policy.	Annual Plan: Rent Determination						
X	Section 8 rent determination (payment standard) policies (if included in plan, not necessary as a supporting document) and written analysis of Section 8 payment standard policies. Check here if included in Section 8 Administrative Plan.	Annual Plan: Rent Determination						
N/A	Public housing management and maintenance policy documents, including policies for the prevention or eradication of pest infestation (including cockroach infestation).	Annual Plan: Operations and Maintenance						
N/A	Results of latest Public Housing Assessment System (PHAS) Assessment (or other applicable assessment).	Annual Plan: Management and Operations						
N/A	Follow-up Plan to Results of the PHAS Resident Satisfaction Survey (if	Annual Plan: Operations and						

PHA Name: TDHCA HA Code: TX901

List of Supporting Documents Available for Review						
Applicable & On Display	Supporting Document	Related Plan Component				
	necessary)	Maintenance and Community Service & Self- Sufficiency				
X	Results of latest Section 8 Management Assessment System (SEMAP)	Annual Plan: Management and Operations				
X	Any policies governing any Section 8 special housing types Check here if included in Section 8 Administrative Plan The Department may apply for special-purpose vouchers targeted to families with disabilities, should they become available. The Department will affirmatively market to local non-profit agencies that assist families with disabilities.	Annual Plan: Operations and Maintenance				
N/A	Public housing grievance procedures Check here if included in the public housing A & O Policy	Annual Plan: Grievance Procedures				
X	Section 8 informal review and hearing procedures. Check here if included in Section 8 Administrative Plan.	Annual Plan: Grievance Procedures				
N/A	The Capital Fund/Comprehensive Grant Program Annual Statement /Performance and Evaluation Report for any active grant year.	Annual Plan: Capital Needs				
N/A	Most recent CIAP Budget/Progress Report (HUD 52825) for any active CIAP grants.	Annual Plan: Capital Needs				
N/A	Approved HOPE VI applications or, if more recent, approved or submitted HOPE VI Revitalization Plans, or any other approved proposal for development of public housing.	Annual Plan: Capital Needs				
N/A	Self-evaluation, Needs Assessment and Transition Plan required by regulations implementing Section 504 of the Rehabilitation Act and the Americans with Disabilities Act. See PIH Notice 99-52 (HA).	Annual Plan: Capital Needs				
N/A	Approved or submitted applications for demolition and/or disposition of public housing.	Annual Plan: Demolition and Disposition				
N/A	Approved or submitted applications for designation of public housing (Designated Housing Plans).	Annual Plan: Designation of Public Housing				
N/A	Approved or submitted assessments of reasonable revitalization of public housing and approved or submitted conversion plans prepared pursuant to section 202 of the 1996 HUD Appropriations Act, Section 22 of the US Housing Act of 1937, or Section 33 of the US Housing Act of 1937.	Annual Plan: Conversion of Public Housing				
N/A	Documentation for required Initial Assessment and any additional information required by HUD for Voluntary Conversion.	Annual Plan: Voluntary Conversion of Public Housing				
N/A	Approved or submitted public housing homeownership programs/plans.	Annual Plan: Homeownership				
N/A	Policies governing any Section 8 Homeownership program (Section of the Section 8 Administrative Plan)	Annual Plan: Homeownership				
N/A	Public Housing Community Service Policy/Programs Check here if included in Public Housing A & O Policy	Annual Plan: Community Service & Self-Sufficiency				
N/A	Cooperative agreement between the PHA and the TANF agency and between the PHA and local employment and training service agencies.	Annual Plan: Community Service & Self-Sufficiency				
N/A	FSS Action Plan(s) for public housing and/or Section 8. The Department has requested an FSS exception, pending HUD response.	Annual Plan: Community Service & Self-Sufficiency				
N/A	Section 3 documentation required by 24 CFR Part 135, Subpart E for public housing.	Annual Plan: Community Service & Self-Sufficiency				
N/A	Most recent self-sufficiency (ED/SS, TOP or ROSS or other resident services grant) grant program reports for public housing.	Annual Plan: Community Service & Self-Sufficiency				
N/A	Policy on Ownership of Pets in Public Housing Family Developments (as required by regulation at 24 CFR Part 960, Subpart G). Check here if included in the public housing A & O Policy.	Annual Plan: Pet Policy				
X	The results of the most recent fiscal year audit of the PHA conducted under the Single Audit Act as implemented by OMB Circular A-133, the results of that audit and the PHA's response to any findings.	Annual Plan: Annual Audit				

PHA Name: TDHCA HA Code: TX901

List of Supporting Documents Available for Review							
Applicable & On Display	Supporting Document	Related Plan Component					
N/A	Other supporting documents (optional) (list individually; use as many lines as necessary)	(specify as needed)					
N/A	Consortium agreement(s) and for Consortium Joint PHA Plans <u>Only</u> : Certification that consortium agreement is in compliance with 24 CFR Part 943 pursuant to an opinion of counsel on file and available for inspection.	Joint Annual PHA Plan for Consortia: Agency Identification and Annual Management and Operations					

Annual Statemer	nt/Performance and Evaluation Report	*N/A	to AGENCY		
Capital Fund Pro	ogram and Capital Fund Program Replacement	t Housing			
	PRHF) Part I: Summary	.			
1 40001 (011/01/	in in the summing				
DITA N					T 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
PHA Name:		Frant Type and Number Capital Fund Program Gr			Federal FY of Grant:
		Replacement Housing Fa			of Grant.
Original Annual	Statement Reserve for Disasters/ Emergencies Revis				L.
		formance and Evalu			
Line No.	Summary by Development Account	Total Esti	mated Cost	Total Ac	tual Cost
		Original	Revised	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations				
3	1408 Management Improvements				
4	1410 Administration				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Nondwelling Structures				
13	1475 Nondwelling Equipment				
14	1485 Demolition				
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Costs				
18	1499 Development Activities				
19	1501 Collaterization or Debt Service				
20	1502 Contingency				
21	Amount of Annual Grant: (sum of lines 2 – 20)				
22	Amount of line 21 Related to LBP Activities				
23	Amount of line 21 Related to Section 504				
	compliance				
24	Amount of line 21 Related to Security – Soft Costs				

Capital Fund Prog	Performance and Evaluation Report ram and Capital Fund Program Replacement RHF) Part I: Summary		to AGENCY			
PHA Name:		ant Type and Numbe			Federal FY	
		pital Fund Program Greplacement Housing Fa			of Grant:	
Original Annual St	atement Reserve for Disasters/ Emergencies Revise	<u>. </u>				
		ormance and Evalu				
Line No.	Summary by Development Account	Total Estimated Cost		Total Ac	Total Actual Cost	
		Original	Revised	Obligated	Expended	
25	Amount of Line 21 Related to Security – Hard Costs					
26	Amount of line 21 Related to Energy Conservation Measures					
Annual Statem	ent/Performance and Evaluation Report	t				

Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) **Part II: Supporting Pages** PHA Name: **Grant Type and Number** Federal FY of Grant: Capital Fund Program Grant No: Replacement Housing Factor Grant No: General Description of Development **Total Estimated Cost** Total Actual Cost Status of Dev. Acct Quantity Major Work Categories Number No. Work Name/HA-Wide Activities Original Funds Funds Revised Obligated Expended

Annual Statement/Performance and Evaluation Report Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) **Part II: Supporting Pages** PHA Name: **Grant Type and Number Federal FY of Grant:** Capital Fund Program Grant No: Replacement Housing Factor Grant No: General Description of **Total Estimated Cost Total Actual Cost** Development Dev. Acct Ouantity Status of Major Work Categories Number No. Work Name/HA-Wide **Activities** Funds Funds Original Revised Obligated Expended

Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)
Part III: Implementation Schedule

PHA Name: Grant Type and Num Capital Fund Program Replacement Housing			m No:			Federal FY of Grant:	
Development Number Name/HA-Wide Activities	All Fund Obligated (Quarter Ending Date)			All Funds Expended (Quarter Ending Date)			Reasons for Revised Target Dates
	Original	Revised	Actual	Original	Revised	Actual	

8. Capital Fund Program Five-Year Action Plan

*N/A to AGENCY

Capital Fund Program Five-Year Action Plan									
Part I: Summary									
PHA Name				Original 5-Year Plan Revision No:					
D 1	37 1	W. 1 C.	W. 1 C.		W 1 Ct t				
Development	Year 1	Work Statement	Work Statement	Work Statement	Work Statement				
Number/Name/		for Year 2	for Year 3	for Year 4	for Year 5				
HA-Wide			7777.6		THE C				
		FFY Grant:	FFY Grant:	FFY Grant:	FFY Grant:				
		PHA FY:	PHA FY:	PHA FY:	PHA FY:				
	Annual								
	Statement								
CFP Funds Listed									
for 5-year									
planning									
Replacement									
Housing Factor									
Funds									

8. Capital Fund Program Five-Year Action Plan

Capital Fur	nd Program Five-Y	Year Action Plan				
Part II: Sup	porting Pages—V	Vork Activities				
Activities		tivities for Year:		Acti	ivities for Year:	
for		FFY Grant:			FFY Grant:	
Year 1		PHA FY:			PHA FY:	
	Development	Major Work	Estimated Cost	Development	Major Work	Estimated
	Name/Number	Categories		Name/Number	Categories	Cost
See						
Annual						
Statement						
<u> </u>						
	Total CFP Estimated	Cost	\$			\$

8. Capital Fund Program Five-Year Action Plan

Capital Fund Prog					
Part II: Supporting	Activities for Year:	ctivities —	Ac	ctivities for Year:	_
	FFY Grant: PHA FY:			FFY Grant: PHA FY:	
Development Name/Number	Major Work Categories	Estimated Cost	Development Name/Number	Major Work Categories	Estimated Cost
Total CFP Est	timated Cost	\$			\$

COMMUNITY AFFAIRS DIVISION BOARD ACTION REQUEST February 1, 2007

Action Item

Presentation, Discussion and Possible Approval of Energy Assistance Department of Energy Weatherization Assistance Program Annual Plan Presentation.

Required Action

Review and possible approval of the submission of the Program Year (PY) 2007 Department of Energy (DOE) State Plan.

Background

The Texas Department of Housing and Community Affairs (the Department) develops and submits to DOE a State Plan each year. DOE provides grant guidance in early December to provide the format and content for the state plan, which the Department followed. The Department developed the draft State Plan, with review and comment by Energy Assistance (EA) staff, the Community Affairs Division Director, the Financial Services Division, and the Executive Team. A draft of the PY 2007 DOE State Plan was posted on the Department's Internet website on December 22, 2006. The Texas Register announcement of the public hearing and the availability of the draft plan was published December 22, 2006. The Department conducted its public hearing for the plan on Wednesday January 3, 2007, at 10:00 a.m. at the Department headquarters. No comments were received during the hearing. The 30-day comment period closes on January 31, 2007. If pertinent comment is received through the public comment period, staff will prepare an amendment to the state plan as submitted. The plan is due at DOE offices February 1, 2007.

The Department contracts with 34 WAP subrecipients to administer the program in all 254 counties of the state. Subrecipients utilize the DOE funding to provide cost effective weatherization measures to improve the energy efficiency of 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 meet the priority criteria. Typically, if the applicant is determined eligible, the applicant is placed on a waiting list.

As scheduling allows, the subrecipient conducts an energy assessment on the applicant's home and results are entered into the energy audit to determine if weatherization measures are appropriate. If the applicant is still income 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.

The PY 07 DOE WAP budget is \$6,607,385 (subject to revision upon final congressional approval of the appropriation). The funding provides for state administration and state training and technical assistance. Additionally, the funds allow for subrecipients financial audits, household audits, and program administration. DOE allows a maximum of \$2,853 per unit for weatherization services. Energy Assistance Section projects that subrecipients will weatherize 1,591 units.

Recommendation

Staff recommends board approval and Executive Director's signature of the PY 2007 DOE State Plan as drafted.

FINANCIAL ADMINISTRATION DIVISION

BOARD ACTION REQUEST February 1, 2007

Report Item

1st Quarter Investment Report

Required Action

Presentation of the Department's 1st 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 increased by \$145 million for a total of \$1.6 billion. There were 9 new Multi-Family bond issuances issued for a total of \$88M and one Single Family issue for \$132.2M during the 1st quarter. The Single Family Mortgage Revenue Bond indenture paid \$14.1M in principal and \$10.0M in interest; the multi-family issues paid \$26.6M in principal. The remaining difference is accounted for by construction draws made by multi-family projects currently under construction.

The portfolio consists of:

	Beginning Quarter	Ending Quarter
Mortgage Backed Securities (MBS)	63%	63%
Guaranteed Investment Contract/		
Investment Agreement (GIC/IA)	27%	26%
Repurchase Agreements	7%	5%
Other	6%	6%

The portfolio activity for the quarter:

- \$105 million of MBS purchases during the quarter represent portfolio activity for new loans originated. This denotes the largest single quarter for the last 5 quarters.
- The maturities in MBS this quarter were \$19.4 million which represents loan payoffs. The table below shows a strong trend in new loans and a more stable trend of loan payoffs.

	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	
	FY 06	FY 06	FY 06	FY 06	FY 07	Total
Purchases	57,279,673	93,337,220	71,241,317	44,123,295	104,944,001	370,925,506
Sales						
Maturities	24,134,919	52,202,521	18,345,860	17,158,700	19,396,370	131,238,370

- The changes in market value increased \$11.4M for the quarter which decreased the difference between fair value and par value. The national average for a 30-year fixed mortgage as reported by HSH was 6.34% for the end of November. This is down from 6.63% at the end of August. The spread between the market rate and our below-market rates is decreasing.
- 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 is referred to as an unrealized loss.
- 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.
- 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 102.8% to 117.5%. 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.

Texas Department of Housing and Community Affairs

Bond Finance Division Executive Summary As of November 30, 2006

	Single Family Indenture Funds		Residential Mortgage Revenue Bond Indenture Funds				Multi-Family denture Funds	Combined Totals
PARITY COMPARISON:								
PARITY ASSETS								
Cash	\$	220,917	\$	1	\$	-	\$ 1,221,372	\$ 1,442,290
Investments	\$	329,513,967	\$	33,310,427	\$	1,850,810	\$ 208,706,440	\$ 573,381,644
Mortgage Backed Securities	\$	624,749,012	\$	325,549,676	\$	14,483,194		\$ 964,781,882
Loans Receivable	\$	46,405,429	\$	1,382,712	\$	· · · · -	\$ 1,167,355,604	\$ 1,215,143,745
Accrued Interest Receivable	\$	5,753,337	\$	2,370,995	\$	94,442	\$ 17,021,734	\$ 25,240,508
TOTAL PARITY ASSETS	\$	1,006,642,663	\$	362,613,811	\$	16,428,445	\$ 1,394,305,150	\$ 2,779,990,069
PARITY LIABILITIES								
Bonds Payable	\$	955,985,000	\$	345,065,000	\$	14,900,000	\$ 1,169,323,218	\$ 2,485,273,218
Accrued Interest Payable	\$	10,021,838	\$	7,768,570	\$	42,249	\$ 17,419,162	\$ 35,251,819
TOTAL PARITY LIABILITIES	\$	966,006,838	\$	352,833,570	\$	14,942,249	\$ 1,186,742,380	\$ 2,520,525,037
PARITY DIFFERENCE PARITY	\$	40,635,825 104.21%	\$	9,780,241 102.77%	\$	1,486,196 109.95%	\$ 207,562,771 117.49%	\$ 259,465,032 110.29%
INTEREST COMPARISON	V (For	the Third Fis	cal N	fonth) :				
INTEREST INCOME								
Loans		\$179,450.00		\$11,191.00		\$0.00	\$5,515,210.00	\$5,705,851.00
Investments		\$3,823,218.00		\$1,831,898.00		\$93,532.00	\$3,705.00	\$5,752,353.00
Real Estate Owned		\$0.00		\$0.00		\$0.00	\$0.00	\$0.00
TOTAL INTEREST INCOME		\$4,002,668.00		\$1,843,089.00		\$93,532.00	\$5,518,915.00	\$11,458,204.00
INTEREST EXPENSE								
Interest on Bonds		\$3,506,278.00		\$1,550,582.00		\$83,704.00	\$5,515,211.00	\$10,655,775.00
TOTAL INTEREST EXPENSE		\$3,506,278.00		\$1,550,582.00		\$83,704.00	\$5,515,211.00	\$10,655,775.00
NET INTEREST INTEREST RATIO		\$496,390.00 114.16%		\$292,507.00 118.86% Page 3 of 3		\$9,828.00 111.74%	\$3,704.00 100.07%	\$802,429.00 107.53%

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS HOUSING FINANCE DIVISION

PUBLIC FUNDS INVESTMENT ACT
INTERNAL MANAGEMENT REPORT (SEC. 2256.023)
QUARTER ENDING November 30, 2006

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS HOUSING FINANCE DIVISION

PUBLIC FUNDS INVESTMENT ACT

Internal Management Report (Sec. 2256,023) Quarter Ending November 30, 2005

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

INDENTURE	FAIR VALUE (MARKET) @ 08/31/06	CARRYING VALUE @ 08/31/05	ACCRETION/ PURCHASES	AMORTIZATION/ SALES	YING VALUE WITH THE	TRANSFERS	CARRYING VALUE @ 11/30/06	FAIR VALUE (MARKET) @ 11/30/06	CHANGE IN FAIR VALUE (MARKET)	ACCRUED INT RECVBL @ 11/30/06	RECOGNIZED GAIN
Single Family RMRB CHMRB Multi Family SF CHMRB 1993 SF CHMRB 1994/1995 Commercial Paper General Fund Housing Trust Fund Administration Compliance Housing Initiatives	628,803,243.74 351,576,102.48 10,674,678.24 159,372,759.16 8,001.50 0.05 15,605.096.92 12,219,705.49 15,620,825.05 145,615.46 2,403,055.45 4,695,284.91	846,510,079.52 355,221,741.03 16,379,612.35 169,372,759.16 8,001.50 0.05 15,605,096.92 12,219,705.48 15,620,825.05 145,615.48 2,403,065.45 4,695,284.91	265,084,360.97 14,892,163.69 720,982.90 68,279,515.51 0.00 0.00 248,673.82 1,718,873.62 4,069,456.58 1,903.23 226,311.41 1,017,751.14	(144,779,327,03) (454,669,46) (68,252,36) (27,445,155,67) (8,001,50) (0.05) (15,605,092) (87,515,92) (2,980,054,13) 0.00 (39,502,68) (169,691,06)	(9,027,888,53) (9,645,643,77) (667,189,47) (55,648,57) 0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	957,767,244,93 359,813,591,47 18,365,153,42 210,151,470,43 0.00 0.00 248,673,82 13,851,663.19 18,710,227.50 147,518.71 2,569,873.98 5,543,374,99	945,573,731.59 360,028,481.44 16,873,879.11 210,151,470.43 0.00 0.00 246,673.82 13,851,063.19 16,710,27.50 147,518,71 2,589,873.98 5,543,374,99	7,513,322,44 3,858,448.52 13,659.80 - - - - -	5,779,352.00 2,182,650,00 94,442.00 3,479.00 0.00 449.00 2,035.00 2,455.00 22.00 361.00 815.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
TOTAL	1,415,326,458,47	1,436,181,786,91	356,040,012,87	(191,637,237.00)	(19,396,370,34)	0,00	1,583,188,192,44	1,571,718,294.76	11,385,430.76	8,066,080,00	0.00

[•] No relationship can be drawn between the "ACCRUED INT RECVEL @ 11/30/06" 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 Mulli Family Indenture, the Department is carrying \$ 211,374,080 of investments pledged as reserves by participating entitles. The Department is carrying these investments with their corresponding liability purely for tracking the flow of funds.

(b) (8) 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.

David Cervanies, Director of Financial Administration

Texas Department of Housing and Community Affairs

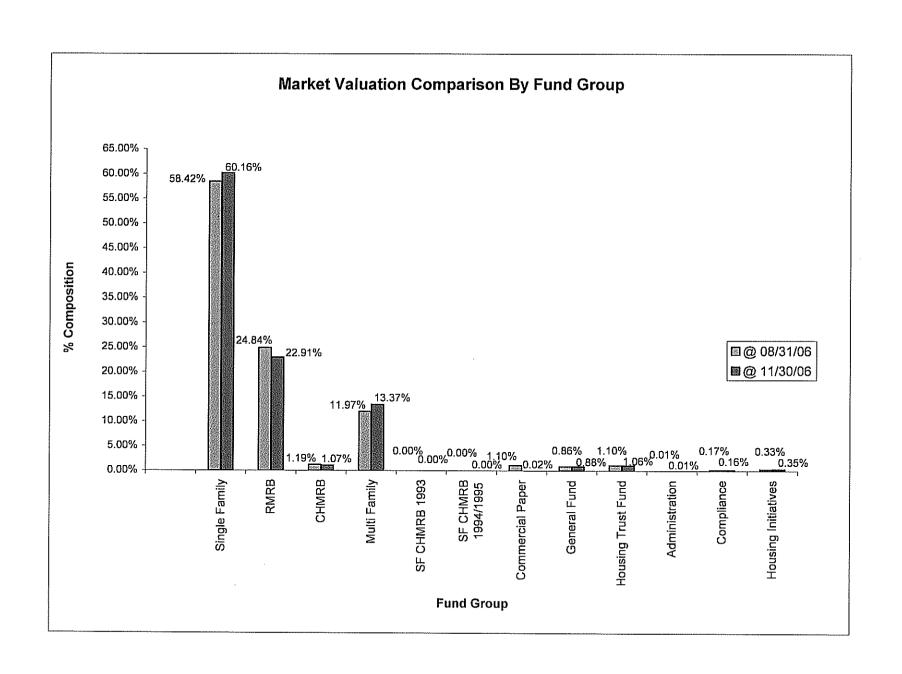
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TOTAL INTEREST EXPENSE		\$3,506,278.00		\$1,550,582.00		\$83,704.00	\$5,515,211.00	\$10,655,775.00
NET INTEREST INTEREST RATIO		\$496,390.00 114.16%		\$292,507.00 118.86% Page 3 of 3		\$9,828.00 111.74%	\$3,704.00 100.07%	\$802,429.00 107.53%

PUBLIC FUNDS INVESTMENT ACT INTERNAL MANAGEMENT REPORT (SEC. 2256.023) QUARTER ENDING November 30, 2006

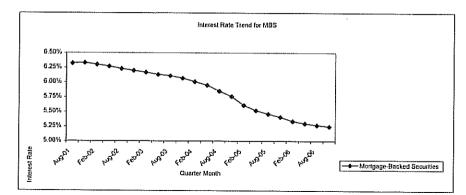
Supplemental Information:

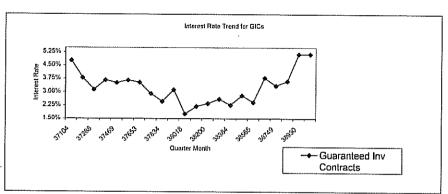
- 1) Bar Graph Comparison of Market by Fund Group between Quarters
- 2) Analysis of Portfolio Interest Rate Trends and Maturities
- 3) Bar Graph Comparison of Market Valuation by Investment Type between Quarters
- 4) Supplemental Public Funds Investment Act Report by Investment Type
- 5) Detail of Investments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

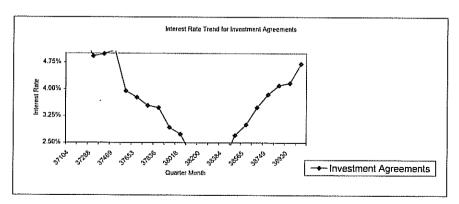


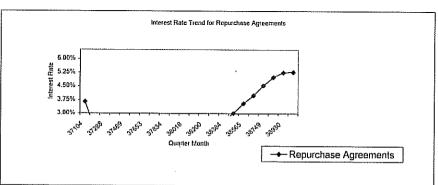
TEXAS DEPARTMENT OF HOUSING & COMMUNITY AFFAIRS HOUSING FINANCE DIVISION PUBLIC FUNDS INVESTMENT ACT Supplemental Schedule of Portfolio Interest Rate Trends and Maturities Quarter November 30, 2006

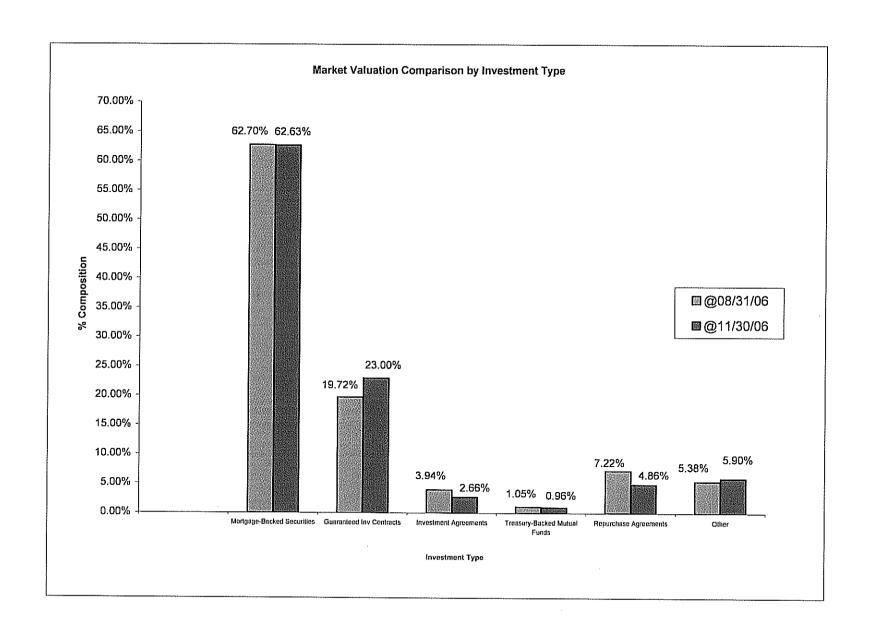
INVESTMENT TYPE	Range of interest for Current Quarter HI LOW		for Current Quarter HI LOW		Portfolio % Composition	Weighted Avg Rate Beg Carrying Value @ 08/31/06	Weighted Avg Rate Beg Market Value @ 09/31/06	Weighted Avg Rate End Carrying Value @ 11/30/06	Weighted Avg Rate End Market Value @ 11/30/06	Weighted Av Beg Carryir @ 08/3	g Value	Weighted Avg Beg Market @ 08/31	Vatue	Weighted Av End Carryi @ 11/3	ng Value	Weighted Av End Mark @ 11/3	et Value
								Months	Days	Months	Days	Months	Days	Months	Days		
Mortgage-Backed Securities	B.75%	4.49%	62.63%	5.24%	5.27%	5.23%	5.25%	320	B	319	5	321	19	320	26		
Certificates of Deposit	5.16%	4.73%	0.42%	5.16%	5.16%	5.14%	5.14%	Ď.	45	ð	45	O	8	O	e		
Guaranteed Inv Contracts	6.51%	3.37%	23.00%	5.13%	5.13%	5.13%	5.13%	38	27	36	27	58	2	58	- 2		
Investment Agreements	6.70%	2.51%	2.56%	4.17%	4.17%	4.71%	4.71%	43	28	43	28	95	- 5	95	5		
Money Markets	5.42%	4.39%	3.82%	4.51%	4.51%	4.57%	4.57%	o	1	0	1	n	1	a	1		
Treasury-Backed Mutual Funds	4.89%	4,39%	0.96%	4.60%	4.60%	4.63%	4.63%	. 0	1	- n	1	0		0	,		
Repurchase Agreements	5.29%	5.29%	4.85%	5.26%	5.26%	5.29%	5.29%	0	1	n	,	, ,	,	0	,		
Treasury Bills	5.81%	5.81%	0.01%	5.81%	5.81%	5.81%	5.81%	0	29	0	29	0	14	_	,		
Treasury Bonds/Nates	13.25%	2.59%	1.54%	3.01%	3.09%	3.00%	3.07%	7	±5 11	8	2.0	4	14	D 5	14		











TEXAS DEPARTMENT OF HOUSING & COMMUNITY AFFAIRS HOUSING FINANCE DIVISION PUBLIC FUNDS INVESTMENT ACT Supplemental Schedule Quarter Ending November 30, 2006

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

INVESTMENT TYPE		FAIR VALUE (MARKET) @ 08/31/06	CARRYING VALUE @ 08/31/06	ACCRETION/ PURCHASES	MICHANGE IN CARRY AMORTIZATION/ SALES	MATURITIES	TRANSFE		CARRYING VALUE @ 11/30/06	FAIR VALUE (MARKET) @ 11/30/06	CHANGE IN FAIR VALUE (MARKET)	RECOGNIZED GAIN
Certificates of Deposit Mortgage-Backed Securities Guaranteed Inv Contracts Invostment Agreements Treasury-Backed Mulual Fund Repurchase Agreements Money Markets Treasury Bills Treasury Bonds/Notes	s	7,011,876,10 887,365,111,18 279,071,854,31 55,716,837.64 14,908,228,17 102,187,013,46 42,937,020,86 81,676,75 26,046,840,00	7,011,876.10 910,427,555.31 279,071,854.31 55,716,837.64 14,908,226.17 102,187,013.46 42,937,020.86 81,876.75 25,839,594.31	482,476.73 104,944,000.66 185,507,869.79 12,269,132.20 4,600,486.19 19,841,480.92 28,355,896.74 1,000.37 37,669.27	(918,648.62) 0.00 (103,162,642.66) (26,117,668.66) (4,466,980.59) (45,700,240.25) (10,985,666.05) 0.00 (284,989.97)	(19,396,370.34) 0.00 0.00 0.00 0.00 0.00 0.00		0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	6,575,504.21 995,976,215.63 361,417,081.44 41,868,100.98 15,041,733.77 76,328,264.13 60,307,251.55 82,677.12 25,592,373.61	6,575,504,21 984,311,332,93 361,417,081,44 41,868,100,98 15,041,733,77 76,328,254,13 60,307,251,55 62,677,12 25,786,358,63	11,398,591.43 - - - - - - - (13,160.67)	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
	TOTAL -	1,415,326,458.47	1,438,181,786.91	356,040,012.87	(191,637,237.00)	(19,396,370.34)		0.00	1,583,188,192.44	1,571,718,294.76	11,385,430.76	0,00

(b) (8) 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 1/18/67

David Cervantes, Director of Financial Administration

Mouth Page

Date 1/18/67

Detail of Investments including maturity dates by Fund Group

Texas Department of Housing and Community Affairs Single Family Investment Summary For Period Ending November 30, 2006

Investment Type Repo Agmi Repo Agmi GIC's Repo Agmi Repo Agmi Repo Agmi	tni	1rrent terest Rate 5.29 5.29 6.09 5.29 5.29 5.29	Current Purchase Date 11/30/06 11/30/06 11/14/96 11/30/06 11/30/08	Current Maturity Date 12/01/06 12/01/06 09/30/29 12/01/06 12/01/06	Beginning Carrying Value 08/31/05 32,607.98 684,938.01 1,300,368.39 44,930.95 681,508.60 2,924,352.01	Beginning Market Value 08/31/06 32,607.98 804,936.01 1,300,368.39 44,930.95 681,508.60 2,924,352.01	Accretions/ Purchases 12,552.23 1,830,938.92 10,501.27 45,529.77 77,825.65	Amortizations/ Sales (44,663.96)	Maturities	Transfers	Par Value 45,160,21 2,695,674,93 1,310,869,66 266,99 45,529,77 759,334,33	Prem/Disc 0.00 0.00 0.00 0.00 0.00 0.00 0.00	Amertization 0.00 0.00 0.00 0.00 0.00 0.00	Ending Carrying Value 11/30/06 45,180.21 2,695,074.93 1,310,869,66 266.99 45,529,77 759,334.33 4,857,035.89	Ending Market Value 11/30/06 45,160.21 2,895,874.83 1,310,869.66 266.99 45,529.77 759,334.33 4,857,035.69	Change in In Market Value	Recognized Gain 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.
Repo Agmt GIC's	1962 A Single Family 1962 A Single Family 1962 A Single Family Total	6.08	11/14/96	09/30/29	1,449.87 46,699.25 48,149.12	1,449.87 46,699.25 48,149.12	0.00	(1,449.87) (45,186.44) (46,638.31)	0.90	0.00	1,512.81	0.00	0.00 _	1,512.81	1,512.81	-	0,00 0.00
Repo Agmt GIC's T-Note	1983 A&B Single Family 1983 A&B Single Family	5.29 6.08 13.25	11/30/06 11/14/96 08/05/85	12/01/06 09/30/29 05/15/14	60,145.20 727,456.48 716,13 788,317.81	60,145.20 727,456.48 874.46 788,476.14	0.12	(60,135.65) (419,468.31)			9.55 307,986.17 720.00	0.00 0.00 13.81	0.80 0.80 10.86 _	1,512.81 9.55 307,988.17 716,25	1,512.81 9.55 307,988.17 854.53	0.00 - - (10.05)	0.00 0.00 0.00 0.00
Repa Agmt T-Band GtC's	1984 A&B Single Family	5.29 13.25 6.08	11/30/06 08/05/85 11/14/96	12/01/06 05/15/14 09/30/29	3,567.03 407.73	3,567.03 497.96	0.07 141,361.96	(479,803.96) (3,556.07)	0.00	D.00	0.96 419.00 141,361.96	0,00 -7.66 0,00	0.00 5.66 0.00 _	308,713.97 0.96 407,80 141,361.96	308,862.25 0,96 492.30 141,361.96	(10.05) - (5.73)	0.00 0.00 0.00 0.00
Repo Agmt GIC's	1985 A Single Family 1985 A Single Family 1985 A Single Family 1985 A Single Family Total	5.29 6.08	11/30/06 11/14/96	12/01/06 09/30/29	3,974.76 5,525.83 5,525.83	4,064.99 5,525.83 5,525.63	72,812.24 72,812.24	(3,586.07) (5,523.38) (5,523.36)	0.00	0.00	2.45 72,812.24	0.00 0.00	8,00 0.00 _	141,778.72 2.45 72,812.24 72,814.69	141,655.22 2.45 72,812.24 72,814.69	(5.73)	0.00 0.00 0.00
Repo Agmt GIC's	1985 B&C Single Family 1985 B&C Single Family 1985 B&C Single Family Total	5.29 6.08	11/30/00 11/14/98	12/01/06 09/30/29	17,232.31	17,232,31	32,810.10 32,810.10	(17,232.06)	0.00	0.00	0.25 32,810.10	0.00 0.00	00.0 00.0 _	0.25 32,810.10 32,610.35	0.25 32,810.10 32,810.35	0.00	0.00 0.00 0.00 0.00
Repo Agmt GIC's Repo Agmt	1987 B Single Family 1987 B Single Family 1987 B Single Family 1987 B Single Family Total	5.29 6.05 5.29	11/30/06 11/14/98 11/30/06	12/01/06 09/30/29 12/01/06	24,412.90 674,506.98 498,958.91 1,195,872.79	24,412.90 674,500.98 496,958.91 1,195,872.79	0.0D 0.00	(23,746.83) (665,791.32) (689,538.15)	0.00	0.00	666.07 8,709.66 496,958.91	0.00 0.00 0.00	0.00 0.00 0.00	666.07 8,709.66 496,958.81 506,334.64	566.07 6,709.66 496.958.91 506.334.64	D.00	00.0 00.0 00.0 00.0
Repo Agmit GIC's Repo Agmit GIC's	1995 A&B Single Family 1995 A&B Single Family 1995 A&B Single Family 1995 A&B Single Family	5.29 6.09	11/30/08 11/14/96	12/01/06 09/30/29	4,215.55 95,850.69 0.03 1.17	4,215,55 95,850,69 0,03 1,17	19,997.42	(1,507,81) (0.03) (1,17)			2,407,74 115,848.11	0.08 0.00	0.00 0.00	2,407,74 115,846.11	2,407.74 115,848.11	-	0.80 0.00 0.00
FNMA GNMA GNMA	1995 A&B Single Family 1995 A&B Single Family 1995 A&B Single Family 1995 A&B Single Family Total	6.15 6.15 6.15	07/30/96 11/26/96 05/29/97	06/01/26 11/20/26 05/20/27	226,629.41 763,892.56 307,526.96 1,398,116.37	230,840.88 772,659.95 310,067.14 1,413,635.41	19,997.42		(1,416,78) (75,693,47) (3,710,83) (80,821,08)	0.00	226,694.31 690,743.02 303,816.13	-4,177.40 -10,633.54 0.00	2,695.72 8,089.61 0,80	225,212.63 688,199.09 303,816.13 1,335,483.70	231,747.33 701,408.09 308,452.38 1,359,863.65	2,323,23 4,441.61 2,096.07 8,880.91	0.00 0.00 0.00 0.00 0.80
Repo Agmt Repo Agmt Inv Agmt	1996 A-C Single Family 1998 A-C Single Family 1996 A-C Single Family 1995 A-C Single Family Total	5.28 6.13	11/30/06 02/26/97	12/01/06 09/01/28 _	27,990.14 447,769.00 795,141.17 1,270,920.31	27,990.14 447,789.00 795,141.17 1,270,920.31	5,968.07 0.00 5,968.07	(27,990.14)	0.00	02.0	453,757.07 795,141.17	0.00 0.00	0.00 0.00	453,757.07 795,141,17 1,248,898.24	453,757.07 795,141.17 1,248,898.24	0.00	0.00 0.00 0.00
Repa Agmt Repo Agmt T-Band Repo Agmt GIC's	1996 D&E Single Family 1996 D&E Single Family 1996 D&E Single Family	5,29 13,25 5,29 6,08	11/30/06 08/05/65 11/30/06 04/06/98	12/01/06 05/15/14 12/01/06 09/30/29	421,584.10 23,257.67 937,032.24 570,748.78 301,801.43	421,584.10 23,257.67 1,143,929.37 570,748.78 301,801.43	155.50 7,606,84 0.00	(421,088.12) (23,257.67)			495.98 941,870.00 578,355.82 301,801.43	0.00 -18,862.62 0.60 0.00	0.00 13,381.36 0.00 0.00	495.98 937,188.74 578,355.62 301,801.43	495,98 1,130,940.98 578,355.62 301.801.43	(13,144.89)	0.00 0.00 0.00 0.00 0.00
Repo Agmit Repo Agmit GIC's FIMA FIMA FIMA GINMA GINMA GINMA GINMA GINMA GINMA GINMA GINMA GINMA GINMA GINMA GINMA GINMA GINMA	1997 A-C Single Family	5.29 5.29 6.14 6.25 6.25 6.25 6.25 6.25 6.25 6.25 6.25	11/30/06 09/17/07 02/20/08 09/27/98 03/27/98 06/29/98 01/20/98 11/30/98 03/27/08 05/19/08 06/29/09 06/29/09 06/31/99 11/30/98	12/01/06 12/01/06 12/01/06 08/31/29 01/01/28 05/01/28 05/01/28 05/01/28 03/20/28 05/20/28 05/20/28 06/20/28 06/20/28 11/01/28 11/20/28	27,42 27,42 2,897,141.67 440,168.90 290,595.94 323,557.57 217,990.74 1,767,935.66 347,412.83 3,888,851.49 2,196,769.63 1,299,342.53 1,185,556.97 546,339.29 840,134.98 137,575.39 801,913.84	27.42 2,897,141.67 440,168.90 299,849.66 227,158.80 220,325.99 1,789,840.36 351,277,956 3,127,122.41 2,223,994.54 1,281,255.67 1,200,246.03 553,107.45 650,544.25 139,106.55 611,849.57	7,763.34 0.00 1,340,601.27	(444,345.79) (2,673,100.05)	(2,388.69) (2,252.63) (2,927.03) (85,644.17) (2,007.69) (122,390.36) (230,965.83) (10,836.81) (3,092.25) (4,458.12) (2,251.51) (61,710.53)	0.00	27.42 24,041.62 1,760,770.17 294,207.25 321,304.94 214,973.71 1,662,091.49 345,495.14 2,966,491.13 1,065,800.80 1,174,720.08 543,329.04 635,676.68 135,23.68	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	1,817,841.77 27.42 24,041.62 1,780,770.17 294,207.25 321,304.90 214,973.71 1,682,091.40 2,066,491.13 1,995,800.86 1,213,266.88 1,174,720.06 543,329.04 335,676.86 135,323.88 740,197.31	27.42 24,041.62 1,780,770.17 300,362.13 327,930.28 219,409.48 1,714,152.14 352,527.42 3,023,032.49 2,003,289.94 1,211,679.29 1,197,110,23 553,684.02 851,004.80 139,114.19 754,305.48	2,901.16 3,024.11 2,007.52 10,155.95 3,255.55 18,270.44 10,250.23 16,497.47 7,701.11 3,566.72 5,516.73 1,259.15 4,172.44	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0

GNMA	1997 A-C Single Family	6.25	11/30/98	10/20/28	489,713.31	495,780.83			(2,881,97)		486.831.34	0.00	0.00	400 014 44	406 +46 22	7 744 40	6.00
GNMA	1997 A-C Single Family	6.25	11/30/98	10/20/28	164.467.51	166,505.30			(859.51)		163,606.00	0.00	0.00	486,831.34 163.608.00	496,110.32 166.726.40	3,211,46 1,080,61	0.00 00.0
FNMA	1997 A-C Single Family	6.25	05/27/99	11/01/28	139,610.25	141,343.95			(1,815.85)		137,994.40	0.00	0.00	137,994.40	140.881.23	1,353.13	0.00
GNMA	1997 A-C Single Family	6.25	02/16/99	02/20/29	1,097,969,89	1,111,442.00			(89,933.75)		1,028,036,14	0.00	0.00	1,028,038.14	1,047,167.91	5,659.66	0.00
GNMA	1997 A-C Single Family	6.25	03/31/99	02/20/29	68,474,79	69,315.00			(659.21)		67,815.58	0.00	0.00	67,815.58	69,077.65	421.66	0.00
GNMA	1997 A-C Single Family	6.25	05/27/99	05/20/29	357,207.83	361,590,77			(1,887.54)		355,320.29	0.00	0.00	355,320.29	361,932,60	2,229.57	0.00
GNMA	1997 A.C Single Family	5.45	07/30/99	07/20/29	892,691.19	880,354.20			(71,805.22)		820,885,97	0.00	0.00	820,895,97	820.171.80	11,622.82	0.00
GNMA	1997 A-C Single Family	5,45	08/26/99	08/20/29	830,247.86	818,773.81			(4,606,77)		825,441.09	0,00	0.00	825,441,09	824,722,93	10.755.89	0.00
FNMA	1997 A-C Single Family	5.45	09/20/99	08/01/29	107,105.74	105,407.68			(554.39)		106,551.35	0.00	0.00	106,551,35	106,470.99	1,617,72	0.00
GNMA	1997 A-C Single Family	5.45	09/20/99	09/20/29	378,450,07	373,219.91			(2,025,95)		376,424.12	0.00	0.00	376,424.12	376,096,65	4.902.69	0.00
FNMA	1997 A-C Single Family	5.45	12/20/99	12/01/29	445,838,43	438,767.45			(2,940.46)		442,897.97	0.00	0.00	442,897.97	442,561.39	6,734.40	0.00
FNMA	1997 A-C Single Family	5.45	01/19/00	12/01/29	306,829.14	301,962.82			(2,058.39)		304,772.75	0.00	0.00	304,772.75	304,541.12	4,634.69	0.00
GNMA	1997 A-C Single Family	5.45	10/28/99	10/20/29	1,513,354.52	1,492,439.91			(36,290.10)	•	1,477,064,42	0.00	0.00	1,477,054.42	1,475,779.32	19,629.51	0.00
GNMA	1997 A-C Single Family	5,45	11/18/99	11/20/29	188,087,91	185,488.52			(1,435.27)		186,652.64	0.00	0.00	186,652,64	186,490.25	2,437.00	0.00
GNMA	1997 A-C Single Family	5.45	12/30/99	12/20/29	2,884,055.23	2,844,197.56			(99,439,26)	:	2,784,615.97	0.00	0.00	2,784,615.97	2,782,193.33	37,435.03	0.00
GNMA	1997 A-C Single Family	5.45	01/28/00	01/20/30	782,593.62	751,978.33			(4,315.42)		758,278.20	0.00	0.00	758,278.20	757,284.87	9,621.96	0.00
GNMA GNMA	1997 A-C Single Family	5.45	02/22/00	01/20/30	322,110.16	317,626.38			(1,728.27)		320,381.89	8.00	0,00	320,361.89	319,962.15	4,064,06	0.00
FNMA	1997 A-C Single Family 1997 A-C Single Family	5.45	03/27/00	02/20/30	493,559.61	465,689,29			(4,334.20)		409,225.41	0.00	0.00	489,225.41	488,584.55	6,229.46	0.00
GNMA	1997 A.C Single Family	5.45 5.45	04/27/00 04/27/00	03/01/30 04/20/30	308,953.79 532,066,18	303,982.71 524 659 82			(2,701.84)		306,251.95	0.00	0.00	306,251,85	305,611.87	4,331.00	D.00
GNMA	1997 A-C Single Family		05/30/00			,			(3,121.28)		528,944.90	0.00	0.00	528,944.90	528,251.99	6,713.45	0,00
GNMA	1997 A-C Single Family	5.45 5.45	05/30/00	04/20/30 05/20/30	145,129.67	143,109.70			(744.52)		144,385.35	0.00	0.00	144,385.35	144,196.25	1,831.07	0.00
GNMA	1997 A-C Single Family	5.45	09/18/00	09/20/30	739,116.66 1,161,269.90	728,828,12 1,145,105.01			(4,510.24)		734,606,42	0.00	0.00	734,606.42	733,644,05	9,326.17	0.00
FNMA	1997 A-C Single Family	5.45	07/24/00	06/01/30	291,609.48	288,917.46			(5,773.91)	1	1,155,495.99	0.00	0.00	1,155,495.99	1,153,982.27	14,651.17	0.00
	1997 A-C Single Family Total	3,73	41724100	30/01/30 _	31,007,933.79	30,888,495,32	1,340,601.27	(2,873,100.05)	(3,188.64)	0.00	288,420.84	0.00	0.00	288,420.84	287,818.02	4,069,20	0.00
	real real distribution of the second				31,000,000.70	30,000,400,32	1,340,001.27	(2,073,100.03)	(64.208,040)	0.00				20,520,532.48	28,772,278.17	263,184.16	0.00
Repo Agmt	1997 D-F Single Family	5.29	11/30/06	12/01/06	17,389.01	17,389,01	231.80				17,620,81	0.00	0.00	17,620.61	17,620,81		0.00
Repo Agmi	1997 D-F Single Family	5.29	11/30/06	12/01/06	2,281,633,53	2,281,633.83		(2,255,402.15)			26,231,68	0.00	0.00	26.231.68	26,231.68	-	0.00
GIC's	1997 D⋅F Single Family	5.91	12/04/97	03/01/30			11,357.71	(4,244,142,10)			11,357.71	0.00	0.00	11,357.71	11,357,71	·	0.00
Repo Agmt	1997 D-F Single Family				11,357.71	11,357.71	,	(11,357.71)			***	0.00	0.00	11,551.71	(1,221.11		0.90
GIC's	1997 D-F Single Family	5.91	12/04/97	03/01/30	550,918.61	560,918.61	1,357,758.30	(1741117)			1,918,676,91	0.00	0.00	1,910,676.91	1,918,678.91	-	0.00
FNMA	1997 D-F Single Family	6.25	06/29/98	06/01/28	394,466.63	395,657.72			(4,918,49)		389,548.14	0.00	0.00	389,548.14	397,581,31	3,642.08	0.00
FNMA	1997 D-F Single Family	6.25	11/30/98	10/01/28	230,781.43	233,350.00			(1,368,43)		229,413.00	0.00	0.00	229,413,00	234,143.47	2,161.90	B.00
GNMA	1997 D-F Single Family	6.25	05/19/98	05/20/28	562,188.87	670,391.42			(5,941.28)		656,245.59	0.00	0,00	656.245.59	668,753,69	4,303,55	0.00
GNMA	1997 D-F Single Family	5.45	07/24/00	06/20/30	1,439,680.21	1,419,639.85			(84,344,66)	1	1,355,335.55	0,00	0.00	1,355,335,55	1,353,560,05	18,264.86	0.00
GNMA	1997 D⋅F Single Family	6,25	08/14/98	07/20/28	267,768.01	271,085,67			(54,996.57)		212,771.44	0.00	0.00	212,771.44	216,826.88	737.78	0.00
GNMA	1997 D-F Single Family	5.45	08/28/00	08/20/30	240,728.27	237,377.32			(1,166.38)		239,561.89	0.00	0.00	239,561,89	239,248.06	3,037.12	0.00
GNMA	1997 D-F Single Family	8.25	06/20/98	06/20/28	592,093.07	599,429.11			(99,822.93)		492,270.14	0.00	0.00	492,270,14	501.652.83	2,045.65	0.00
GNMA	1997 D-F Single Family	6,25	09/10/98	08/20/28	1,154,726.32	1,169,033,44			(7,432.97)	1	1,147,293.35	0.00	0.00	1,147,293.35	1,169,160.83	7,560.36	0.00
FNMA	1997 D-F Single Family	6.25	03/31/89	11/01/28	158,275.87	160,037.46			(795.19)		157,480.58	0.00	0.00	157,480.68	160,727.93	1,485.64	0.00
GNMA	1997 D-F Single Family	6.25	11/30/98	11/20/28	945,375,45	957,088.60			(6,333.57)		939,041.88	0.00	0.00	939,041,88	956,939,96	6.184.93	0.00
GNMA	1997 D-F Single Family	6,25	11/30/98	10/20/28	533,469.47	540,079.17			(71,410.71)		482,058.76	0.00	0.00	462,058.76	470,865.61	2,197.15	0.00
GNMA	1997 D-F Single Family	6.25	11/30/98	10/20/28	127,390.15	128,968.51			(B20.43)		126,569.72	0.00	0.00	126,589.72	128,982,12	B34,D4	B.00
FNMA	1997 D-F Single Family	6.25	05/27/99	04/01/29	215,172.02	217,543.22			(1,165.89)		214,006.13	0.00	0.00	214,006.13	218,273.41	1,898.08	0.00
GNMA	1997 D-F Single Family	6.25	02/16/99	02/20/29	1,758,311.92	1,779,888.45			(71,453.59)	1	1,686,858.33	0.00	0.00	1,686,850.33	1,718,250,81	9,817.95	0.00
GNMA GNMA	1997 D-F Single Family	6.25	03/31/99	03/20/29	773,387.21	782,876.70			(4,498.17)		768,889.04	0.00	0.00	768,889,04	783,198.10	4,819.57	0.00
GNMA	1997 D-F Single Family	6.25 5.45	05/27/99	04/20/29	570,757,76	577,760.96			(48,439.85)		522,317.91	0.00	0.00	522,317.91	532,030.24	2,717.13	0.00
GNMA	1997 D-F Single Family		06/22/99	08/20/29	828,546.46	817,097,91			(5,677.36)		822,871.10	0.00	0.00	822,871.10	822,155,19	10,734.64	0.00
GNMA	1997 D-F Single Family 1997 D-F Single Family	5,45 5,45	07/30/99 08/26/99	07/20/29 08/20/29	1,097,725.79	1,082,555.16	•		(6,789.20)	1	1,090,936.59	0,00	0.00	1,090,936,59	1,089,987.42	14,221.45	0.00
GNMA	1997 D-F Single Family	5.45	09/30/99	09/20/29	505,724,30	676,247.58			(4,371.59)		681,352.71	0.00	0.00	681,352.71	680,759.93	8,883.94	0.00
FNMA	1997 D-F Single Family	5.45	12/21/99	11/01/29	520,423,26 453,095,37	513,231.00 445,909.27			(2,797.37)		517,625.89	0.00	0.00	517,625.89	517,175.53	6,741.90	0.00
GNMA	1997 D.F Single Family	5.45	10/29/99	10/20/29	1,114,806.90	1,099,400,29			(5,299.36)		447,796.01	0.00	0.00	447,796.01	447,455.6B	6,845.77	0.00
GNMA	1997 D.F Single Family	5.45	11/18/99	11/20/29	1,445,404.59	1.426.415.30			(6,832.80) (8,905.16)		1,107,974.10	0.00	0.00	1,107,974,10	1,107,010.18	14,442.69	00.0
GNMA	1997 D-F Single Family	5.45	12/30/99	12/20/29	1,508,282.51	1,487,438.09					1,437,499,43	0.00	00,00	1,437,499.43	1,436,248.83	18,738.69	0.00
GNMA	1997 D-F Single Family	5,45	01/28/00	01/20/30	1,603,713.99	1,581,390,30			(170,247.71) (129,250,28)	;	1,338,034.80 1,474,463.71	0.00 0.00	0.00	1,338,034.80	1,336,870.75	19,680.37	0.00
GNMA	1997 D-F Single Family	5,45	02/22/00	01/20/30	793.130.67	782,090.30			(5,939.63)		787,191,04	0.00	0.00 0.00	1,474,463.71 787 191 04	1,472,532.17 786,159.82	20,392.15	0.00
GNMA	1997 D-F Single Family	5.45	03/27/00	02/20/30	398,797,31	393,246.D4			(2,333.72)		396,463.59	0.00	0.00	396,463.59	395,944.21	10,009.15 5,031.89	00.0 00.0
FNMA	1997 D-F Single Family	5.45	02/23/00	01/01/30	187,371.72	184,399,99			(980.55)		186.411.17	9.00	0.00	186,411.17	186,269,49	2,830.05	0.00
GNMA	1997 D-F Single Family	5.45	04/27/00	03/20/30	635,564,43	626,717,37			(3,441,57)		632,122.86	0.00	0.00	632,122,66	631,294.77	2,030.03 8.018.97	0.00
GNMA	1997 D-F Single Family	5,45	05/30/00	05/20/30	626,635.52	617,912,77			(6.422.13)		620,213.39	0.00	0.00	620,213.39	619,400.92	7,910.28	0.00
GNMA	1997 D-F Single Family	5.45	06/21/00	06/20/30	1,182,759,24	1,160,295.23			(35,078.95)		.146,680,28	0.00	0.00	1,148,680.28	1,145,170.13	14,961,86	0.00
FNMA	1997 D-F Single Family	5.45	05/30/00	05/01/30	281,496.09	270,966.80			(1,533.59)		279,962.50	0.00	0.00	279.962.50	279.377.36	3.944.15	0.00
GNMA	1997 D-F Single Family	5.45	19/23/90	09/20/30	108,380.67	106,872.03			(65,270,20)		43,101,47	0.00	0.00	43,101,47	43,045.02	1,452.19	0.00
GNMA	1997 D-F Single Family	5.45	10/30/00	10/20/30	333,819.05	129,171.30			(2,027.24)		331,790.81	0.00	0.00	331,790.81	331,356.17	4,212.11	00.0
FNMA	1997 D-F Single Family	5.45	07/24/00	08/01/30	559,769,21	550,782.16			(4,117.84)		555,671,37	0.00	0.00	555,671,37	554,509,98	7.845.66	0.00
GNMA	1997 D-F Single Family	5.45	12/21/00	05/20/30	115,869.34	114,256.42			(586.17)		115,283.17	0.00	D.00	115,283,17	115,132.13	1,461.88	0.00
FNMA	1997 D-F Single Family	5.45	10/06/00	09/01/30	321,091.47	316,515.42			(1,624.63)		320,066.84	0.00	0.00	320,066,84	319,397.00	4.507.09	0.00
FNMA	1997 D-F Single Family	5.45	10/30/00	08/01/30	349,778.10	344,150.18			(2,669.42)		347,108.68	0.00	0.00	347,108.68	345.383.23	4,902,47	0.00
FNMA	1997 D-F Single Family	5.45	02/12/01	02/01/30	120,197.9B	118,291.64			(825.57)		119,572.41	0.00	0.00	119,572.41	119,481,53	1,815.45	0.00
Repo Agmt	1997 D-F Single Family	5.29	11/30/06	12/01/06	155,087.72	155,087.72	0.00				155,087.72	0.00	0.00	155,087.72	155,087,72	.,	0.00
GNMA	1997 D-F Single Family	4.49	05/12/05	05/20/35	82,282.28	77,074.01			(332.03)		82,774.11	-826.24	2.38	81,950.25	78,501.31	1.759.33	B.00
GNMA	1997 D-F Single Family	4.49	07/14/05	07/20/35	47,055.11	44,075.60			(185.19)		47,339,94	-471.37	1.35	48,869.92	44,896.27	1,005.86	0.00
GNMA GNMA	1997 D-F Single Family	4.49	05/26/05	05/20/35	70,410,37	66,130.87			(282.49)		70,833.88	-708.04	2.04	70,127,88	67,354.51	1,506.13	0.00
GNMA GNMA	1997 D-F Single Family	4.49	08/02/05	06/20/35	64,408.49	60,494.21			(337.11)		64,717.65	-648.13	1.66	64,071.38	61,530.72	1,361.62	0.00
GNMA GNMA	1997 D-F Single Family	4.49	08/09/05	08/20/35	- 77,887.16	72,956.55			(309.69)		78,356.77	-781,52	2.24	77,577.49	74,311.99	1,665.13	0.00
GNMA	1997 D-F Single Family	4.49	06/15/05	08/20/35	70,002.50	65,746.30			(281.97)		70,420.84	-702.32	2.01	69,720.53	56,981.78	1,497.45	0.00
GNMA	1997 D-F Single Family	4.49	06/23/05	06/20/35	147,094.29	137,783.93			(562.64)		147,904.68	-1,477.45	4.24	145,431,45	140,269.81	3,148.72	0.00
GNMA	1997 D-F Single Family 1997 D-F Single Family	4.49 4.49	06/29/05 09/08/05	06/20/35 09/20/35	62,424,10	58,562.37			(250,37)		62,895.05	-723.40	2.08	62,173.73	59,648.42	1,336,42	0.00
	we wingle / detaily	4,40	05/00/03	nav\$(0.33	12,665.87	11,895,66			(49,98)		12,742.40	-126.95	0.35	12,615,89	12,116.58	270,90	0.00

GNMA GNMA GNMA GNMA FNMA FNMA	1997 D-F Single Family 1997 D-F Single Family	4.49 4.49 4.49 4.49	07/21/05 07/28/05 08/04/05 07/28/05 10/20/05	07/20/35 07/20/35 08/20/35 07/01/35 09/01/35	30,693.67 23,694.02 13,880.55 2,181.42 30,424.28 6,494.18	28,914.54 22,193.73 13,036.15 2,184.28 26,460.95 6,074.90			(121.69) (97.17) (8,719.22) (2,181.42) (157.23) (25.02)	•	30,972.39 23,833.53 5,299.71 30,414.61 6,500.45	-401.56 -237.36 -138.78 -147.98 -31.38	1.15 0.68 0.40 0.42 0.09	30,571.98 23,596.85 5,161.33 30,267.05 6,469.16	29,451.04 22,603.25 5,039.39 28,926.43 6,182.38	658.19 506.69 722.46 17.14 622.71 132.50	0,00 0,00 0,00 0,00 0,00 0,00
	1997 D-F Single Family Total			_	29,106,560.82	28,922,709,10	1,369,347.81	(2,265,759.86)	(952,713.58)	0.00	0,000.45	-01.00	0.05	27,256,435.19	27,360,106.33	287,522.86	0.00
Repo Agmi Repo Agmi Repo Agmi Repo Agmi Repo Agmi Repo Agmi Repo Agmi	2002A Single Family (JR Lien)	5.29 5.29 5.29 5.29 5.29 5.29 5.29	11/30/06 11/30/06 11/30/08 11/30/06 11/30/06 11/30/06 11/30/06	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	101,330,15 17,233,38 9,059,20 527,575,27 299,999,99 91,372,15 68,268,51 1,114,836,61	101,330.15 17,233.38 9,059.20 527,575.27 299,999.95 91,372.15 68,266.51 1,114,836.63	32,886,81 31,089,32 0.00 0.00 9,256,72 0.00 73,223,85	(7,305.70) (7,305.70)	0.60	0.00	134,216.86 48,313.70 9,059.20 520,269.57 299,999.95 180,828.87 68,266.51	0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00	134,218.96 48,313.70 9,059.20 520,269.57 299,999.95 100,628.87 68,266.51	134,216.96 48,313.70 9,059.20 520,269.57 299,999.95 180,626.87 68,266.51	- - - - -	0.00 0.00 0.00 0.00 0.00 0.00
Reno Aaml	2004 A/B Single Family	5.29	11/30/06	12/01/06	957,291.34	957,291.34	72,705.78	(1,500.70)		0.00	1,029,997.12	0.00	0,00	1,180,754.76 1,029,997.12	1,180,754.76	0.00	0.00
Repo Agmt GIC's Repo Agmt GIC's GNMA GNMA GNMA GNMA	2004 A/B Single Family 2004 A/B Single Family	5.29 3.96 5.29 4.49 4.49 4.49 4.49	11/38/08 04/25/05 11/30/06 07/08/04 07/08/04 06/29/04 09/02/04	12/01/05 03/01/35 12/01/06 06/20/34 07/20/34 06/20/34 08/20/34	6,957,540.97 1,330.17 165,379.11 1,355,993.16 1,114,094.87 832,347.88 1,410,411.14	8,957,540,97 1,330,17 165,375,11 1,289,855,11 1,043,325,26 779,468,38 1,320,882,88	3,373,378.09 168,509.08	(5,818,447.32) (168,379.11)	(5,711.12) (4,919.02) (3,482.82)		139,093.65 3,373,379.09 169,639.25 1,362,503,70 1,119,217.47 836,361.37	0.00 0.00 0.00 -15,093.02 -11,423.17 -9,662.16	0.00 0.00 0.00 2,871.36 1,391.55 2,165.85	139,093.65 3,373,379.09 169,639.25 1,350,282.04 1,109,175.65 828,865.06	1,029,997.12 139,093.65 3,373,379.09 189,639.25 1,292,689.01 1,061,888.75 793,506.24	28,545.02 23,462.51 17,520.68	0.00 0.00 0.00 0.00 0.00 0.00 0.00
GNMA GNMA GNMA GNMA GNMA GNMA GNMA	2004 A/B Single Family 2004 A/B Single Family	4.49 4.49 4.49 4.49 4.49 4.49	09/09/04 09/16/04 09/23/04 09/29/04 10/07/04 07/15/04 07/22/04	09/20/34 08/20/34 09/20/34 09/20/34 10/20/34 07/20/34 07/20/34	2,030,908.31 2,868,502.02 954,612.52 1,622,320.29 2,612,298.74 2,230,719.56 2,095,671.92	1,902,006,68 1,902,006,43 2,686,451.50 694,034,93 1,519,379.07 2,448,560.10 2,089,032,34 1,862,574,29			(5,880.83) (137,541.26) (156,384.27) (4,337.33) (275,817.89) (10,957.77) (9,679.77) (8,988.04)		1,417,314,49 1,910,513,17 2,726,745,72 958,844,05 1,358,792,68 2,625,108,06 2,241,160,96 2,105,600,60	-15,494,81 -21,504,75 -30,556,03 -9,705,95 -16,488,22 -26,527,05 -24,014,94 -21,425,25	2,710.63 4,256.63 5,928.06 1,037.09 4,197.94 2,761.96 3,893.79 2,508.53	1,404,530.31 1,893,265.05 2,702,117.75 950,275.10 1,346,502.40 2,601,340.97 2,221,039.81 2,086,683.88	1,344,691.29 1,612,618.49 2,567,027.26 909,607.77 1,289,168.12 2,490,595.61 2,126,323.90 1,997,709,64	29,689.23 48,253.31 66,960.03 20,110.17 45,606.94 54,993.28 46,971.33 44,123.39	0.00 0.00 0.00 0.00 0.00 0.00 0.00
GMMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	2004 A/B Single Family 2004 A/B Single Family	4.49 4.49 4.49 5.00 4.49 5.00 4.49	07/29/04 08/05/64 08/12/64 08/19/04 08/19/04 08/26/04 08/26/04 12/02/04	07/20/34 08/20/34 08/20/34 08/20/34 08/20/34 08/20/34 08/20/34 12/20/34	2,493,049.69 3,434,830,71 3,960,993.45 3,665,660.58 271,522.51 1,844,146.83 85,172.31	2,334,726.06 3,216,724.34 3,709,499.03 3,432,938.44 264,573.54 1,727,077.76 82,993.03			(11,933.10) (179,784.58) (133,573.68) (15,987.24) (1,011.39) (7,539.13) (319.58)		2,503,621.65 3,284,597.66 3,862,191.08 3,662,652.16 272,970.31 1,853,315.34 85,624.66	-26,784,20 -36,139,93 -48,392,16 -38,777,85 -2,748,92 -18,738,03 -861,93	4,279.14 6,588.40 5,620.85 5,599.03 289.73 2,030.39 90.02	2,481,118.59 3,255,046.13 3,827,419.77 3,849,673.34 270,511.12 1,836,607.70 84,852.75	2,375,336,06 3,116,294,89 3,664,292,41 3,494,142,84 267,663,77 1,758,351,47 83,960,12	52,543.10 79,355.13 86,367.06 77,191.64 4,101.62 38,612.64 1,286.65	0.00 0.00 0.00 0.00 0.00 0.00 0.00
GNMA GNMA GNMA GNMA GNMA GNMA GNMA	2004 A/B Single Family 2004 A/B Single Family	5.00 4.49 5.00 5.00 4.49 4.49 5.00	12/09/04 12/09/04 12/09/04 12/16/04 12/16/04 10/14/04	12/20/34 10/20/34 12/20/34 11/20/34 12/20/34 12/20/34 10/20/34	1,073,308.58 294,231.73 371,965.93 212,888.38 338,107.57 1,026,784.94 1,590,765.60 1,000,244.40	1,005,262.69 285,990.21 348,388.06 207,460.53 328,640.06 961,700.21 1,489,647.68 972,181.12			(4,575,00) (1,254,22) (1,513,88) (1,003,63) (1,274,30) (4,502,64) (6,427,58)		1,598,821.75	-10,898,95 -2,989,74 -3,778,50 -2,146,49 -3,408,69 -16,434,00 -16,110,54	1,080.89 297.66 371.03 199.12 310.21 1,030.18 1,626.81	1,068,733.58 292,977.51 370,452.25 211,884.75 336,833.27 1,022,282.30 1,584,338.02	1,023,286.65 289,182.60 354,701.25 209,675.22 332,473.65 978,022.51 1,516,688.12	22,598.96 4,446.61 7,628.87 3,218.32 5,107.89 21,624.94 33,478.02	0.00 0.00 0.00 0.00 0.00 0.00
GNMA GNMA GNMA GNMA GNMA GNMA GNMA	2004 A/B Single Family 2004 A/B Single Family	5.00 4.49 5.00 4.49 4.49 4.49 5.00	10/21/04 10/21/04 10/28/04 10/28/04 11/04/04 11/10/04 11/10/04	10/20/34 10/20/34 10/20/34 10/20/34 11/20/34 11/20/34 10/20/34	1,099,616.76 1,441,845.61 346,572.35 762,142.49 1,828,847.59 1,153,918.77 526,960.05	1,088,771.80 1,350,383.35 336,852.85 713,500.95 1,712,858.64 1,080,740.51 512,188.81			(3,780.07) (4,482.64) (5,886.56) (1,296.86) (3,133.45) (7,880.48) (5,390.06) (1,999.98)			-10,146.90 +13,283.59 -14,610.99 -4,627.68 -7,760.80 -18,552.86 -11,716.92 -5,350.58	1,037.40 3,265.38 1,474.94 1,667.01 812.80 1,870.51 1,189.21 539.73	998,484.33 1,095,134.12 1,435,659.05 345,275.49 759,009.04 1,820,987.11 1,148,528.71 524,960.07	983,511.55 1,080,905.28 1,374,843.47 340,791.47 725,709.41 1,743,507.30 1,099,666.34 518,147.75	15,110.50 18,616.02 30,346.68 5,235.48 18,041.81 38,509.14 24,315.89 7,960.92	0.00 0.00 0.00 0.00 0.00 0.00 0.00
GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	2004 A/B Single Family	4.49 5.00 4.49 5.00 4.49 5.00 4.49	11/18/04 11/23/04 11/23/04 12/23/04 12/23/04 12/28/04 12/29/04	11/20/34 11/20/34 11/20/34 12/20/34 12/20/34 12/20/34	956,698.41 400,767.13 1,878,778.82 406,168.95 509,504.19 549,787.65 376,539.18	896,033,68 390,543,95 1,759,651,54 394,798,00 477,211,18 534,398,71 353,617,94	,		(4,011.23) (1,460.69) (8,089.37) (1,642.67) (2,029.84) (2,000.01) (1,497.69)		961,426.55 402,970.66 1,887,857.63 408,249.73 512,145.64 552,832.80 378,495.65	-9,696.26 -4,041.32 -19,049.73 -4,099.07 -5,150.06 -5,539.77 -3,800.65	950.89 378.70 1,881.55 375.42 478.77 494.61 346.49	952,687.18 399,306.24 1,870,689.45 404,526.09 507,474.35 547,787.64 375,041.49	912,163.06 395,137.11 1,791,123.79 399,292.73 485,903.29 540,703.65 360,055.34	20,140,63 6,054,05 39,561,62 6,137,60 10,721,95 6,304,95 7,935,09	0.80 0.00 0.00 0.00 0.00 0.00
GNMA GNMA GNMA GNMA GNMA GNMA GNMA	2004 A/B Single Family 2004 A/B Single Family	4.49 4.49 4.49 4.49 4.49 5.00	01/06/05 01/13/05 01/19/05 01/28/05 02/03/05 02/10/05 02/10/05	01/20/35 01/20/35 01/20/35 01/20/35 02/20/35 02/20/35 02/20/35	731,570,83 879,659,70 476,220,37 359,629,77 2,026,309,30 1,421,168,87 1,948,824,87	684,761.57 623,379.69 445,754.54 336,612.66 1,896,704.54 1,333,834.95 1,884,838.64			(3,723,41) (3,657,19) (1,987,60) (1,441,68) (8,072,48) (5,696,02) (8,619,23)		1,950,078.11	-7,442.68 -8,876.77 -6,381.22 -5,019.24 -20,448.12 -14,369.20 -19,566.80	733,23 796,25 2,004,33 1,707,97 1,792,21 1,276,39 1,694,33	727,847.42 876,002.51 474,232.57 358,387.89 2,018,236.82 1,415,472.85 1,932,205.64	696,639.06 638,446.65 453,903.63 343,027.30 1,931,748.33 1,358,394.53 1,906,318.38	15,606.90 18,723.85 10,136.89 7,656.52 43,116.27 30,255.60 30,106.97	0.00 0.00 0.00 0.00 0.00 0.00 0.00
GNMA GNMA GNMA GNMA GNMA GNMA GNMA	2004 A/B Single Family	4.49 5.00 4.49 5.00 4.49 5.00 4.49 5.00	02/17/05 02/17/05 02/24/05 03/03/05 03/03/05 03/10/05 03/17/05	02/20/35 D1/20/35 D2/20/35 D2/20/35 D3/20/35 D3/20/35 D3/20/35 D3/20/35	558,575,34 591,704,60 370,777,39 416,739,13 372,642,75 277,216,86 584,460,09 307,932,34	522,854.64 574,635.81 347,068.41 404,723.26 349,749.75 269,922.47 547,097.87 299,059.44			(2,241,49) (2,167,40) (1,962,68) (1,602,08) (1,860,31) (992,82) (2,601,39) (1,171,20)		561,483.22 594,992.69 372,230.68 418,984.59 374,219.27 278,786.09 587,259.14	-5,631.58 -5,960.14 -3,759.79 -4,198.68 -3,769.25 -2,763.49 -5,889.80 -4,284.00	482.21 504.65 343.82 351.12 332.42 221.44 489.36	556, 333.85 589, 537.20 368, 814.71 415, 137.05 370, 782.44 276, 224.04 581, 656.70	532,499,45 581,641.06 353,016.13 409,582.57 355,637.62 273,227.09 556,944.82	11,086.30 9,172.65 7,910.40 6,461.39 7,948.18 4,297.44 12,448.34	0.00 0.00 0.00 0.00 0.00 0.00
GNMA GNMA GNMA	2004 A/B Single Family 2004 A/B Single Family 2004 A/B Single Family	4.49 5.00 5.00	03/24/05 03/30/05 04/07/05	03/20/35 03/20/35 04/20/35	107,367.94 184,957.99 250,701.79	100,792.49 180,094.29 244,111.25			(1,171.20) (1,066.95) (810.94) (890.83)		107,308.45 185,858.25 252,134.38	-1,111,85 -1,874.08 -2,513.08	1,434.96 124.39 162.88 189.86	306,701.14 106,320.99 184,147,05 249,810.96	302,662,53 102,037,46 182,152,24 247,108,82	4,774.29 2,311.92 2,868.89 3,886.40	0.00 00.0 00.0 00.0

GNMA	2004 A/B Single Family	4.49	04/07/05	04/20/35	795 736 99	744,882.96		(3.355.02)	700 701 00			_			
GNMA	2004 A/B Single Family	5.00	04/21/05	04/20/35	531,127.68	515,836,53		(3,355.02) (2,208.25)	799,751.89	-8,013.87	644.15	792,381.97	758,468.50	16,940.56	0.00
GNMA	2004 A/B Single Family	4.49	04/21/05	04/20/35	325,839.09	305,019.04		(2,200.25)	533,845.22 327,581.09	-5,337.65	411,86	528,919.43	521,885.74	8,237.46	0.00
GNMA	2004 A/B Single Family	5.00	04/28/05	04/20/35	390,143,76	379.894.42		(1,200.00) (1,399.13)	392,367.36	-3,277.14 -3,921.13	254.54	324,558.49	310,671.35	6,932.91	0.00
GNMA	2004 A/B Single Family	5.00	05/05/05	05/20/35	197,138,90	191,959.34		(816.31)	198,151.51	-1,984,53	298.40	388,744.63	384,543,58	6,048.27	0.00
GNMA	2094 A/B Single Family	4.49	05/05/05	04/20/35	1,066,546.12	998,409.38		(4,280.86)			153.61	196,320.59	194,200.37	3,057.34	0.00
GNMA	2004 A/B Single Family	5,00	05/12/05	04/20/35	221,180.72	215.372.76			1,072,171.05	-10,704.73	798.94	1,062,265.26	1,016,825.57	22,697.05	0.00
GNMA	2004 A/B Single Family	4.49	05/12/05	04/20/35	653,215.60	613,123.59		(938.00)	222,297.64	-2,222.34	167.42	220,242.72	217,865.02	3,430.26	0.00
GNMA	2004 A/B Single Family	5.00	08/03/05	05/20/35	129,798.84	126,392.90		(2,549.95)	656,736.53	-6,564.04	493.16	650,665.65	624,477,64	13,904.00	0.00
GNMA	2004 A/B Single Family	5.00	07/07/05	06/20/35	334,374,60	325,610,73		(472.44)	130,535.69	-1,300.24	90.95	129,326.40	127,932.81	2,012.35	0.00
GNMA	2004 A/B Single Family	4.49	07/07/05	06/20/35				(1,174.47)	336,326.29	-3,340.61	214.45	333,200.13	329,619.95	5,183.69	0.00
GNMA	2004 A/B Single Family	5.00	05/26/05	05/20/35	339,815.68 129,304,96	318,975.12		(1,326.56)	341,664.90	-3,407,66	231.88	338,489.12	324,682.32	7,233.76	0.00
GNMA	2004 A/B Single Family	4.49	05/26/05	05/20/35		125,911.21		(454.59)	130,054.42	-1,294.79	90.74	128,850.37	127,461.14	2,004.52	0.00
GNMA	2004 A/B Single Family	4.49 5.00	05/02/05		283,569.83	266,168.83		(1,702.07)	284,501.68	-2,048.46	214.54	281,687.76	270,526.96	6,060.20	0.00
GNMA	2004 A/B Single Family			05/20/35	263,735.56	256,815.08		(931.03)	265,261.92	-2,638.19	180.80	262,804.53	259,972.60	4,088.55	0.00
GNMA		4.49	05/02/05	05/20/35	235,282.71	220,848.14		(1,588.76)	235,879.14	-2,360.27	175.DB	233,693.95	224,292.76	5,035.38	0.00
GNMA	2004 A/B Single Family	4.49	06/10/05	04/20/35	224,761.85	210,409.22		(878.59)	225,977.85	-2,256.50	161,91	223,883.28	214,312.87	4,782.24	0.00
GNMA	2004 A/B Single Family	5.00	06/15/05	08/20/35	305,308.38	297,298.68		(1,084.82)	307,069.95	-3,081.30	212.91	304,221,56	300,946.97	4,733.11	0.00
GNMA	2004 A/B Single Family 2004 A/B Single Family	4.49	08/23/05	06/20/35	268,140,15	251,692.33		(1,045,71)	269,597.12	+2,685.59	182.91	267,094.44	256,354.51	5,707.89	0.00
		4.49	09/08/05	09/20/35	157,671.42	148,010,10		(603,30)	158,550,89	-1,573.30	90,53	157,058.12	150,762.87	3,355.07	0.00
GNMA GNMA	2004 A/B Single Family	5.00	09/15/05	09/20/35	729,391.23	708,485.78		(2,816.86)	733,437.89	-7,313,04	449.52	728,574.37	716,979.55	11,310,65	B.00
GNMA	2004 A/B Single Family	5.00	09/22/05	09/20/35	197,399.06	192,238.68		(077.20)	198,581.38	-1,067.23	107.71	196,721.86	194,621.67	3,080.19	0.00
GNMA	2004 A/B Single Family	4.49	07/21/05	07/20/35	353,436,61	331,785.24		(1,383.55)	355,381.15	-3,537.41	229.52	352,073.26	337,924,83	7,523.14	0.00
	2004 A/B Single Family	5.00	07/21/05	07/20/35	108,689.14	105,841.82		(386,88)	109,319.81	-1,090.73	73.18	108,302,26	107,139.97	1,685.03	0.00
GNMA GNMA	2004 A/B Single Family	4.49	07/28/05	07/20/35	3,797,570.08	3,555,229.92		(15,713.53)	3,817,411.93	-38,071.81	2,516.43	3,781,856,55	3.620.357.14	80.840.75	0.00
GNMA	2004 A/B Single Family	5.00	08/04/05	08/20/35	195,431.41	191,288.02		(721.89)	197,550.90	-1,960.34	118.96	195,709.52	193,611.73	3,045.60	0.00
	2004 A/B Single Family	4.49	08/11/05	07/20/35	141,159.65	132,506,62		(538.09)	141,945.35	-2,857.11	1,533.32	140,621,56	134,972.99	3,004,46	0.00
GNMA	2004 A/B Single Family	5.00	08/11/05	08/20/35	975,069.35	947,092.73		(3,730.66)	980,483.67	10,240.09	-19,385.07	971,338,69	958,481.62	15,119,55	0.00
GNMA	2004 A/B Single Family	4.49	08/30/05	08/20/35	442,752.11	414,510.23		(2,031.65)	444,878.95	-4,456,35	299,86	440,720.48	421,912.40	9,433.82	0.00
GNMA	2004 A/B Single Family	5,00	08/30/05	D8/20/35	123,063.34	119,843.70		(438.62)	123,781.21	2,155.92	-3,312.41	122,624,72	121,313.01	1,907.93	D.00
GNMA	2004 A/B Single Family	5.00	DB/30/05	08/20/35	211,170.82	205,646.05		(979.00)	212,174.17	-2,151.15	166.00	210,191.82	207,943.42	3,276,37	0.00
GNMA	2004 A/B Single Family	5.00	10/27/05	10/20/35	655,297.29	638,186.55		(2.465.14)	659,022.67	-6,528,46	336,94	652 831.15	645,681.76	10,161.35	0.00
GNMA	2004 A/B Single Family	4.49	10/27/05	09/20/35	217,520.65	204,200.74		(820.52)	218,755.12	-2,168.59	113,60	216,700,13	208.009.87	4,629.65	0.00
GNMA	2004 A/B Single Family	5.00	09/29/05	09/20/35	150,918,06	146,973,67		(854,67)	151,482.79	1.586.11	-3,005.51	150,083,39	148,462.22	2,343.22	0.00
GNMA	2004 A/B Single Family	5.00	09/29/05	09/20/35	171,187.67	166,713.52		(592.29)	172,208.99	-1,705.91	95.31	170,595.38	168,775.13	2,653.90	00.0
GNMA	2004 A/B Single Family	4.49	09/29/05	09/20/35	207,850.85	195,118.15		(783.67)	209,025.35	-2,074.55	115.98	207,066.78	198 758 02	4,423,74	D.00
GNMA	2004 A/B Single Family	5,00	12/08/05	12/20/35	628,115.02	610,158.48		(2,246,05)	631,829,02	-6.256.44	296.39	625,868.97	617,650.78	9,738.35	0.00
GNMA	2004 A/B Single Family	5.00	12/15/05	12/20/35	1,811,720.59	1,565,654,23		(5,473.02)		-18,022.75	716.91	1,606,246,77	1,585,184,97	24,984.56	0.00
GNMA	2004 A/B Single Family	5.00	11/03/05	11/20/35	556,539.16	542,010.96		(2,202,23)	559,598.28	-5.536.27	274.92	554 336.93	548,439.89	8,631,16	0.00
GNMA	2004 A/B Single Family	5.00	11/10/05	11/20/35	239,756.41	233,499.10		(850.65)	241,174.74	-2,384.29	115.31	238,905.78	236,365.72	3,717,27	0.00
GNMA	2004 A/B Single Family	4,49	11/17/05	10/20/35	247,201.43	232,068.45		(946,37)	248,595.09	-2,450,70	120.67	246,255.06	238.384.10	5.262.02	
GNMA	2004 A/B Single Family	5.00	11/17/05	11/20/35	1,092,476.33	1,063,970,61		(88,878.85)		-10,864,48	1,326.82	1,003,597,47	992,933.21	17,841.48	0.00
GNMA	2004 A/B Single Family	5.00	11/22/05	11/20/35	280,910.15	273,581,54		(954.28)	282.517.57	-2,794,19	132.49	279.955.87	276,982.19	4,354.92	0.00
GNMA	2004 A/B Single Family	4.48	11/29/05	10/20/35	229,853,54	215,596.97		(1,056.75)	230,771.35	-2,288,05	113.49	228,596.79	219,435,66	4,895.64	0.00 0.00
GNMA	2004 A/B Single Family	5.00	11/29/05	11/20/35	1,505,144.02	1,465,886,25		(5,553.14)	1.513.858.29	-14.986.90	720.29	1,499,591.66	1,483,671.95	23,338.84	
GNMA	2004 A/B Single Family	5.00	12/22/05	12/20/35	1,578,634,57	1,533,523,17		(5,554.25)		15,696.00	696.58	1,573,080,32	1,552,443.24		0.00
GNMA	2004 A/B Single Family	5.00	12/29/05	12/20/35	1,695,242.90	1,646,809,25		(5,963.83)		-16,881.82	784.11	1,689,279.07	1,667,127.68	24,474.32 26,282,26	0.00 0.00
GNMA	2004 A/B Single Family	4.49	12/29/05	11/20/35	216,307,42	202,531,67		(819.11)	217,544,11	-2.158.20	102.40				
GNMA	2004 A/B Single Family	5.00	01/05/08	01/20/38	1,411,212,97	1,374,351.86		(5,143.24)		-14,022.01	596.42	215,489.31 1,408,069,73	206,314.48 1,390,963.46	4,601,92	0.00 0.00
GNMA	2004 A/B Single Family	5.00	01/12/06	01/20/36	343,388,75	327,938.82		(1,212,72)	338,805,26	984.39	2,386.38	342,176.03		21,754.84	
GNMA	2004 A/B Single Family	5.00	01/12/06	01/20/36	859,792.26	B37.339.43		(2,689.53)	885,089.95	-8,532,49	345.27		331,995,28	5,269.18	0.00
GNMA	2004 A/B Single Family	4,49	01/12/06	12/20/35	93,781.10	88.044.54		(667.72)	94,002.93	-944.51	54.96	856,902.73	847,701.64	13,251.74	0.00
GNMA	2004 A/B Single Family	5.00	03/09/06	03/20/36	4.033.792.95	3,918,506.36		(13,794,7B)		-39,947,16		93,113.38	89,385.51	2,008.69	0.00
GNMA	2004 A/B Single Family	5.00	03/02/06	03/20/36	1,132,459.98	1,100,087.40		(3,790.80)		-11.210 BB	1,333.52 377.63	4,019,998.20 1,128,669.18	3,968,846.63	62,135.03	0.00
GNMA	2004 A/B Single Family	5.00	03/02/06	01/20/36	199,188.44	190,217.98		(701.94)	198,522.48	2,033.53	-69.49		1,113,738.28	17,441.68	0.00
GNMA	2004 A/B Single Family	5.00	01/19/08	01/20/36	1,729,117,93	1.683.973.49		(6,864.87)		-17,200.45	734.78	198,488.50	192,572.36	3,056.32	0,00
GNMA	2004 A/B Single Family	5.00	01/26/06	01/20/36	1,577,054.01	1.531.924.28		(5,461.40)		-17,200.43 -15,664,82		1,722,253.06	1,703,770.48	26,661.86	0.00
GNMA	2004 A/B Single Family	5.00	01/26/06	01/20/36	213,465.27	203,658.30		(752.62)	210.614.51	2,183.51	829.93	1,571,592.61	1,550,753.86	24,290.98	0.00
GNMA	2004 A/B Single Family	5.00	02/09/06	01/20/36	3,659,307.28	3,477,952.02		(15,211,92)		35,533,44	-85.37 79,327,50	212,712,65 3,644,095,36	206,381,18	3,275.48	0.00
GNMA	2004 A/B Single Family	4.49	02/09/06	01/20/36	182,849.59	171,650.11		(1,743.62)		-1,827,73			3,518,098.49	56,158.39	D.00
GNMA	2004 A/B Single Family	5.00	02/09/06	02/20/36	1,651,830,40	1.60B.734.68		(117,788.94)		-1,827.73 -16.377.27	92.93	181,105.97	173,854.15	3,947.56	0.00
GNMA	2004 A/B Single Family	5,00	02/09/08	01/20/36	119,543,78	114,162,27		(427.73)	117,939.72	29.78	1,681.30 1,146.55	1,534,041.46	1,517,607.81	26,662.07	0.00
GNMA	2004 A/B Single Family	5.00	02/16/06	02/20/36	3,929,935.49	3,817,547.77		(\$3,259.10)		39,007.08	1,461.74	119,116.05	115,559.13	1,834.59	0.00
GNMA	2004 A/B Single Family	5.00	02/23/06	02/20/38	2,659,530.82	2,590,175.91		(9,572.94)		26.394.02		3,916,676,39	3,864,816,77	60,528.10	0.00
GNMA	2004 A/B Single Family	5.00	02/23/06	02/20/36	1,832,556.27	1,784,767.10		(6,789.76)		18.185.88	975.26	2,649,957.00	2,621,601.57	40,998.60	08.0
GNMA	2004 A/B Single Family	5.00	05/11/06	05/20/36	477,432,10	463.813.23		(1,5B0,46)			672.68	1,025,786,51	1,806,249.39	28,252.05	0.00
GNMA	2004 A/B Single Family	5.00	05/11/08	05/20/36	661,673.37	644,462.58		(2,196.69)		-4,716.00	118.09	475,851.64	469,586.59	7,353.82	0.00
GNMA	2004 A/B Single Family	5.00	05/18/06	05/20/36	982,703.58	954,678,44		(3,252.47)		-6,538.23	166.D5	659,476.68	652,465.30	10,199.41	0.00
GNMA	2004 A/B Single Family	5.00	03/16/06	03/20/36	1,569,344,34	1,524,502.95		(5,252.47) (5,401.11)		-9,716.28	246.37	979,451.11	966,561.51	15,135.54	0.00
GNMA	2004 A/B Single Family	4.49	03/23/06	02/20/36	298,588.42	280,266.00		(5,401.13) (1,093.96)		15,546.31	514.46	1,563,943,23	1,543,274.46	24,172.62	0.00
GNMA	2004 A/B Single Family	5.00	03/23/06	03/20/36	1,625,063.32	1,582,725.08				-2,957,52	96.63	297,494,46	205,592.88	6,420.84	0.00
GNMA	2004 A/B Single Family	5.00	03/30/08	03/20/36	181,275.40	173.107.02		(6,724.02)		16,378.90	814.33	1,618,339.30	1,601,062.41	25,061.35	0.00
GNMA	2004 A/B Single Family	5.00	03/30/06	03/20/36	1,321,376.55	1,286,958.14		(1,716.37) (5.166.24)	177,777.53	1,891,37	-109.87	179,559.03	174,204.20	2,813.55	0.00
GNMA	2004 A/B Single Family	5.00	04/06/06	04/20/36	1,491,918.43	1,449,313.76		(5,166.24)		13,089.25	422.39	1,316,210.31	1,302,166.74	20,374.84	0.00
GNMA	2004 A/B Single Family	5.00	04/13/06	04/20/36	815,963.23	794.719.96		(5,051.21)		14,788.49	448.68	1,486,865.22	1,467,243.24	22,980.69	0.00
GNMA	2004 A/B Single Family	5.00	04/20/08	04/20/36	26,060.49	224,572.03	208,290.79	(2,731.32)		-8,088.43	251.32	813,231,91	B04,585.54	12,576.90	0.00
GNMA	2004 A/B Single Family	5.00	04/20/06	04/20/38	1,818,957.80	1,771,512.57	£00,600.70	/P 457 571	232,021,79	2,399.25	-69.76	234,351.28	227,358.15	(205,504.67)	0.00
GNMA	2004 A/B Single Family	5.00	04/27/06	04/20/36	1,628,169,53	1,581,725,82		(6,407.67)		18,021,49	543,46	1,812,490.13	1,793,185.79	28,040.79	00.0
GNMA	2004 A/B Single Family	5.00	05/05/06	05/20/36	1,546,936.16	1,506,691.19		(5,499.95)		16,111.03	453.34	1,622,689.58	1,601,304.23	25,078.36	0.00
GNMA	2004 A/B Single Family	5,00	05/05/06	05/20/36	192,193.73	1,500,691.19		(72,104.20)		15,284.73	1,043.23	1,474,831.95	1,459,143.08	24,556.09	0.00
GNMA	2004 A/B Single Family	4.49	05/25/06	04/20/36	62,872.41	59,017.74		(2,121.61)	188,179.98	1,974.59	-82.45	190,072,12	184,397.56	2,991.98	0.00
	<u></u>	*****		2-172-01-00	02,072.41	30,017.74		(227.77)	63,250.65	-621.25	15.24	62,844.64	60,141.8B	1,351.91	0.00

GNMA	2004 A/8 Single Family	5.00	05/25/06	05/20/36	890,581.10	865,285,55		(2,923.62)	896,346.28	-8.798.47	209.67	867,757.48	676,079.90	13,717,97	0.00
GNMA	2004 A/B Single Family	5.00	05/25/06	05/20/38	146,942.43	140,313.89		(955.16)	144,531.41	1,506,68	-50.82	145,957.27	141,628.33	2,267.60	0.00
GNMA	2004 A/B Single Family	5.00	06/01/08	05/20/36	1,086,334.36	1,058,098.01		(3,603.13)	1,093,212.96	-10.734.33	252.60	1,082,731.23	1,071,239.38	16,744,50	0.00
GNMA	2004 A/B Single Family	5.00	06/08/06	06/20/38	613.357.91	597,418.94		(2,317,28)	616,959,75	-6,054.41	135.29	811,040.63	604,558,86	9,457,20	0.00
GNMA	2004 A/B Single Family	5.00	08/15/06	05/20/36	230,487.23	219,600,01		(796.97)	226,897.61	2.338.68	453,97	229,690,26	222,338,97	3,533,93	0.00
GNMA	2004 A/B Single Family	5.00	06/15/06	06/20/38	1,105,125.76	1,073,636.45		(4,378.28)	1,111,418.21	-10,910.24	239,51	1,100,747.48	1,086,289.04	17,030.67	0.00
GNMA	2004 A/B Single Family	5.00	08/27/08	06/20/36	1,200,997.18	1,169,807.64		(4,512.55)	1,208,095,64	-11.853.45	242.44	1,196,484.63	1,183,812.91	18,517.82	0.00
GNMA	2004 A/B Single Family	5.00	06/27/06	06/20/36	273,251.65	260.917.33		(993.11)	269,535.16	2,779.66	-56.30	272,258.54	264,117,50	4,193.28	0.00
GNMA		5.00	07/06/06	07/20/36	1.659.944.54										
	2004 A/B Single Family					1,616,849.35		(5,535.26)	1,670,477.61	-16,365.BB	297.55	1,854,409.28	1,636,901,01	25,586,92	0,00
GNMA	2004 A/B Single Family	4.49	87/08/06	06/20/36	303,350.38	284,762.79		(1,322.24)	304,961.57	-2,991.76	58.33	302,028.14	289,972.71	6,532.16	0.00
GNMA	2004 A/B Single Family	5.00	07/13/06	06/20/36	513,570.81	500,240.61		(1,960.11)	518,582.81	-5,082.35	90.24	511,610.70	506,189,49	7,918,99	0.00
GNMA	2004 A/B Single Family	5.00	07/19/06	07/20/36	1,153,202.51	1,123,276.88		(3,824.41)	1,180,555.41	11,373.83	196.32	1,149,378,10	1,137,228.25	17,775.78	0.00
GNMA	2004 A/B Single Family	5,00	07/19/06	06/20/36	69,112.69	65,991.64		(262.15)	56,160.49	705.19	-15.14	68,850,54	66,790.46	1,060.97	0.00
GNMA	2004 A/B Single Family	5.00	07/27/06	07/20/36	508 935 19	494,452.13		(1,730.11)	512,141.10	-5,016.36	80.34	507,205.00	500,561.59	7,839.57	0.00
GNMA	2004 A/B Single Family	5.00	08/09/08	08/20/36	671,528,73	660,618,75	3,781.12	·	681,890.09	-6,677.48	97.24	575,309.85	688,184.09	3,784.22	0.00
GNMA	2004 A/B Single Family	5.00	08/16/06	06/20/36	64,651.88	61.299.69		(2,224.40)	61,998.20	851.39	-22.11	62,627,48	60,752.04	1,678,75	0.00
GNMA	2004 A/B Single Family	5.00	08/23/06	08/20/36	1,001,711.44	985,450.22	6.378.76	(=(===)	1,017,925.40	-9 960 85	125.65	1,008,090.20	997,465.09	5,636.11	0.00
GNMA	2004 A/B Single Family	5.00	D9/06/D6	08/20/38	1,001,111.44	000,700.22	946,688,67		956,138.56	-9,346.53	96.84	946,888.87	934,520.27	(12,368.60)	0.00
GNMA	2004 A/B Single Family	5.00	09/12/06	08/20/36			609.065.55		615.D18.94	-8,340.53 -8.017.52	54.13	609,065.55			0.00
GNMA			09/12/00	08/20/36									602,657.08	(6,408.49)	0.44
	2004 A/B Single Family	4.49					126,075.54		127,309.79	-1,246.24	12.99	126,076.54	121,052.51	(5,024.03)	0.00
GNMA	2004 A/B Single Family	5.00	09/20/06	08/20/36			60,225.91		64,620.86	663.63	941.22	66,225.91	63,321.98	(2,903.93)	0.00
GNMA	2004 A/B Single Family	5.00	09/20/08	08/20/36			578,718,67		584,379.56	-5,712.53	51.64	570,710.67	571,166.74	(7,551.93)	0.00
GNMA	2004 A/B Single Family	5.00	09/26/06	09/20/36			233,163.94		235,445.89	-2,310.60	26,85	233,163.94	230,713.43	(2,450.51)	0.00
GNMA	2004 A/B Single Family	5.00	10/17/06	10/20/36			937,316.69		946,508.24	-9,245.59	54.14	937,316.69	927,483.43	(9,833.26)	0.00
GNMA	2004 A/B Single Family	5.00	11/14/06	10/20/36			957,611.03		967,026,00	-9,428.50	13.53	957.611.03	947,588,78	(10,022.25)	0.00
GNMA	2004 A/B Single Family	4.49	11/14/06	10/20/36			195,605,85		197,529.00	-1,925,91	2.76	195,605,85	187,820.45	(7,785.40)	0.00
GNMA	2004 A/B Single Family	5.00	11/14/08	10/20/36			67,444.29		65,761.00	684.30	-1.01	67,444.29	65,410.10	(2,025.19)	0.00
GNMA	2004 A/B Single Family	5.00	11/28/08	11/20/36			566,683.78		572,242.00	-5.579.36	1.14	566.663.78	560,739,94	(5,923.84)	0.00
FNMA	2004 A/B Single Family	4,49	08/05/04	07/01/34	460,462,58	431,382.09	000,000.10	(3,999.66)	458,471.95	-2,303.75	294,72	456.462.92	438.639.52		0.00
FNMA	2004 A/B Single Family	4.49	08/12/04	08/01/34	358,972.60	336,287,46								9,277.09	
FNMA		4.49	08/12/04	08/01/34				(2,087.90)	358,456.54	-1,798.06	226,22	356,884.70	341,386.84	7,187.28	0.00
FNMA	2004 A/B Single Family				339,663.64	318,200.54		(1,839.40)	339,314.17	-1,684.28	194.35	337,824.24	323,158.03	6,794.79	0.80
* *****	2004 A/B Single Family	4.49	09/02/04	08/01/34	244,300.52	228,563.68		(999.78)	244,374.53	-1,200.59	126.80	243,300.74	232,737.41	4,873.31	0.00
FNMA	2004 A/B Single Family	4.49	10/28/04	10/01/34	295,212.18	278,585.52		(1,199.77)	295,317.13	-1,448.80	144.0B	294,012.41	281,254.13	5,886.38	0.90
FNMA	2004 A/B Single Family	5.00	10/28/04	10/01/34	252,639.94	243,729.53		(939.54)	252,817.35	-1,237.41	120.46	251,700.40	247,452.57	4,662.58	0.00
FNMA	2004 A/B Single Family	4.49	11/10/04	10/01/34	371,125.56	347,685.69		(1,564.19)	371,203.58	-1,829.88	187.67	369,561.37	353,526.86	7,405.36	0.00
FNMA	2004 A/B Single Family	5.00	11/23/04	11/01/34	276,308.15	268,565.93		(1,186.90)	276,345.47	-1.351.56	127.34	275,121.25	270,481.42	5,102.39	0.00
FNMA	2004 A/B Single Family	4,49	02/10/05	01/01/35	267,488.53	250,140.30		(1,074.14)	267,606.99	-1,307.90	113.30	266,412,39	254,512,98	5,446,82	0.00
FNMA	2004 A/B Single Family	5.00	02/10/05	02/01/35	454,960,04	438,934.24		(1,679.65)	455,313,37	-2,220.54	187,56	453,280.39	445,651.62	8,397.03	0.00
FNMA	2004 A/B Single Family	5.00	03/29/05	04/01/35	231,529.56	222 890 31		(1,767.74)	230,796.95	-1,212.66	177.73	229,781.82	225,544.01	4,421.44	0.00
FNMA	2004 A/B Single Family	4.49	04/21/05	04/01/35	349,288,49	328.647.65		(1,529.24)	349,329.49	-1,702.33	132.09	347,759.25	332,238.80	7,118.39	0.00
FNMA	2004 A/B Single Family	4.49	06/10/05	05/01/35		263.751.71									
FNMA			22. , 2. 22		282,026.63			(1,187.66)	282,113.20	-1,373.71	99,68	280,839,17	268,309.40	5,745,35	0.00
	2004 A/B Single Family	5.00	06/29/05	06/01/35	294,659,18	283,675.44		(1,085.81)	294,927.63	-1,434.01	99.75	293,593.37	288,215.08	5,605.45	0.00
FNMA	2004 A/B Single Family	4.49	07/14/05	04/01/35	162,445.39	151,921.04		(635.82)	162,545.74	-788.01	51.64	161,809.57	154,592.38	3,307.16	0.00
FNMA	2004 A/B Single Family	5.00	07/14/05	07/01/35	74,987.47	72,192.74		(263.40)	75,064.19	-363.14	23,02	74,724.07	73,355,73	1,426,39	0.00
FNMA	2004 A/B Single Family	5,00	09/22/05	09/01/35	360,781.96	347,346.33		(1,259.21)	361,170.05	-1,743.22	95.92	359,522.75	352,949.82	6,882.70	0.00
FNMA	2004 A/B Single Family	4.49	10/06/05	09/01/35	398,221.28	372,435.93		(1,668,98)	398,371.67	-1,928.99	107.62	396,552.30	378,879.35	8,112.40	0.00
FNMA	2004 A/B Single Family	5.00	10/20/05	09/01/35	327,231.80	315,049.38		(1,136.21)	327,593.68	-1,579.30	81.21	326,095,59	320,137,65	8,224.48	0.00
FNMA	2004 A/B Single Family	5.00	11/17/05	10/01/35	319,963,99	308,055,85		(1,142.51)	320,290,01	-1.551.44	82.91	318,821.48	313,000.21	6,085.87	0.00
FNMA	2004 A/B Single Family	5.00	12/15/05	12/01/35	304,133,41	292.818.27		(1,136,56)	304,396,47	-1,467.13	67.51	302,996.85	297,488,41	5.786.7D	0.00
FNMA	2004 A/B Single Family	4.49	12/29/05	12/01/35	414.360.44	387,544,46		(2,111.00)	414,156.22	-1,988.79	92.01	412,249,44	393,891,56	8,458,10	0.00
FNMA	2004 A/B Single Family	5.00	12/29/05	12/01/35	993,438.72	958,484.04		(3,646.90)	994.369.90	-1,000.79 -4 793 54	215.46				
FNMA	2004 A/B Single Family	5.00	01/12/06	01/01/36	350,293.34	348,892.98				-4,793.54 -1.740.92		969,791.82	971,738.03	18,900.89	0.00
FNMA	2004 A/B Single Family	5.00	01/12/06	12/01/35				(1,059.72)	360,093.66	11111111	80.88	358,433.62	351,897.93	6,864.67	0.00
					127,258.57	120,162.05		(492.60)	124,917.20	1,927.77	-79.00	126,765,97	122,074.08	2,404.63	0.00
FNMA	2004 A/B Single Family	5.00	01/26/06	01/01/36	488,951.92	470,769.19		(1,756.61)	489,454.64	-2,353.81	94.48	487,195.31	478,314.65	9,302.07	0.00
FNMA	2004 A/B Single Family	5.00	02/09/06	01/01/36	400,603.66	385,555.74		(1,565.50)	400,870,99	-1,927.16	74.33	399,018.16	391,650.96	7,680.72	0.00
FNMA	2004 A/B Single Family	5.00	02/16/06	02/01/36	544,695.82	524,429.42		(1,982.86)	545,435.60	-2,619.40	96.76	542,912,96	532,890.58	10,444.02	0.00
FNMA	2004 A/B Single Family	5.00	02/23/06	02/01/36	1,136,453.84	1,093,771.69		(5,675.62)	1,135,834.87	-5,473.77	217.12	1,130,578.22	1,109,710.67	21,814.60	0.00
FNMA	2004 A/B Single Family	5.00	03/09/06	02/01/36	660,822.44	638,259,84		(2,811.51)	661,074.35	-3,172.10	108.68	658,010.93	648,028,29	12,579.96	0.00
FNMA	2004 A/B Single Family	5.00	03/16/06	03/01/36	1,001,278.74	963,662.11		(4,555.63)	1,001,367.46	-4,815.89	171,54	996,723.11	978.335.00	19,209.52	0.00
FNMA	2004 A/B Single Family	5,00	03/23/06	03/01/36	499,045.28	480,308.29		(1,814.00)	499,549.71	-2,395,52	77.10	497,231.29	488.060.07	9,585.78	0.00
FNMA	2004 A/B Single Family	5.00	03/30/08	03/01/36	643,644,49	619,480.27		(2,538.19)	644,099.50	-3,088.91	97.71	641,108.30	629,285,21	12.341.13	0.00
FNMA	2004 A/B Single Family	5.00	04/13/06	03/01/36	349,890,11	330,756,29		(130,503.65)	220,411.16	-1,677.25	052,55	219,386.46	215,341.70	9,089,06	0.00
FNMA	2004 A/B Single Family	5.00	04/20/06	04/01/36	312,717.45	300,979.88		(1,064.53)	313.109.83	-1,503.01	46.10	311,652.92	305,908.30	5,992.95	0.00
FNMA	2004 A/B Single Family	5.00	04/27/08	03/01/38	34,740.76	297,381.08	278,738,94	(1,004,50)							
FNMA	2004 A/B Single Family	5.00	05/05/06	03/01/36	287 672 18	276 878 61	£10,100.84	(DED DE)	308,863.43 288,053.57	4,761.49	-145.22	313,479.70	301,759.57	(274,360.45)	0.00
FNMA	2004 A/B Single Family	5 00	05/11/06	05/01/36		_,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		(950.66)		-1,377.47	35.42	286,711.52	281,428.34	5,512.39	0.00
FNMA		5.00	05/11/06 06/27/06		260,447,39	250,674.00		(1,604.92)	260,054.65	-1,258.80	40,42	258,842.47	254,073.59	5,004.51	0.00
FNMA	2004 A/B Single Family			06/01/36	534,672.83	514,619.88		(2,656.93)	534,518.52	-2,581.45	58.83	532,015.90	522,224,59	10,281,64	0.00
	2004 A/B Single Family	5.00	07/06/06	05/01/36	65,768.51	62,061.36		(228.94)	64,568.21	989.07	-17.71	65,539.57	63,063.14	1,250.72	0.00
FNMA	2004 A/B Single Family	5.00	08/09/06	07/01/36	266,033.16	257,288.13	397.57		267,689.14	-1,275.76	17.35	266,430.73	261,532.20	3,846.59	0.00
FNMA	2004 A/B Single Family	4.49	OB/23/06	06/01/36	78,454.77	73,702.11	90.08		78,916.29	-376.23	4.77	78.544.83	75,032.82	1,240.05	0.00
FNMA	2004 A/B Single Family	5.00	09/20/06	07/01/36			197,781,69		198,699.36	-949.77	12.10	197,781.69	194,129,28	(3,632.41)	0.00
FNMA	2004 A/B Single Family	5.00	10/17/08	09/01/36			539,536,00		542,100.66	-2,580.77	16.09	539,536.00	529,632.36	(9,903.64)	00,0
FNMA	2004 A/B Single Family	5.00	11/14/06	08/01/36			62,997.94		62,053.00	946.31	-1.37	62,997.94	60,625.78	(2,372.16)	9.00
FNMA	2004 A/B Single Family	5.00	11/28/08	10/01/36			203.919.96		204,893.00	-973.24	0.20	203.919.96	200,180,46	(3,739.50)	0.00
Repo Agmt	2004 A/B Single Family	5.29	11/30/06	12/01/05	9,907,253.66	9.907.253.86	,_,_	(5,446,606.11)	4,460,647.75	0.00	0.00	4,460,647.75	4,460,647.75	(0,,00,00)	0.00
	2004 A/B Single Family Total				176,002,058,95	169,384,710.88	10,401,267.90	(12,431,432.54) (1,855,272.45) 0.00	C1.1PU,00F,F	0.00	u.uu _			2,328,338,14	
						. 55(55) (17.65)	, w, TO 1, EU 1. DU	timinationinal filosofetetal filos				172,115,621.58	167,527,611,91	£,2£0,338.14	0.00
Repo Aamt	2004 CDEF Single Family	5.29	11/30/06	12/01/06	442.56	442.58	6,11		440.07	0.00		440.55			
Repo Agmt	2004 CDEF Single Family	5.29	11/30/06	12/01/00	800,307,76	442.56 600,307.76	64,226,98		448.67	0.00	0.00	449,67	448.67	-	0.00
Repo Agmit	2004 CDEF Single Family	5.29	11/30/06	12/01/06	3,384,658,17		04,220.90	(2.750.750.50)	664,534.72	0.00	0.00	664,534,72	664,534.72	-	0.00
Tobo Dang	TOOL OR OH GRANN	9.68	14750700	12/01/06	3,304,000.17	3,384,658.17		(3,300,388,09)	84,290.08	0.00	0.00	84,290.08	84,290.08	-	0.00

Repo Agmit	2004 CDEF Single Family	5.29	11/30/06	12/01/06	0.34	0.34	0.00		0.34	0.00	0.00	0.34	0.34		0.00
GIC's	2004 CDEF Single Family	3,80	12/16/04	03/01/36			1,741,204.62		1.741.204.62	0.00	0.00	1,741,204.62	1,741,204,62	-	
GNMA	2004 CDEF Single Family	4.49	08/11/05	07/20/35	26,995.01	25,315,79	.,,	(109.23)	27,184.79	-319.92	20.9t	26.885.78			0.00
GNMA	2004 CDEF Single Family	4.49	08/30/05	08/20/35	17,602.09	16,507.50		(66:73)					25,781.51	574.95	0.00
GNMA	2004 CDEF Single Family	4.49	10/27/05	10/20/35	40.974.79	38,429.16		(176.10)	17,730,76	-207.94	12.54	17,535.38	16,815.49	374.72	0.00
GNMA	2004 CDEF Single Family	4.49	10/27/05	10/20/35	27,418.77	25,715.32			41,255.85	-483.71	26.55	40,798,69	39,126.24	873.18	0.00
GNMA	2004 CDEF Single Femily	4.49	09/29/05	09/20/35				(106.85)	27,817.96	-323.49	17.45	27,311.92	26,192.32	583.85	0.00
GNMA	2004 CDEF Single Family	4.49	10/06/05	09/20/35	152,007.91 48,288,57	142,559.73		(2,822.34)	150,852.65	-1,796,17	129.09	149,185.57	143,085.63	3,328.24	0.00
GNMA						45,287.47		(195.57)	48,630,61	-569.74	31.93	48,093.00	46,120.48	1,028.5B	0.00
	2004 CDEF Single Family	4.49	10/20/05	10/20/35	36,089.91	33,847,47		{154.00}	36,338,33	-426.62	24.20	35,935.91	34,462.55	789.08	0.00
GNMA	2004 CDEF Single Family	4.49	12/08/05	12/20/35	25,103.28	23,544.74		(95.48)	25,289.17	-294,89	13.52	25,007.80	23,983.75	534.49	0.00
GNMA	2004 CDEF Single Family	4.49	12/15/05	12/20/35	37,451.43	35,220.42		(141.30)	37,730.19	-441.17	21.11	37,318.13	35,876.89	797.77	0.00
GNMA	2004 CDEF Single Family	4.49	11/03/05	11/20/35	8,662.27	8,145.90		(34.58)	8,724.44	0.00	-96.75	8,627.69	8,295.90	184.58	0.00
GNMA	2004 CDEF Single Family	4.49	11/10/05	11/20/35	46,808.39	44,018.39		(217,27)	47,113,90	-551 BG	29.08	46,591.12	44,799.88	998,56	0.00
GNMA	2004 CDEF Single Family	4.49	11/17/05	11/20/35	30.603.61	28,890.52		(122.75)	31,025.34	-363 03	18.55	30,680.86	29.423.82	656.05	B.00
GNMA	2004 COEF Single Family	4.49	11/22/05	11/20/35	23,872,72	22,390.19		(2,435.95)	21,677.57	-281.59	40,79	21,436.77	20,558,58		
GNMA	2004 CDEF Single Family	4.49	11/29/05	11/20/35	28,813,19	25,215.49		(2,656.66)	24,428.08	-201,58	44.17			504.34	0.00
GNMA	2004 CDEF Single Family	4.49	12/22/05	12/20/35	36.238.07	34,079,59		(145.34)	35,499.34	-426.37		24,158.53	23,228.18	689.35	0.00
GNMA	2004 CDEF Single Family	4.49	12/29/05	12/20/35	60,330.22	56,585.84		(243.61)		-709.54	19.78	36,092.73	34,706.50	772.25	0.00
GNMA	2004 CDEF Single Family	4.49	01/05/06	01/20/36	38,796,73	36,378.13			60,763.95		32.20	60,086.61	57,627.32	1,285.09	0.00
GNMA	2004 CDEF Single Family	4.49	01/12/06	01/20/36	41,350.36	38,877.82		(150.65)	39,082.05	-455.51	19,54	38,645.08	37,062,29	834.81	0.00
GNMA	2004 CDEF Single Family	4.49	03/09/06	02/20/36				(150.27)	41,659.09	-485.57	20.57	41,194.09	39,611.55	898.00	0.00
GNMA	2004 CDEF Single Family	4.49	03/02/06		33,286,81	31,213.75 38.260 01		(132.76)	33,530.26	-389.89	13.68	33,154.05	31,797.41	716.42	0.00
GNMA	2004 CDEF Single Family			02/20/36	40,801.34	,_,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		(158.08)	41,104.19	-477.92	17.01	40,643.28	38,979.92	B77.97	0.00
		4,49	01/19/06	01/20/36	21,782.05	20,424.44		(84.67)	21,942.46	-255.89	10.81	21,697.38	20,608,47	466.70	0.00
GNMA GNMA	2004 CDEF Single Family	4.49	01/26/06	01/20/36	29,516.35	27,770.65		(110.56)	29,839.31	-347.50	13.98	29,505.79	28,297.22	537.13	0,00
	2004 CDEF Single Family	4.49	02/02/06	02/20/36	61,937,88	58,078.35		(237.64)	62,397.97	-726,33	28.40	61,700,04	59.173.22	1,332,71	0.00
GNMA	2004 CDEF Single Family	4.49	02/09/06	02/20/36	28,823.82	27,027,93		(188.34)	28,959.60	-338.06	13.94	28,635.48	27,462,99	623.40	0.00
GNMA	2004 CDEF Single Family	4.49	02/16/06	02/20/36	37,169.90	34,854.24		(178.17)	37,410,70	-436.83	17 88	36,991,73	35,477.32	801.25	0.00
GNMA	2004 CDEF Single Family	4.49	02/23/06	02/20/36	40,527.07	38,002.56		(149.47)	40,835.20	-475.26	17.66	40,377,60	38.724.84	971.75	0.00
GNMA	2004 CDEF Single Family	4.49	05/11/06	04/20/36	19,564.35	18,347.14		(74.70)	19,712.15	-228.47	5.97	19,489.65	18,693.43	420.99	0.00
GNMA	2004 CDEF Single Family	4.49	05/11/06	05/20/36	8,877.78	8,347.98		(32,03)	8,946,74	-103.65	2.66	8,845.75	8,507.01	191.05	0.00
GNMA	2004 CDEF Single Family	4.49	05/18/08	05/20/36	26.817.35	25,149.08		(113.11)	27,009.29	-313.43	8.38	26,704.24	25,813.45	577.48	0.00
GNMA	2004 CDEF Single Family	4.49	05/18/08	05/20/36	9,508.69	9,035.54		(44.54)	9,673.51	-112.22					
GNMA	2004 CDEF Single Family	4.49	03/16/06	03/20/36	19,168,27	18,023.30		(79.01)			2.95	9,564.25	9,198.05	207.15	0.00
GNMA	2004 CDEF Single Family	4.49	03/23/06	03/20/36	49.383.85	46,308,99		(201.11)	19,306.03	-224.52	7,75	19,089.26	18,357.14	412.85	0.00
GNMA	2004 CDEF Single Family	4.49	03/30/06	03/20/36	27.063.55	25,378.64			49,741.59	-578.62	19.77	49,182.74	47,170.93	1,063.06	0.00
GNMA	2004 CDEF Single Family	4.49	04/08/08	03/20/36	48,618.15	38.089.62		(113.62)	27,256.38	-317.84	11.39	26,949,93	25,847.78	582.76	0.00
GNMA	2004 CDEF Single Family	4.49	04/13/08	03/20/36	24.230.58			(168.48)	40,909.91	-475.28	15.04	40,449.67	38,795,67	874.53	0.00
GNMA	2004 CDEF Single Family	4.49				22,722.38		(98.58)	24,406.75	-283.45	8.70	24,132.00	23,145,41	521.61	0.00
GNMA	2004 CDEF Single Family		04/20/06	04/20/36	46,110.65	43,240.88		(176.50)	46,457.50	-539.84	16.49	45,934,15	44,055.57	992.21	0.00
GNMA		4.49	04/27/08	04/20/36	19,381.74	18,156.86		(80.13)	19,501.44	-226,47	6.64	19,281.61	18,493.00	416.87	0.00
GNMA	2004 CDEF Single Family	4.49	05/05/05	04/20/36	38,938.21	36,514.26		(1,222.15)	38,148.38	-455,30	25.00	37,716.06	36,271.47	879.36	8.00
	2004 CDEF Single Family	4.49	05/25/08	05/20/36	25,257,80	23,686.72		(91.B6)	25,453.62	-295.47	7.79	25,165.94	24,138,18	543.32	0.00
GNMA	2004 CDEF Single Family	4.49	08/01/06	08/20/38	29,408.19	27,653.84		(106.09)	29,637.27	-343.35	8.18	29,302,10	28,180.60	632.85	0.00
GNMA	2004 CDEF Single Family	4.48	06/08/06	06/20/36	37,026.71	34,724.11		(157.40)	37,291,34	-432.31	10.28	38,669,31	35,364.13	797.42	0.00
GNMA	2004 CDEF Single Family	4.49	08/15/08	06/20/36	25,509.44	23,988.01		(98,62)	25,701.87	-297.52	6.47	25.410.82	24,438,63	549.24	0.00
GNMA	2004 CDEF Single Family	4.49	08/27/06	06/20/36	43,776.07	41,185.72		(162,25)	44,113.90	-510.76	10.68	43.613.82	41.945.70	942.23	0.00
GNMA	2004 COEF Single Family	4.49	07/06/06	07/20/38	18,508,80	17,405.29		(66.53)	18.653.92	-215.92	4.27	18,442.27			0.80
GNMA	2004 CDEF Single Family	4.49	07/13/06	08/20/36	35,360.84	33,252,82		(134.57)	35,630,79	-412.39	7.87	35.225.27	17,737.07	398.31	
GNMA	2004 CDEF Single Family	4.49	07/19/06	06/20/36	42,027.91	39,418.00		(200,52)	42,307,97	-489.91			33,879.53	761.28	0.00
GNMA	2004 CDEF Single Family	4,49	07/27/06	07/20/36	26,793,86	25,196,96			27.003.45	-313.50	9,33	41,827.39	40,121.49	905.01	0.00
GNMA	2004 CDEF Single Family	4.49	08/02/06	08/20/36	19,230.68	18,297.52	121.17	(97.41)			€.52	26,696.47	25,676,23	576.68	0.00
GNMA	2004 CDEF Single Family	4.40	08/09/06	08/20/36	41,709.55	39.685.90	297,30		19,574.50	-226.35	3.70	19,351.85	18,612.42	193.73	0.00
GNMA	2004 CDEF Single Family	4.49	08/16/06	07/20/36	23,864.50	22.645.51	177.59		42,490.48	-490.94	7.31	42,006.85	40,402.07	418.87	0.00
GNMA	2004 CDEF Single Family	4 49	08/23/06	07/20/36	17,163.97	16,331,47			24,319.04	-280.90	3.95	24,042.09	23,062.23	239.13	0.00
GNMA	2004 CDEF Single Family	4.49	09/06/06	08/20/36	17,103.01	10,331,47	123.01		17,488.28	-202.03	2.75	17,285.98	16,626.62	172.34	0.00
GNMA	2004 CDEF Single Family	4.49	09/12/06	08/20/36			21,748.93		21,997.95	-253.86	2.84	21,745.93	20,916.74	(B30.19)	0.00
GNMA	2004 CDEF Single Family	4.49	09/20/06	09/20/36			11,452.45		11,615.06	-133.94	1.33	11,482,45	11,044.18	(438.27)	0.00
GNMA	2004 CDEF Single Family	4.49	10/17/08				13,431.71		13,587.04	-156.98	1.65	13,431.71	12,919,24	(512.47)	0.00
GNMA	2004 CDEF Single Family	4.49	11/14/06	10/20/36 10/20/36			26,597.95		26,906.14	-309,97	1.78	26,597.95	25,583.70	(1.014.25)	0.00
GNMA	2004 CDEF Single Family	4.49	11/14/06	10/20/36			22,761.58		23,025.99	-264.00	0.39	22,761.58	21,894,26	(867.32)	0.00
FNMA	2004 CDEF Single Family						4,873.98		4,930.68	-56.70	0.06	4,873.9B	4,688,34	(185.64)	0.00
FNMA	2004 CDEF Single Family 2004 CDEF Single Family	4.49	10/20/05	10/01/35	5,718.92	5,349.95		(32.85)	5,713.58	-29.16	1,65	5,685.07	5 434 02	116.92	0.00
FNMA		4.49	11/10/05	11/01/35	5,525.08	5,168.68		(26.04)	5,525.70	-28.20	1.54	5,499.04	5,255,34	112.70	0.00
	2004 CDEF Single Family	4.49	12/15/05	12/01/35	6,656.32	6,227.05		(24,97)	6,663,61	-33.78	1.52	6,631,35	6,337.56	135,48	0.00
FNMA FNMA	2004 CDEF Single Family	4.49	01/05/06	12/01/35	7,778.81	7,277.21		(35.05)	7,781.50	-39.48	1.74	7,743.76	7,400.76	158.60	0.00
FNMA	2004 CDEF Single Family	4.49	02/09/06	02/01/36	4,688.41	4,364.07		(21,07)	4,690.17	-24.84	2.01	4.667.34	4.459.37	96.37	0.00
	2004 CDEF Single Family	4.49	02/23/06	01/01/36	5,470.15	5,115.11		(20,36)	5,476.46	-27.69	1.00	5,449,77	5,206.97	112,24	0.00
FNMA	2004 CDEF Single Family	4.49	03/16/06	03/01/36	8,668.38	0,105.84		(41.98)	8,668,73	-43.89	1.56	8,626.40	8,242.14	178.28	
FNMA	2004 CDEF Single Family	4.49	04/06/06	03/01/38	5,924.12	5,539.71		(21.66)	5,931.27	-29.91	0.90	5.902.26	5,639.39		0.00
FNMA	2004 CDEF Single Family	4.49	04/20/06	04/01/36	8,394.57	7,849.92		(60.46)	8,375,14	·42.42	1.39	8,334.11	7,953.01	121.54 173.55	0.00 0.00
FNMA	2004 CDEF Single Family	4.49	05/11/06	04/01/36	9,818.58	9,181.63		(41,75)	9,825.05	-49.53	1,31				
FNMA	2004 CDEF Single Family	4.49	06/08/08	04/01/36	6,168.87	5.768.76		(28.24)	6,169,99	-49,55 -31,11		9,776,83	9,341.55	201.67	0.00
FNMA	2004 CDEF Single Family	4.49	08/27/06	06/01/36	6,343,47	5,932,09		(23.35)			0.75	6,139.63	5,866.37	128.85	0.00
FNMA	2004 CDEF Single Family	4.49	07/13/06	D6/01/36	7,830.51	7,322.75			6,351.43	-31.95	0.64	6,320,12	6,038,88	130.14	0.00
FNMA	2004 CDEF Single Family	4.49	07/19/06	07/01/36	11.916.53	11,143.84		(30.29)	7,838.92	-39.40	0.70	7,800.22	7,453.16	160.70	0.00
FNMA	2004 CDEF Single Family	4.48	08/02/05	07/01/36	10,682,29		14 17	(55.8D)	11,919,61	-59. 9 6	1.08	11,860.73	11,333,05	245.01	0.00
FNMA	2004 CDEF Single Family	4.49	08/09/06	07/01/36	8,017,81	10,040.15	14.17		10,749.62	-53.95	0.79	10,696.46	10,220.63	166.31	0.00
FNMA	2004 COEF Single Family	4.49	09/12/08	08/01/36	6,011,01	7,535,66	11.25		8,068.99	-40.49	0.56	8,029.06	7,671.92	124.81	0.00
FNMA	2004 CDEF Single Family	4.49	10/17/06	08/01/38			6,221.83		8,252.87	-31.34	0.30	6,221.83	5,045.17	(276.66)	0.00
FNMA	2004 CDEF Single Family	4.49	11/14/08				5,875.75		5,905.16	-29.56	0.15	5,075.75	5,614.57	(261.18)	0.00
FNMA	2004 CDEF Single Family	4.49	11/14/08	10/01/36 10/01/38			8,792.20		8,836.32	-44.18	0.05	0,792.20	8,401.48	(390.72)	0.00
Inv Agmt	2004 CDEF Single Family	4.49 3.80			4 560 400 10	4 Fmm /	6,268.13		6,299.61	-31.50	0.02	6,268.13	5,989,61	(278.52)	0.00
MY FIGHT	Loss COLC Single Parity	3.80	10/28/04	03/01/36	1,562,432.42	1,562,432.42	0.00		1,562,432.42	0.00	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	165 549 19	400 000 40								
FNMA	2004 CDEF Single Family	8.90	08/17/94		,	168,033,12	(1,743.03)	164,672.16	605.43	-1,473.43	163,805.18	167,889.67	1,599.78	0.00
			20,11,2	08/01/24	274,126.58	283,343.B1	(3,835.42)	271,733.80	1,108.72	-2,551.36	270,291.16	280,317.87	809.48	0.00
FNMA	2004 CDEF Single Family	6.97	08/17/94	07/01/24	387,557.45	401,500.34	(3,355.69)	386,248.11	48,795.44	-50,841,79	384,201,76	399.105.31	961.66	0.00
FNMA	2004 CDEF Single Family	7.06	08/17/94	07/01/24	146,323,32	150,610.16	(1.028.59)	145,809.73	620.40	-1.135.40	145,294,73	150,601,04	1.019.47	0.00
FNMA	2004 CDEF Single Family	6.90	05/26/95	01/01/25	70,074.45	72,704,97	(474.85)	59.898.55	139,22	-438.18	69,599.59	72,454.75	224.64	0.00
FNMA	2004 CDEF Single Family	7.10	08/15/95	05/01/25	92,874,31	96,322,98	(35,887,39)	57,270,93	896.40	-980,41	56.986.92			
GNMA	2004 CDEF Single Family	6.10	06/30/94	06/20/24	1,903,649,52	1,924,004.90						59,521.68	(913.91)	0.00
GNMA	2004 CDEF Single Family	6.90	08/17/94	08/20/24			(25,329,29)	1,884,147.47	111,856.48	-120,483.72	1,675,320.23	1,007,063.09	12,267.48	0.00
GNMA					1,201,818.72	1,238,600.33	(63,801.12)	1,144,098.49	59,196.75	-65,277.64	1,138,017.60	1,175,160.75	361.54	0.00
	2004 CDEF Single Family	6.97	08/17/94	08/20/24	947,233.65	978,395.30	(13,323.95)	938,900.16	60,908.43	-65,898.69	933,909,90	966,532.00	1.460.65	0.00
GNMA	2004 CDEF Single Family	7.06	08/17/84	08/20/24	341,041,10	351,358.52	(5,713,79)	337,722.31	2,422.70	-4,217.70	335,927.31	346,935,38	1,290.65	0,00
GNMA	2004 CDEF Single Family	6.10	01/27/95	10/20/24	342,553.98	346,474.12	(2,873.16)	341,530.21	773,84	-2 623 23	339.680.62	345,847.15	2.248.19	0.00
GNMA	2004 CDEF Single Family	6.97	02/16/95	12/20/24	525,718,67	543.419.92	(3,998.73)	524,895.56	1,438.07	_,				
GNMA	2004 CDEF Single Family	6.90	03/30/95	02/20/25	130,716.53	134,787,74	(897.68)			-4,613.69	521,719.94	540,343.24	922.05	0.00
GNMA	2004 CDEF Single Family	7.06	03/30/95				(222)	130,535.10	348.04	-1,064.29	129,818.85	134,138,57	246.51	0.00
GNMA				12/20/24	64,525.63	86,943.14	(1,706.05)	83,274.76	33B.97	-794.15	82,819.58	85,546.53	309.44	0,00
	2004 CDEF Single Family	6.97	08/01/95	05/20/25	37,043,98	38,310.13	(376.75)	36,694.62	128.99	-356.38	36,667,23	37,998.14	64,76	0.00
GNMA	2004 CDEF Single Family	6.90	08/15/95	02/20/25	50,540.21	52,150.87	(343.97)	50,508,08	97.38	-409.20	50,196,24	51,901.61	94.71	0.00
GNMA	2004 CDEF Single Family	7.10	06/29/95	05/20/25	142,546.61	146,855.28	(65,007.58)	77,972.64	428.51	-862.12	77,539.03	80,223,71	(1,623.99)	0.00
GNMA	2004 CDEF Single Family	7.06	0B/15/85	06/20/25	33.920.83	34 907 42	(205.01)	33.905.53	60.22	-249.93	33,715.82	34.844.03	141.62	0,00
GNMA	2004 CDEF Single Family	7.10	08/15/95	08/20/25	123,301.84	127,116.27	(741.74)	123,329.31	6,349,15	-7,118.36				
GNMA	2004 CDEF Single Family	4.49	02/24/05	02/20/35	2,616,388,25	2,453,198.78					122,560,10	126,889.85	515.32	0.00
GNMA	2004 CDEF Single Family	4 49	03/17/05	03/20/35			(14,125.49)	2,630,737.87	-31,321.34	2,846.23	2,602,262.76	2,494,939.18	55,885,89	0.00
GNMA			03/1/105	03/20/35	6,540,922.37	6,133,094,32	(27,505.20)	6,584,836.31	-79,624.04	8,204.90	6,513,417.17	6,244,927.06	139,337.94	0.00
GNMA	2004 CDEF Single Family	4.49		F. G. 4-C	2,417,972.84	2,267,227.71	(11,498.78)	2,432,878.09	-29,821.61	2,417.58	2,406,474.06	2,307,292.91	51,563.98	0.00
- · · · · · ·	2004 CDEF Single Family	4.49	03/29/05	02/20/35	417,590,05	392,604.26	(1,839.85)	420,515.74	-4,981,36	395.82	415,950.20	399,860.01	8.895.60	0.00
GNMA	2004 CDEF Single Family	4.49	04/07/05	04/20/35	2,614,539.41	2,451,576.80	(10,559.49)	2 632 593 58	-31.D87.73	2,474.07	2,603,979.92	2,496,699.10	55,681,79	0.00
GNMA	2004 CDEF Single Family	4.49	04/14/05	04/20/35	1,182,974,66	1,109,248.46	(80.898.08)	1,104,084.00	-14.083.20	2,075,18	1.092.075.98	1,047,091.19	26,741,41	8.00
GNMA	2004 CDEF Single Family	4.49	04/21/05	04/20/35	1,089,153.14	1,024,012,45	(168,995.28)		-12.931.53	2.807.26	920,157.86	884.586.67		0.00
GNMA	2004 CDEF Single Family	4.49	D4/28/05	04/20/35	1,814,713,72	1,701,639.87						(1000000)	29,569.50	0.00
GNMA	2004 CDEF Single Family	4.49	05/05/05	05/20/35	1,139,019,23	1.068.057.27	(7,191.23)	.,,	-21,557.74	1,657.10	1,807,522.49	1,733,091.54	38,642.90	0.00
GNMA							(4,465.89)		-14,834.47	2,333,87	1,134,553.34	1,087,843.02	24,251.84	0.00
	2064 CDEF Single Family	4.49	05/12/05	05/20/35	227,790.17	214,171.35	(678.91)	229,413.01	-2,701,18	199.43	226,911.26	218,144.24	4,851.80	0.00
GNMA	2004 CDEF Single Family	4.49	05/19/05	05/20/35	311,359.31	292,746.24	(1,312.32)	313,467.55	-3,704,03	283,47	310,046,99	298,070.02	5,638.10	0.00
GNMA	2004 CDEF Single Family	4.49	07/14/05	07/20/35	2,225,850.53	2,092,913.91	(6,490.81)	2,241,958.23	-26,320.16	1,723.65	2,217,359,72	2,131,831.34	47,408.24	0.00
GNMA	2004 CDEF Single Family	4.49	05/28/05	05/20/35	966,789.80	996,577,14	(3.743.02)	973.678.38	-12,735.79	2,104,19	963,046.78	923,417.10	20,582,98	0.00
GNMA	2004 CDEF Single Family	4,49	08/02/05	06/20/35	1 092 634 86	1,024,592.74	(4.628.54)	1,100,027.32	-12,955.20	934.10	1,088,008.22	1,043,243,92		
GNMA	2004 CDEF Single Family	4.49	09/08/05	09/20/35	428.384.42	402,823.64	(-1)						23,279.82	0.00
GNMA	2004 CDEF Single Family	4.49	09/15/05	09/20/35	332.642.04		(1,996.26)	431,143.68	-5,057.90	302.38	426,388.14	409,965,88	9,138.52	0.00
GNMA						312,796.22	(1,395.22)	334,943.60	-3,933.60	236.82	331,246.82	318,491.17	7,090,17	0.00
GNMA	2004 CDEF Single Family	4.49	09/22/05	09/20/35	415,352.38	389,533.03	(1,562.78)	418,410,51	-4,898.72	277,70	413,789.58	396,812.16	8,841,91	0.00
	2004 CDEF Single Family	4.49	07/21/05	07/20/35	537,879.35	504,409.78	(2,050.40)	541,776.58	-6,360.63	413.00	535,828.95	513,810,08	11,450.70	0.00
GNMA	2004 CDEF Single Family	4.49	07/28/05	07/20/35	1,137,039.94	1,069,146,55	(6,698.72)	1,142,895,94	-13,543,79	989.07	1,130,341.22	1,086,756.89	24.309.06	0.00
GNMA	2004 CDEF Single Family	4,49	08/04/05	07/20/35	501,501.85	471,560.19	(2,189.28)	504,862.02	-5,940.82	391.37	499,312.57	480,083,20	10,692,29	0.00
GNMA	2004 CDEF Single Family	4.49	08/04/05	08/20/35	3,782,766.72	3,547,437.55	(16.154.37)	3.808.482.82	-44,725.94					
GNMA	2004 CDEF Single Family	4.49	08/11/05	08/20/35	1,142,716,61	1,071,634.83				2,855.47	3,766,612.35	3,611,668.93	80,605,75	0.00
GNMA	2004 CDEF Single Family	4.49	08/11/05	08/20/35	324,123,21	303,961.38	(4,999.46)	1,150,372.40	-13,511.48	856.21	1,137,717.15	1,090,990.18	24,354.81	0.00
GNMA	2004 CDEF Single Family	4.49	08/30/05	08/20/35			(1,234.20)	326,480.63	-3,833,00	241.38	322,889.01	309,627.70	6,900.52	0.00
GNMA				00.20.00	597,922.41	560,740.45	(2,493,05)	502,064.11	-7,071.20	438,45	595,429.36	570,985.56	12,738.16	0.00
	2004 CDEF Single Family	4.49	10/27/05	10/20/35	1,086,782.31	1,019,263.36	(4,076.31)	1,094,837.90	-12,807.37	675.47	1.082.706.00	1,038,322.37	23,135.32	0.00
GNMA	2084 CDEF Single Family	4.49	10/27/05	10/20/35	344,968.39	323,538.41	(1.380.40)	347,437.95	-4,064.99	215.03	343,587.99	329,503.20	7,347.19	0.00
GNMA	2004 CDEF Single Family	4.49	09/29/05	09/20/35	400,401.99	376,518.86	(1,908,28)	402.946.68	-4.738.95	285.98	398,493.71	383,153.94	8,543.36	0.00
GNMA	2004 CDEF Single Family	4.49	10/06/05	10/20/35	410,810.33	386.309.49	(1,543.38)	413.844.07	-4.838.20	261.08	409.268.95	393,516.05	6 749 94	
GNMA	2004 CDEF Single Family	4.49	10/20/05	10/20/35	1,107,331.89	1,041,305.06			.,					0.00
GNMA	2004 CDEF Single Family	4.49	12/08/05	11/20/35	1,304,759.60		(4,187.07)	1,115,497.85	-13,050.36	697.33	1,103,144,82	1,060,704.61	23,585.62	0.00
GNMA						1,223,751.51	(172,222.13)		-15,363.72	2,622.49	1,132,537.47	1,086,159.42	34,630.04	0.00
GNMA	2004 CDEF Single Family	4.49	12/15/05	12/20/35	642,367.04	602,489,54	(2,405.46)	647,166.49	-7,545.79	340.88	639,961.58	613,759.76	13,675.68	0.00
	2004 CDEF Single Family	4.49	11/03/05	11/20/35	1,053,672.91	968,218,95	(4,484.39)	1,060,953,44	-12,416.26	651,34	1,049,188.52	1,006,187.02	22,452.46	0.00
GNMA	2004 CDEF Single Family	4.49	11/10/05	10/20/35	1,196,777.22	1,122,440.45	(4,521.35)	1,205,632.37	-14,107.97	731.47	1,192,255.87	1,143,397.62	25,478,52	0.00
GNMA	2004 CDEF Single Family	4.49	11/17/05	11/20/35	755,523.51	708,600.57	(2,974.52)	760,998.36	-8,901,63	452.26	752,548.99	721,715.61	16,089,56	0.00
GNMA	2004 CDEF Single Family	- 4.49	11/22/05	11/20/35	1,108,625,17	1,037,901.77	(5,682.05)		-13,050,46	5B3.B1	1,100,943.12	1,055,840,72	23,621.00	
GNMA	2004 CDEF Single Family	4.49	11/29/05	11/20/35	675,202,55	633 275 75	(2,514.98)	680,249.23	-7,942.39	380.73	672,887.57			0,00
GNMA	2004 CDEF Single Family	4.49	12/22/05	12/20/35	921,919.25	864.693.48						645,134.76	14,373.99	0.00
GNMA	2004 CDEF Single Family	4.49	12/29/05	12/20/35	923,486.54		(3,509.71)		-10,649.89	503.54	918,409,54	880,813.48	19,629,69	0.00
GNMA	2004 CDEF Single Family	4.49	01/05/06	01/20/35		866,170.56	(4,685.21)		-10,886.30	528.96	918,801.33	881,195.51	19,710.16	0.00
GNMA	2004 CDEF Single Family	4.49 4.49			586,330.90	549,778.81	(2,162.44)	590,758.37	-6,879.51	288.60	584,168.46	560,227.98	12,611.61	0.00
GNMA			01/12/06	01/20/36	535,644.24	502,255.53	(1,965.00)	539,583.19	-6,292,29	208.34	533,659,24	511,792.36	11,521.83	0.00
	2004 CDEF Single Family	4.49	03/09/06	02/20/36	745,823.29	701,079.74	(2,738.04)	751,315,01	-8.727.12	297.36	742,885.25	714,367.88	16,046,18	0.00
GNMA	2084 CDEF Single Family	4.49	03/02/06	02/20/36	447,384.19	420,654,47	(2,030.71)	450,403.86	-5,235.75	105.37	445,353,48	428,266.51	9.642.75	0.00
GNMA	2004 CDEF Single Family	4.49	01/18/06	01/20/36	562,673,71	527,603.88	(2.237.73)	566,765.20	-8.605.71					
GNMA	2004 CDEF Single Family	4.49	01/26/06	01/20/36	722,659.99	677,623.47	(2,880.12)	727,915.79	-8,497,30	275.49 381.38	560,435.98	537,475.72	12,109.57	0.00
GNMA	2004 CDEF Single Family	4.49	02/02/06	01/20/36	1,150,285,78	1,078,607.06				/,	719,779.87	690,297.10	15,553.75	0.00
GNMA	2004 CDEF Single Family	4.49	02/09/06	02/20/36			(4,232.09)	1,159,016.13	-13,485.13	522.69	1,148,053.69	1,099,118.18	24,743,21	0.00
GNMA	2004 CDEF Single Family	4.49	02/09/06	02/20/36	1,240,941.85	1,163,623.41	(5,679.73)		-14,582.23	600.69	1,235,262.12	1,184,882.73	28,739.05	0.00
GNMA	2004 COCF SHIPE FAILIN				431,077.87	404,221.89	(1,585.93)	434,356,30	-5,051.13	186.77	429,491,94	411,906.77	9,272.81	0.00
	2004 CDEF Single Family	4.49	02/23/06	02/20/36	398,892.30	375,057.16	(2,838.69)	400,542.09	-4,674.77	186.29	396,053,61	380.855.45	8,636.98	0.00
GNMA	2004 CDEF Single Family	4.49	05/11/06	05/20/36	860,034.36	806,527.16	(3,185,46)		-10,053.64	271.98	856,848.90	821,843.10	18.501.40	0.00
GNMA	2004 CDEF Single Family	4.49	05/18/06	04/20/36	155,848.21	146,546,92	(1,564.58)	156,044.00	-1.620.22	57.85	154,281.63		7-7-4-1114	
GNMA	2004 CDEF Single Family	4.49	05/18/06	04/20/36	253,911.08	238,760.30				57.03 83.94		148,374,44	3,392.10	0.00
GNMA	2004 CDEF Single Family	4.49	03/23/08	03/20/36	497.293.76	467,592.52	(934.53) (1,831.68)	255,866.31 501.091.85	-2,973.70		252,976.55	243,290.48	5,464.71	0.00
GNMA	2004 CDEF Single Family	4.49	04/06/06	03/20/38	207.634.97	195,236.58			-5,836.22	206.45	495,462,08	476,483.19	10,702.35	0.00
GNMA	2004 CDEF Single Family	4.49	04/30/06				(753.55)	209,235.32	-2,427.02	73.12	206,881.42	198,951.40	4,488.37	0.00
GNMA				04/20/36	202,253,11	190,178,97	(749.84)	203,799.07	-2,374.39	78.59	201,503.27	193,782.35	4.353.22	0.00
	2004 CDEF Single Family	4.49	04/27/08	04/20/36	589,929.47	554,716.26	(2,160.42)	594,469.92	-6,898.73	195,86	587,769.05	505,251.72	12,695.88	0.00
GNMA	2004 CDEF Single Family	4.49	05/05/06	04/20/36	601,503.51	565,604.01	(2,605.98)	605,730.17	-7,022.62	189.98	598.897.53	575,956.53	12,960,50	0.00
GNMA	2004 CDEF Single Family	4.49	05/25/06	05/20/36	125,976.88	118,460.73	(452.20)	126,959.58	-1,470.77	35.87	125.524.68			
GNMA	2004 CDEF Single Family	4.49	06/01/06	05/20/36	652,385.83	611.791.57	(2,353.10)	657,447,61	-7.610.15			120,719.52	2,710.99	0.00
GNMA	2004 CDEF Single Family	4.49	06/08/05	05/20/36	195,423,71	186,588,00				175,07	650,012.53	623,470.72	14,032.25	0.00
GNMA	2004 CDEF Single Family	4,49	06/15/06	D8/20/36	233,750,23	219,808.89	(723.91) (836.62)	199,962.58	-2,320.53	57.75	197,699,80	190,134.42	4,270.33	0,00
GNMA	2004 CDEF Single Family	4.49	07/06/06	06/20/36	237,020.66			235,581.34	-2,725.76	5B.03	232,913.61	224,002.52	5,030.25	0.00
	· · · · · · · · · · · · · · · · · · ·	7.70	21722100	00/20/30	201,020.00	223,641.55	(849.19)	239,691.03	-2,770.05	50.51	236,971.49	227,910.22	5,117.88	0.00

GNMA	2004 CDEF Single Family	4.49	07/13/06	06/20/38	372,353,43	350.155.78											
GNMA	2004 CDEF Single Family	4.49	07/19/08	06/20/36	391,693.55	350,155.78			(1,337.38) (1,555.77)		375,276,57 394,820,28	-4,336,90 -4,563,66	75.35 81.16	371,016.05	356,831.73	5,013.33	0.00
GNMA	2004 CDEF Single Family	4.49	07/27/06	07/20/36	445,296.09	418,756.36			(2,327.86)		448.061.78	-5.185.52	92.95	390,137,78 442,968,21	375,224.69	8,434.90	0.00 0.00
GNMA	2004 CDEF Single Family	4.49	08/09/06	07/20/36	959,110.25	912,576.35	7,656.48		(2,327.00)		977.896.17	-11,289.15	159.72	966,766,73	426,039.54 929,832,57	9,611.06 9,599,74	0.00 0.00
GNMA	2004 CDEF Single Family	4.49	08/16/06	06/20/36	203.946.22	194,052.60	1,662.62				207.977.29	-2.400.58	32.11	205,608.84	197,755.21	2,039.99	0.00
GNMA	2004 CDEF Single Family	4.49	09/06/06	08/20/36	,		703,941,79				712,067.19	-8,213.93	88.53	703,941.79	677,089,08	(26.872.71)	0.00
GNMA	2004 CDEF Single Family	4.49	09/12/06	09/20/36			220,014.50				222,555.42	-2,568.72	27.80	220,014.50	211,616.82	(8,397,68)	0.00
GNMA	2004 CDEF Single Family	4.49	10/05/06	09/20/36			1,014,690.91				1,026,434.35	-11,820.69	77.25	1,014,690.91	973,388.22	(41,302.69)	0.00
GNMA	2004 CDEF Single Family	4.49	11/02/06	10/20/36			1,060,591.77				1,072,899.00	-12,338.34	31.11	1,060,591,77	1,020,166.01	(40,425.76)	0.00
GNMA	2004 CDEF Single Family	4.49	11/14/06	10/20/36			424,097.51				429,024,00	-4,833.78	7.29	424,097.51	407,937.47	(16,160,04)	0.00
GNMA	2004 CDEF Single Family	4.49	11/21/06	11/20/36			549,911.51				556,304.00	-6,397.50	5.01	549,911,51	528,961.66	(20,949.85)	0.00
GNMA	2004 CDEF Single Family	4.49	11/28/06	11/20/36			525,577.61				531,891.00	-B,114,45	1.06	525,577.61	505,558.39	(20,019.22)	0.00
FNMA	2004 COEF Single Family	4.49	04/07/05	02/01/35	187,715.81	175,588.84			(1,302.77)		187,297.84	-971.46	85.66	166,413.04	178,133.36	3,847,29	0.00
FNMA	2004 CDEF Single Family	4.49	05/27/05	04/01/35	269 621 06	252,208.06			(1,494,76)		269,405.17	-1,389.40	110.53	268,126.30	256,223,18	5,509.08	0.00
FNMA	2004 COEF Single Family	4.49	D7/14/05	11/01/33	84,173.60	79,019.33			(1,188.25)		83,381.92	-44B.21	51.64	82,985,35	79,538.01	1,706.93	0.00
FNMA	2004 CDEF Single Family	4.49	12/08/05	11/01/35	352,245.52	338,682.01			(1,820.46)		362,177.02	-1,844,57	92.71	360,425.16	344,455.70	7,394.15	0.00
FNMA	2004 CDEF Single Family	4.49	01/05/06	12/01/35	310,935,51	290,885.03			(1,761,06)		310,680.95	-1,581.46	74.95	309,174.45	295,479,33	6,355,36	0.00
FNMA	2004 CDEF Single Family	4.49	01/12/06	11/01/35	113,138.42	105,843.08			(436.64)		113,251.28	-573.51	24.11	112,701.78	107,709.89	2,303.45	0.00
FNMA FNMA	2004 CDEF Single Family	4.49	02/02/08	01/01/36	164,440.41	153,038.58			(1,134.89)		184,103.40	-836.02	38.14	163,305.52	156,073.82	3,370.13	0.00
FNMA	2004 CDEF Single Family 2004 CDEF Single Family	4.49 4.49	04/20/06 05/25/06	04/01/36 04/01/38	258,099.04 212,275,45	241,353.20			(953.37)		258,411.37	-1,303.25	37.55	257,145.67	245,694.95	5,295.12	0.00
FNMA	2004 CDEF Single Family	4.49	07/06/06	05/01/36	131,462.09	198,505.91			(780.45)		212,539.21	-1,070.58	26.37	211,495.00	202,080.15	4,354.69	0.00
FNMA	2004 CDEF Single Family	4.49	08/02/08	03/01/36	314,005.39	122,935.97			(498.86)		131,612.48	-662.85	13.60	130,983,23	125,135,83	2,697.72	0.00
FNMA	2004 CDEF Single Family	4.49	09/12/06	08/01/36	314,003,38	295,129.48	309,378,18		(53,209.58)		262,091.86 310.921.60	-1,585.86 -1,558.45	289.81	260,795.81	249,194.32	7,274.42	0.00
FNMA	2004 CDEF Single Family	4.49	11/14/06	01/01/36			389,460.06				391,414.00	-1,957.07	15.03 3.13	309,378.18 389,460.06	295,621.15 372,152,52	(13,757.03) (17,307.54)	0.00 0.00
Repo Agmt	2004 COEF Single Family	5.29	11/30/06	12/01/06	7,304,026,15	7,304,026,15	309,400.00	(5,258,531,00)			2,045,495.15	-1,951.07	0.00	2,045,495,15	2,045,495,15	(17,307.54)	0.00
Repo Agmt	2004 CDEF Single Family	5.29	11/30/06	12/01/06	1,670,040,56	1,670,040.58		(108,247,30)			1,581,793.26	0.00	0.00	1,561,793.26	1,561,793.26	-	
,	2004 CDEF Single Family Total	0,20	11,00.00	.20,.55	85,585,586,41	81,823,413.31	7,141,217.63	(8,657,146.39)	(978,875.00)	0.00	1,001,100.20	0.00	0.00	83,080,782,65	B0,499,941.91	1,181,332,36	0.00 0.00
								(-,,	(,,					05,005,752.00	55,455,6411.51	1,101,002.00	2.55
Repo Agml	2005 BCO Single Family	5.29	11/30/06	12/01/06	523,551.20	523,551,20		(425,610.16)			97,941.04	0.00	0.00	97,941.04	97,941.04		0.00
Repo Agmt	2005 BCD Single Family	5.29	11/30/06	12/01/06	3,074,702.70	3,074,702.70		(1,532,700.19)			1,542,002.51	0.00	0.00	1,542,002.51	1.542.002.51	-	0.00
GNMA	2005 BCD Single Family	5.13	08/10/06	07/20/36	16,246.23	16,123.68	155.97				15,609.51	-210.16	2.85	16,402.20	16,266.69	(12.96)	0.00
GNMA	2005 BCD Single Family	5.38	08/16/08	08/20/36	8,032.80	8,061.66	70.28				8,196.43	-94.55	1.20	8,103.08	B,134.47	2.33	0.00
GNMA	2005 BCD Single Family	5.63	08/16/08	08/20/36	5,241.50	5,309.82	46.64				5,349.07	-61.70	0.77	5,288.14	5,334.52	(21.94)	0.00
GNMA	2005 BCD Single Family	5.38	08/23/06	08/20/36	13,944.13	13,994.68	122.14				14,228.42	-164.13	1.96	14,066.27	14,120.84	4.02	0.00
GNMA	2005 BCD Single Family	5,13	08/23/06	08/01/35	20,949.13	20,752.31	180.92				21,397.44	-271.01	3.62	21,130.05	20,916.63	(16.60)	0.00
GNMA	2005 BCD Single Family	5.38	09/06/06	08/20/36			58,780.83				57,438.24	-663.29	7.88	56,780.83	57,002.02	221.19	0.00
GNMA GNMA	2005 BCD Single Family	5.63	09/08/08	09/20/36			21,199.74				21,444.45	-247.21	2.50	21,199,74	21,354.59	154.85	0.00
GNMA	2005 BCD Single Family	- 5.13	09/08/08	08/20/36			52,095.92				52,756.Dt	-668.94	6.85	52,095.92	51,667,13	(428.79)	0.00
GNMA	2005 BCO Single Family	5.3B	09/12/06 09/12/06	09/20/36 09/20/36			27,370.70				27,686.81	-319.73	3.62	27,370.70	27,477.50	108.60	0.00
GNMA	2005 BCD Single Family 2005 BCD Single Family	5.13 5.63	09/12/06	09/20/36			34,962.59 8.054.18				35,366.37	-40B.25	4.47	34,962.59	34,636.41	(326.18)	0.00
GNMA	2005 BCD Single Family	5.38	09/20/06	09/20/38			47,976,20				8,147.20 48,530,67	-93.88 -559.33	0.86	8,054.18	8,125.03	70.85	0.00
GNMA	2005 BCD Single Family	5.13	09/20/08	09/20/36			91,014,45				92,066.31	-359.33 -1,061.38	4.85 9.52	47,976.20 91,014.45	48,163,78 89,997,58	187,58 (1.816,87)	0.00 0.00
GNMA	2005 BCD Single Family	5.63	09/20/06	09/20/36			7.760.87				7,850.57	-1,001.38	0.79	7,760.87	7.829.22	(1,010.07) 68.35	0.00
GNMA	2005 BCD Single Family	5.13	09/26/06	09/20/35			37,438.30				37,871,25	-436 46	3.51	37,438.30	37.089.59	(348,71)	0.00
GNMA	2005 BCD Single Family	5.38	09/26/06	09/20/38			45,911,83				46,442.77	-536.00	5.06	45,911.83	46.091.67	179.84	0.00
GNMA	2005 BCD Single Family	5.38	10/05/05	10/20/36			77,253,49				78,147.58	-899.89	5,80	77,253.49	77,556.78	303.29	0.00
GNMA	2005 BCD Single Family	5.63	10/17/06	10/20/36			44,247.63				44,760.32	-516.01	3.32	44,247.63	44,572.78	325,15	0.00
GNMA	2005 BCD Single Family	5.13	10/05/06	10/20/36			72,096.84				72,931.25	-B39.73	5.32	72,098.84	71,292,49	(804.35)	0.00
GNMA	2005 BCD Single Family	5,38	10/17/06	10/20/36			49,505,42				50,079.03	-577.18	3.57	49,505,42	49,700.43	195.01	0.00
GNMA	2005 BCD Single Family	5.13	10/17/06	10/20/36			76,331.44				77,215.88	-889.61	5.17	76,331.44	75,622,15	(709.29)	0.00
GNMA	2005 BCD Single Family	5.63	10/24/08	10/20/36			43,352.39				43,855.02	-505,61	2.98	43,352.39	43,735,74	383,35	0.00
GNMA	2005 BCD Single Family	5.38	10/24/06	10/20/36			81,854.99				62,572.13	-720.39	3.25	81,854,99	62,099.09	244.10	0.00
GNMA	2005 BCD Single Family	5.13	10/24/06	10/29/36			81,108,18				82,048.54	-944.71	4,35	81,105.18	80,355.08	(753.12)	0,00
GNMA GNMA	2005 BCD Single Family	5.38	11/02/06	11/20/38			45,640.28				46,169.90	-530.95	1.33	45,540.28	45,820.66	180,58	0.00
	2005 BCD Single Family	5.13	11/02/06	10/20/36			47,535.33				48,086.94	-553.00	1.39	47,535,33	47,094.43	(440.9D)	0.00
GNMA GNMA	2005 BCD Single Family	5.63 5.38	11/14/06	11/20/36 10/20/38			37,871,38				38,311.31	-440.5B	0.85	37,871.38	38,207.10	335.72	0.00
GNMA	2005 BCD Single Family 2005 BCD Single Family	5.13	11/14/06 11/14/06	11/20/36			32,325.96				32,704.51	-376.10	0.55	32,328.96	32,457,26	128.30	0.00
GNMA	2005 BCD Single Family 2005 BCD Single Family	5.1a 5.38	11/21/06	11/20/36			44,082.91 59.833.42				44,595.00	-512.84	0.75	44,082,91	43,674.56	(408.35)	0.00
GNMA	2005 BCD Single Family	5.63	11/21/08	11/20/36			59,833.42 16.998.26				60,528.96	-696.08	0.54	59,833.42	60,071.36	237.94	0.00
GNMA	2005 BCD Single Family	5.13	11/21/06	11/20/36			30,413,31				17,195.86	-197.75	0.15	16,998.26	17,123.81	125.55	0.00
GNMA	2005 BCD Single Family	5.38	11/28/08	11/20/36			46,873,46				30,756.85	-353,82	0.27	30,413,31	30,131.83	(281.48)	0.00
GNMA	2005 BCD Single Family	5,63	11/28/06	11/20/36			5,958.19				47,418.68 6,027.50	-545.31 -69.32	0.09 8.01	46,873.46 5.958.19	47,080.19	188.73	0.00
GNMA	2005 BCD Single Family	5.13	11/28/08	11/20/36			8,684.70				8,785,72	-09.32 -101.04	0.01	-,	6,011.11	52.92	0,00
FNMA	2005 BCD Single Family	5.38	08/09/06	08/01/36	12,849.03	12,649,03	0.67				12.913.60	-64.89	0.02	8,684.70	8,604.38	(80.32)	0.00
FNMA	2005 BCD Single Family	5.13	08/10/06	07/01/36	B 015 43	7.803.04	2.19				B,066.48	-49.54	0.78	12,849.70 8.017.62	12,781.75 7,882.49	132.05 77.26	0.00 00.0
FNMA	2005 BCD Single Family	5.38	08/23/06	08/01/36	12,399.58	12.206.65	20.55				12,481.98	-62.52	0.77	12,420.13	12,354,54	127.34	0.00
FNMA	2005 BCD Single Family	5.63	08/23/06	08/01/36	15,020.88	15,920,54	21.06				16,121.83	-80.91	1.02	16,041.94	15,354,54 15,048,87	127.34	0.00
FNMA	2005 BCD Single Family	5.13	08/23/06	08/01/36	17,975.18	17,498.99	16,65				18,101,60	-111.33	1.54	17,991.81	17,688.71	173.07	0.00
FNMA	2005 BCD Single Family	5.38	09/06/06	09/01/36			21,209.36				21,315,11	-107.11	1.36	21,209.36	21,097,48	(111,88)	0.00
FNMA	2005 BCD Single Family	5.63	09/06/06	08/01/36			7,961.95				8,021,75	-40.19	0.39	7,981.95	7,984.45	2.50	0.00
FNMA	2005 BCD Single Family	5.13	09/12/06	09/01/36			25,291.26				25,417.44	-127.42	1.24	25,291,26	24.837.67	(453.59)	0.00
FNMA	2005 BCD Single Family	5.38	09/12/06	09/01/36			20,117.08				20,217.44	-101.43	1.07	20,117.08	20.011.01	(106.07)	0.00
FNMA	2005 BCD Single Family	5.63	09/20/06	09/01/36			9,751.58				9,800.27	-49.10	0.41	9,751.58	0,754,70	3.12	0.00
FNMA	2005 BCD Single Family	5.38	09/20/06	09/01/36			18,622.94				18,715.93	-93.84	0.85	18,622,94	18,524.84	(99,10)	0.00
FNMA	2005 BCD Single Family	5.13	09/20/08	09/01/36			15,214.25				15,290.22	-76.63	0.66	15,214.25	14,941.46	(272.79)	0.00
FNMA FNMA	2005 BCO Single Family	5.38	09/26/06	09/01/36			20,335.09				20,436,67	-102.44	0.56	20,335.09	20,228.01	(107.08)	0.00
FINDO	2005 BCD Single Family	5.3B	10/05/06	09/01/36			33,369.43				33,536.24	-167.91	1.10	33,369,43	33,193.03	(175.60)	0.00

FNMA	2005 BCD Single Family	5,63	10/17/06	09/01/36			40 070 01										
FNMA	2005 BCD Single Family	5.13	10/17/08	10/01/36			16,079.34 34,219.74				16,159.82	-60.00	0.40	16,079.34	16,084.68	5.34	0.00
FNMA	2005 BCO Single Family	5.38	10/17/06	10/01/36			33,700.51				34,391.01	-172.15	88.0	34,219.74	33,606.55	(613.19)	0.00
FNMA	2005 BCD Single Family	5.38	10/24/06	11/01/36			44,011.03				33,869.18	-169.66	0.99	33,700.51	33,523.38	(177.13)	0.00
FNMA	2005 BCD Single Family	5.38	11/02/06	11/01/36			44,304,26				44,231.44	-221.51	1.30	44,011.03	43,779.84	(231,19)	0.00
FNMA	2005 BCD Single Family	5.63	11/02/06	10/01/36			12,925.82				44,526.32	-222.63	0.57	44,304.26	44,071.71	(232.55)	0.00
FNMA	2005 BCD Single Family	5.13	11/02/06	10/01/35			23,374.83				12,990.61	-64.05	0.16	12,925,82	12,930.20	4.38	0.00
FNMA	2005 BCD Single Family	5.38	11/14/06	11/01/38			27.897.69				23,491.99	-117,45	0.30	23,374.03	22,956,14	(418.69)	0.00
FNMA	2005 BCD Single Family	5.63	11/14/08	11/01/36			11,708.50				28,037.89	-140.18	0.19	27,897.89	27,751.62	(146.27)	0.00
FNMA	2005 BCD Single Family	5.13	11/14/06	11/01/36			11,080.20				11,767.26 11.135.81	•58.84 •55.68	0.08	11,708.50	11,712.54	4.04	0.00
FNMA	2005 BCD Single Family	5.38	11/21/06	10/01/36			13.813.49				13,681.85	-55.65 -58.41	0.07	11,080.20	10,881.80	(198.40)	0.00
FNMA ·	2005 BCD Single Family	5.63	11/21/06	11/01/38			8 566,73				8,609.75	-68.41 -43.05	0.05 0.03	13,613,49	13,542,16	(71.33)	00,0
FNMA	2005 BCD Single Family	5.13	11/21/08	11/01/36			5,235.97				5,262,27	-43.00 -26.31	0.U3 0.D1	8,566.73	8,569.71	2.98	0.00
FNMA	2005 BCD Single Family	5.38	11/28/06	11/01/36			9.930.40				9,980.30	-20.31 -49.90	-1	5,235.97	5,142.24	(93.73)	0.00
FNMA	2005 BCD Single Family	5.13	11/28/06	11/01/36			6,599,05				6,632.21	-49.80 -33,16	0.00	9,930,40	9,878.40	(52.00)	0.00
FNMA	2005 BCD Single Family	5,63	11/28/05	11/01/35			8,774.17				6,918.26	-44.09	0.00 00.00	6,599.05	6,480.93	(118.12)	0.00
FNMA	2005 BCD Single Family	6,15	05/01/96	04/01/26	262,448.26	266,902,98	4,771.17		(2,313,13)		281,438.14	9.00	-1,303.01	8,774.17 260,135,13	8,777.26 267.265.59	3.09	0.00
FNMA	2005 BCD Single Family	6.15	06/01/96	05/01/26	204,663,16	207.859.40			(1,898.90)		203,513.57	0.00	-747.31	202,766.26	201,205.59 208,049.88	2,675.74	0.00
FNMA	2005 BCD Single Family	6.15	07/01/96	06/01/26	228,315,09	232,426,16			(3,543.44)		226,124.10	0.00	-1,352.45	224,771.65		2,087.38	0.00
FNMA	2005 BCD Single Family	6.15	08/01/96	07/01/26	252,199.29	256,797.50			(3,724.98)		250,024.22	0.00	-1,549,91	248,474.31	231,164.41 255.597.25	2,281.69 2,524.73	0.00 0.00
FNMA	2005 BCD Single Family	6.15	08/01/98	08/01/26	223,331,09	225,241.22			(1,840,20)		221,847.63	0.00	-356.74	221,490,89	225,692.25	2,524.73	
FNMA	2005 BCD Single Family	6.15	09/01/96	08/01/26	221,671.57	223,304,92			(3,674.61)		218,095.11	0.00	-98.15	217,996,96	223,092,23	2,244.38	0.00
FNMA	2005 BCO Single Family	6.15	10/01/96	10/01/26	518,765.05	522,485,55			(10,325,85)		508,569.91	0.00	-130.71	508,439.20	517,383.41	5,223,71	00,0 00.0
FNMA	2005 BCD Single Family	6.15	12/01/98	11/01/26	295,314.64	297,561.18			(7,825.55)		287,685,58	0.00	-196,49	287,489,09	292,671.17	2,935,54	0.00
FNMA	2005 BCD Single Family	6,15	03/01/97	01/01/27	247,821,53	249,534.00			(2,806.38)		245,015.15	B.00	0.00	245,015,15	249.261.28	2,533,66	0.00
FNMA	2005 BCD Single Family	6.15	07/01/97	03/01/27	36,858,33	37,132.23			(1,541.09)		35,335.30	0.00	-18.06	35,317.24	35.947.66	356.52	0.00
FNMA	2005 BCD Single Family	6.15	09/01/97	07/01/27	254,572.63	257,630,04			(53,178.95)		201,393.68	0.00	0.00	201,393.68	205,963.29	1,512.20	0.00
GNMA	2005 BCD Single Family	6.15	07/01/96	07/20/26	1,415,028.07	1,435,479.79			(63,431.13)		1,359,979.86	0.00	-8,382,92	1,351,596.94	1.380.977.94	8,929,28	D.00
GNMA	2005 BCD Single Family	6.15	03/01/98	03/20/26	453,674.40	460,273.15			(54,770.32)		401,413.72	0.00	-2,509.64	398,904.08	407,811.54	2,106.71	0.00
GNMA	2005 BCD Single Family	6.15	08/01/98	07/20/26	1,069,397.72	1,084,910,30			(57,650.38)		1,017,983.51	0.00	-6,236.17	1.011.747.34	1,033,701,17	8,541.25	0.00
GNMA GNMA	2005 BCD Single Family	6.15	04/01/96	04/20/26	457,849.86	464,424.28			(48,218.90)		412,133.85	0.00	-2,502.89	409,630.96	410,497,20	2,291.82	0.00
	2005 BCD Single Family	6.15	05/01/96	05/20/26	1,072,086.88	1,087,468.08			(9,076,58)		1,069,492.16	0.00	-6,507.86	1,062,984,30	1,088,005.11	7,613.61	0.00
GNMA GNMA	2005 BCD Single Family	6 .15	05/01/96	05/20/26	825,477.98	634,609.48			(68,867.93)		560,142.31	0.00	-3,532,26	556.610.05	558,790.90	3,049.35	0.00
GNMA	2005 BCD Single Family	6.15	06/01/98	06/20/26	1,678,302,67	1,702,614.40			(223,856.43)		1,453,515.65	0.00	-9,089.41	1,454,446.24	1,486,112.32	7,354.35	0.00
GNMA	2005 BCD Single Family	6.15	00/01/98	06/20/26	385,547.01	391,050.94			(3,072.60)		384,780.40	0.00	-2,305,99	382,474.41	390,721.41	2,743.07	D.00
GNMA	2005 BCD Single Family	6.15	07/01/96	06/20/26	1,542,627.35	1,584,471.47			(156,100.43)		1,394,729.33	0.00	-8,202.41	1,366,526,92	1,418,263.96	7.892.92	0.00
GNMA	2005 BCD Single Family	6.15	08/01/96	09/20/26	1,042,150.89	1,052,716.48			(36,665,61)		1,007,452.99	0.00	-1,987.71	1,005,465.28	1,023,008.06	6,977.19	0.00
GNMA	2005 BCD Single Family	6.15	09/01/96	09/20/26	482,133.29	488,673.59			(4,787.43)		477,952.39	0.00	-806.53	477,345.86	485,331.97	3,445.81	0.00
GNMA	2005 BCD Single Family 2005 BCD Single Family	6.15	09/01/98	09/20/26	398,131.03	402,044.92			(5,255.67)		393,532.75	0.00	-858.39	392,874.36	399,608.90	2,820.65	0.00
GNMA	2005 BCD Single Family	6.15	10/01/98	10/20/26	1,196,476.81	1,207,851.81			(12,065.74)		1,188,020.50	0.00	-1,609.43	1,184,411.07	1,204,332.67	8.546.60	0.00
GNMA	2005 BCD Single Family	6.15	12/01/96	12/20/26	434,299.64	438,291.19			(3,055,92)		431,696.14	0.00	-452.42	431,243.72	438,381,52	3,126.25	0.00
GNMA	2005 BCD Single Family	6.15	01/01/97	12/20/26	906,053.19	915,207.99			(6,121.16)		901,696.85	0.00	-964.82	900,732.03	915,619.03	6.532.20	0.00
GNMA	2005 BCD Single Family	6.15 6.15	01/01/97 02/01/97	01/20/27	018,127.47	624,845.31			(5,260.21)		614,432.84	0.00	-1,565.58	612,867.26	623,809.09	4,223,99	0.00
GNMA	2005 BCD Single Family	6.15	02/01/97	02/20/27 02/20/27	508,348.98	513,856,22			(3,855.22)		505,765.77	0.00	-1,272.01	504,493,76	513,483.75	3,482.75	0.00
GNMA	2005 BCD Single Family	5.15	02/01/97	02/20/27	220,761.40	222,910.12			(1,432.05)		219,646.08	0.00	-316.73	219,329.35	222,097,88	1,519.81	0.00
GNMA	2005 BCD Single Family	6.15	04/01/97	04/20/27	614,841.81	620,361.49			(56,928.83)		558,305.47	0.00	-392.49	557,912.98	566,825.21	3,392.55	0.00
GNMA	2005 BCO Single Family	6.15	06/01/97	04/20/27	228,517.08 290,424.38	230,404.61 292,951.31			(1,391.03)		227,128.03	0.00	0.00	227,126.03	230,591.97	1,578.39	0.00
GNMA	2005 BCD Single Family	6.15	08/01/97	07/20/27	345,473.27	350,690,20			(2,275.62)		286,273.30	0.00	-124.54	288,148.76	292,672,35	1,996.68	0.00
GNMA	2005 BCD Single Family	6.15	09/01/97	09/20/27	653.060.54	658,825.75			(7,974.05)		339,761.38	-4,115.39	1,853.25	337,499.22	344,946.13	2,229,98	0.00
GNMA	2005 BCD Single Family	6.15	02/01/98	02/20/28	191,238,36	192,842,86			(4,021,15)		649,400.46	0.00	-361.07	649,039.39	659,310.32	4,505.72	0.00
GNMA	2005 ECD Single Family	5.15	03/01/98	01/20/28	267,378.06	269,621.36			(1,036.99)		190,201.39	0.00	+0,02	190,201.37	193,079.12	1,273.25	0.00
GNMA	2005 BCD Single Family	6.15	04/01/98	04/20/28	278.783.74	279.105.95			(3,570.89)		263,807.17	0.00	0.00	263,607,17	267,798.57	1,748.10	0.00
GNMA	2005 BCD Single Family	6.15	06/01/98	05/20/28	397,294.57	400.627.88			(4,493.37)		272,290,37	0.00	0.00	272,290.37	276,410,11	1,797.53	0.00
GNMA	2005 BCO Single Family	6.15	07/01/98	06/20/28	196,563.32	200,229,26			(2,560.31) (2,208,98)		394,734.26	0.00	0.00	394,734.26	400,706.59	2,639,02	0.00
GNMA	2005 BCD Single Family	6.15	09/01/98	07/20/28	380,704,97	363,099.09			(2,859.68)		196,354.34 377,845.29	0.00 0.00	0.00	196,354.34	199,325.17	1,304.89	0.00
GNMA	2005 BCD Single Family	6.15	11/01/98	10/20/28	749,786.99	755,077,70			(4,302.90)		745,484.09	0.00	0.00 0.00	377,845,29	363,562.10	2,522.69	0.00
Repo Agmt	2005 BCD Single Family	5.29	11/30/08	12/01/06	2.717,161.54	2.717,161.54		(1,799,132,50)	(4,302.80)		918,029.04	0.00	0.00	745,484.09	756,763.27	4,988.47	0.00
	2005 BCD Single Family Total			***	28,294,365.66	28,547,848.30	1,797,088.13	(3,757,442.85)	(949,859.59)	0.00	810,029.04	0.00	U.Du	918,029.04	918,029.04		0.00
					•			,	(U,UU				25,384,151,35	25,778,484,85	140,050.66	0.00
GIC's	2006 ABCDE Single Family	5.25	06/28/06	12/31/07	7,166,380.19	7,166,360.19		(2,597,571,75)			4,570,808.44	0.00	0.00	4.570.808.44	4,570,808.44		* **
Repa Agmt	2006 ABCDE Single Family	5,29	11/30/06	12/01/06	2,953,932.99	2,953,932.99		(2,842,724.95)			111,208.64	0.00	0.00	111,295,04	4,570,808.44 111,205.04	•	0.00 00.0
GIC's	2006 ABCDE Single Family	4.73	06/28/06	OB/31/37	888,413.00	888,413.00	2,283,739.79				3,172,152.79	0.00	0.00	3,172,152.78	3,172,152.79	•	0.00
Repo Agmt	2006 ABCDE Single Family				13,245.92	13,245.92		(13,245,92)			5,712,102.75	0.00	0.00	3,112,132.10	2,112,102.18	•	
GIC's	2006 ABCDE Single Family	4.73	06/28/06	08/31/37	1,600,000.00	1,600,000.00	13,274,81				1,613,274,81	0.00	0.00	1,613,274.81	1,613,274.81		0.00 00.0
FNMA	2006 ABCDE Single Family	6.25	04/15/97	03/01/27	309,617,83	313,014.35			(2,239.53)		307,378.30	0.00	0.00	307,378.30	313,808,66	3,033,B4	
FNMA FNMA	2006 ABCDE Single Family	6,25	05/29/97	05/01/27	329,449.25	333,063.33			(64,030.12)		285,419,13	0.00	0.00	265,419.13	270,971.71	1,938,50	0.00 0.00
FNMA FNMA	2006 ABCDE Single Family	6.25	08/28/97	05/01/27	313,486.09	316,925.01			(2,221.29)		311,264.60	0.00	0.00	311,254.00	317,776.43	3,072.71	0.00
FNMA FNMA	2006 ABCDE Single Family	6.25	08/18/97	06/01/27	136,086.00	138,252.50			(1,108.70)		134,977.30	0.00	0.00	134,977.30	138,470,53	1,326.73	0.00
FNMA FNMA	2006 ABCDE Single Family 2006 ABCDE Single Family	6.25	09/29/97	08/01/27	265,065.27	269,285.11			(38,726.71)		226,339.56	0.00	0.00	226,339,56	232,197.20	1,520.73	0.00
GNMA		6,25	01/29/98	11/01/27	266,867.39	271,115.91			(3,268.23)		263,599.16	0.00	0.00	263,599.16	270,421,11	2,573.43	0.00
GNMA	2006 ABCDE Single Family	6.25	03/18/97	02/20/27	2,522,371.25	2,553,169.41			(80,965.98)		2,441,405.27	0.00	0.80	2,441,405.27	2,488,084.94	15,881,51	0.00
GNMA GNMA	2006 ABCDE Single Family 2006 ABCDE Single Family	6.25	04/15/97	04/20/27	1,037,553.51	1,050,232.15			(8,468,36)		1,031,095.15	0.00	0.00	1,031,095,15	1.050.809.69	7,045,90	0.00
GNMA	2006 ABCDE Single Family 2006 ABCDE Single Family	6.45 6.25	04/29/97 04/29/97	04/20/27	366,406.35	375,828.06			(2,076.06)		366,332.29	0.00	0.00	366,332.29	376,171.94	2,419,94	0.00
GNMA	2006 ABCDE Single Family 2006 ABCDE Single Family			04/20/27	755,589.75	764,815.43			(6,182.29)		749,407.46	0.00	8.00	749,407.46	763,736.07	5,102.93	0.00
GNMA	2006 ABCDE Single Family	6.25 6.45	05/15/97 05/29/97	05/20/27	1,182,924.01	1,197,367.46			(246,571.47)		936,352.54	0.00	0.00	936,352.54	954,255,55	3,459.56	0.00
GNMA	2006 ABCDE Single Parilly 2006 ABCDE Single Family	6.25	05/29/97 06/17/97	05/20/27 06/20/27	129,925,76	132,542.48			(785,32)		129,160.44	0.00	0.00	129,160.44	132,629.71	852.55	0,00
GNMA	2006 ABCDE Single Family	5.25 5.25	06/26/97	06/20/27 06/20/27	1,783,537,19	1,805,314.14			(54,855.63)		1,728,681.56	0.00	0.00	1,728,681.56	1,761,733.91	11,275.40	0.00
GNMA	2008 ABODE Single Family	6.45	07/15/97	05/20/27	468,242.93 345,751.40	473,960.24			(3,421.64)		464,621.29	0.00	0.00	464,821.29	473,708.74	3,170.14	0.00
•	· · · · · · · · · · · · · · · · · · ·	3.73	31,13,01	us/Ed/Ef	ə4ə,/ə3.4U	352,714.89			(3,685.66)		342,065.74	0.00	0.00	342,085.74	351,253.68	2,224.45	0.00

GNMA	2006 ABCDE Single Family	6.25	07/15/97	08/20/27	595,301.55	602,570.20										
GNMA	2008 ABCDE Single Family	6.25	07/30/97	07/20/27	680.455.98				,802.74)	590,498.81	0.00	0.00	590,498,81	601,789.18	4,021.70	0.00
GNMA					,	688,764.34		(4	(165.96)	576,290,02	0.00	0.00	676,290.02	689,220.67	4.622.28	0.00
	2006 ABCDE Single Family	6.25	08/18/97	07/20/27	1,451,884,73	1,469,612.27		(12	,597,94)	1,439,286.79	0.00	0.00	1,439,286.70	1,466,805,98	9,791.65	0.00
GNMA	2006 ABCDE Single Family	5.25	08/28/97	08/20/27	1,290,799.16	1,407,780,78		(13	(,340.45)	1,377,458.71	0.00	0.00				
GNMA	2006 ABCDE Single Family	6.45	08/28/97	08/20/27	300.002.02	306.044.05							1,377,458.71	1,403,795.69	9,355,38	0.00
GNMA	2006 ABCDE Single Family	8.25			,				,872.45)	298,129.57	0.00	0,00	298,129.57	306,137.32	1,965.72	0.00
			09/18/97	09/20/27	423,738.35	428,912.17		(77 ,	,058.66)	346,679.69	0.00	0.00	346,679,69	353,308.19	1,454.68	0.00
GNMA	2006 ABCDE Single Family	6.25	09/29/97	09/20/27	504,979.99	511,145.81		(6.	.701.89)	495,278.10	0.00	0.00	498,278.10	507,805.19	3,381,27	0.00
GNMA	2006 ABCDE Single Family	6.25	10/15/97	09/20/27	534,171.80	540,694.08		zán.	323.50)	485,648,30	0.00	0.00				
GNMA	2006 ABCDE Single Family	6.45	10/15/97	08/20/27	66,671,27	68,014,02						0,20	485,848.30	495,137.76	2,767.18	0.00
GNMA	2006 ABCDE Single Family	6.25	10/30/97						(411.52)	66,259.75	0.00	0.00	68,259.75	68,039.48	436.98	0.00
				10/20/27	536,168.71	542,715.33		(13,	,092.67)	523,076.04	0.00	0.00	523,076.04	533,077.25	3,454.59	0.00
GNMA	2006 ABCDE Single Family	8.25	11/17/97	10/20/27	457,508.54	463,094,73		(39.	,539,67)	417,969,87	0.00	0.00	417,969.87	425,961.46	2,405,40	0.00
GNMA	2006 ABCDE Single Family	6.45	11/25/97	10/20/27	365,758.66	374.145.16			.977.26)	364,781.40	0.00	0.00	364,781,40			
GNMA	2006 ABCDE Single Family	6.25	11/25/97	11/20/27	531,784.11	538.277.16								374,579.41	2,411.51	0.00
GNMA	2006 ABCDE Single Family	6.25	12/17/97	11/20/27					,439.38)	528,344.75	0.00	0.00	528,344.75	538,446.67	3,608.87	0.00
GNMA					794,400.53	804,100,16		(48,	,801.70)	745,598,63	0.08	0,00	745,598.83	759,854.69	4,558.23	0.00
	2006 ABCDE Single Family	6.25	D1/29/98	01/20/28	1,118,030.26	1,131,882.65		(65.	676.92)	1,052,353,34	0.00	0.00	1.052,353,34	1,072,411.19	8.205.46	0.00
GNMA	2006 ABCDE Single Family	5.45	02/12/98	12/20/27	310,574.76	316,829.76			728.42)	308,645.34	0.00	0.00	308.846.34			
GNMA	2006 ABCDE Single Family	6.45	04/16/98	02/20/28	479,810.94	489.608.94								317,141.98	2,040.64	0.00
GNMA	2006 ABCDE Single Family	6.25	04/29/98	04/20/28					,222.39)	478,588,55	0.00	0.00	478,588.55	489,418.58	3,032.03	0.00
GNMA	2000 ADODE Single Family				758,470.98	767,868.46		(6,	,053,31)	752,417.67	0.00	0.00	752,417.67	766,758.78	4.943.63	0.00
	2006 ABCDE Single Family	6,25	07/06/98	05/20/28	211,558.41	214,177.40		(59)	647.23)	151,909,18	0.00	0.00	151,909,18	154,804,37	274.20	0.00
GNMA	2006 ABCDE Single Family	6.45	08/13/98	06/20/28	208,216.58	212,488.34			(80.68)	206,329,90	0.00	0.00	206,329.90	211,884.30	1,302.62	0.00
GNMA	2005 ABCDE Single Family	6.25	08/27/98	07/20/28	295,397,37	299,057.34			,049.03)							
GNMA	2008 ABCDE Single Family	6.25	09/24/98	08/20/28						291,747.74	0.00	0.00	291,747.74	297,308,46	1,900.75	0.00
GNMA					131,346,36	132,973,72			(679.31)	130,667.05	0.00	0.00	130,667.05	133,157.54	663,13	0.00
	2006 ABCDE Single Family	6.25	10/01/98	08/20/28	161,783.67	163,788.36		{1,	,112.00)	160,671.87	0.00	0.00	180.671.87	183,734.25	1,057.89	0.00
GNMA	2006 ABCDE Single Family	6.25	10/29/98	09/20/28	118,534.95	120,003.61			(975.19)	117,559.76	0,00	0.00	117,559.76	119,800,47	772.05	
GNMA	2006 ABCDE Single Family	8.45	12/15/98	09/20/28	288,814,18	292,670.92			.265.77)	283,548,41	0.00					0,00
GNMA	2006 ABCDE Single Family	6.25	12/29/98	10/20/28	1.068.512.12	1.081.751.02						0,00	283,548.41	291,181.54	1,776.39	0.00
GNMA	2006 ABCDE Single Family								,836,62)	1,061,675.50	0.00	0.00	1,061,675.50	1,081,911.07	6,996,67	0.00
		6.45	01/28/99	11/20/28	39,235.55	40,037.76		((187.18)	39,049.37	0.00	0.00	39,049.37	40,100.58	250.00	0.00
GNMA	2006 ABCDE Single Family	5.45	03/18/99	02/20/29	564,048.95	556,251.80			824.28)	560,222.67	0.00	0.00	560,222.67	559,735.26	7,307.74	
GNMA	2006 ABCDE Single Family	5,45	05/24/99	05/20/29	563,902,70	556 109 55			428.70)							0.00
GNMA	2006 ABCDE Single Family	5.45	07/29/99	06/20/29	731,171,06	,				580,474.00	0.00	0.00	560,474.00	559,986.37	7,305.52	0.00
GNMA						721,066.30			,526.11)	652,644.95	0.00	0.00	652,644.95	652,077.18	9,536.99	0.00
	2006 ABCDE Single Family	5.45	10/14/99	08/20/29	281,209.65	277,323.55		(62,	999.96)	218,209.89	0.00	0.00	210,209.89	218,020,08	3,698.49	0.00
GNMA	2006 ABCDE Single Family	5.45	06/26/99	07/20/29	465,588.42	478,875.64		(2.)	622.75)	482,963.67	0.00	0.00	482,963,67	482,543.51		
GNMA	2006 ABCDE Single Family	6.25	10/20/99	07/20/29	193,594.44	196,071.08			189.63)	192,524.81					6,290.62	0.00
GNMA	2006 ABCDE Single Family	6.25	11/23/99	10/20/29	46,838,94	47,413.65					0.00	0.00	192,524.81	196,107.71	1,208.26	0.00
GNMA	2006 ABCDE Single Family	5.45							(214.38)	46,624.56	0.00	0.00	46,624.56	47,492.24	292.97	0.00
			12/01/99	10/20/29	191,182.36	188,540.22		(1,-	441.07)	189,741.29	0.00	0.00	189,741.29	189,576,21	2,477.06	0.00
GNMA	2006 ABCDE Single Family	5.45	01/27/00	12/20/29	1,165,328.85	1,149,224.01		(8)	725.68)	1,158,602.99	0.00	0.00	1,158,602,99	1,157,595,01	15,096,88	
GNMA	2006 ABCDE Single Family	8.25	01/27/00	12/20/29	265,300.31	268,555,58			420.51)	263.879.80	0.00					0.00
FNMA	2006 ABCDE Single Family	5.45	01/28/00	07/01/29	227,367.35	224,898,11						0.00	263,879.60	268,790.63	1,655,56	0.00
FNMA	2008 ABCDE Single Family	6.25	01/26/00						,551.77)	175,815.58	0.00	0.00	175,815.58	176,562.76	3,216.42	0.00
GNMA			21741100	09/01/29	202,565.33	205,822.58		(1,5	,522.26)	201,043.07	0.00	0.00	201,043.07	206,187.76	1,887.44	0.00
	2006 ABCDE Single Family	5.13	08/10/06	07/20/36	784,978.76	777,254.01	6,597.94			805,673,96	-9,220,66	123.40	791,578.70	784,145.05	298.10	0.00
GNMA	2006 ABCDE Single Family	5.38	08/16/06	08/20/36	367.331.88	368,660.55	3.214.05			374,814.68	-4,323.69	54.92	370.545.91			
GNMA	2006 ABCDE Single Family	5.63	08/16/08	08/20/36	239,688,59	242,812.59	2,133.08							371,981,08	106.48	0.00
GNMA	2006 ABCDE Single Family	5.38	08/23/06							244,607.51	-2,821,26	35.42	241,821.67	243,942.19	(1,003.48)	0.00
GNMA	TRUE ADODE SINGLE FAITHLY			08/20/36	637,650,83	639,962.55	5,584.97			850,850.62	-7,505.55	90,73	643,235.80	845,731.71	184.19	0.00
	2006 ABCDE Single Family	5.13	08/23/06	08/01/36	1,012,212.21	1,000,380.18	7,532.66			1,031,478,98	-11.889.09	155.88	1.019.744.87	1,008,301.64	388 80	0.00
GNMA	2006 ABCDE Single Family	5.3B	09/06/06	08/20/36			2,598,529.17			2,626,500.17	-30,331,41	360.41				
GNMA	2006 ABCDE Single Family	5.63	09/08/08	09/20/36			969,442,27						2,596,529.17	2,605,643,84	10,114.67	0.00
GNMA	2006 ABCDE Single Family	5.13	09/06/08							980,632.27	-11,304.78	114.78	969,442.27	976,523.42	7,081.15	0.00
GNMA				08/20/36			2,514,173,70			2,543,142.64	-29,260.44	291,50	2.514.173.70	2,490,652,18	(23,521.52)	0.00
	2006 ABCDE Single Family	5.38	09/12/08	09/20/36			1,251,634.59			1,268,089,54	-14.621.10	166.15	1,251,634,59	1,256,517.91	4,883,32	0.00
GNMA	2006 ABCDE Single Family	5.13	09/12/06	09/20/36			1,667,332.57			1,706,819,33	-19,702,50	215.74	1,887,332.57			
GNMA	2006 ABCDE Single Family	5.83	09/12/06	09/20/38			368 309 22							1,671,590.57	(15,742.00)	0.00
GNMA	2006 ABCDE Single Family	5.38	09/20/06	09/20/36						372,562.77	-4,293.21	39.66	366,309.22	371,549,41	3,240.19	0.00
GNMA	2008 ABCDE Single Family	5.13					2,193,902.84			2,219,257.67	-25,577.49	222.46	2,193,902.84	2,202,480,29	8,577.45	0.00
GNMA			09/20/06	09/20/36			4,392,455.86			4,443,219.65	-51,223,21	459.42	4,392,455.86	4,343,380.50	(49,075.36)	0.00
	2006 ABCDE Single Family	5.63	09/20/08	09/20/36			354,897,27			358,998.84	-4,136.09	36.52	354,897.27	358,022,35	3,125,09	D.00
GNMA	2006 ABCDE Single Family	5.13	09/26/06	09/20/36			1,806,813.21			1,827,707.57	-21.054.18	169.83				
GNMA	2006 ABCDE Single Family	5.38	09/26/06	09/20/36			2,099,501.34						1,506,813.21	1,789,983.69	(16,829.52)	0.00
GNMA	2006 ABCDE Single Family	5.38	10/05/06	10/20/36						2,123,780.40	-24,510,94	231.88	2,099,501.34	2,107,724.62	0,223.28	0.00
GNMA							3,532,722.84			3,573,608.60	-41,151.12	265,46	3,532,722.94	3,546,592,12	13,869,18	0.00
	2006 ABCDE Single Family	5,63	10/17/08	10/20/36			2,023,399.17			2,046,843,72	-23.596.57	152.02	2,023,399.17	2,038,267.45	14.868.28	0.00
GNMA	2006 ABCDE Single Family	5,13	10/05/06	10/20/36			3,479,471.86			3,519,741.22	-40,526.44	257.08	3,479,471.88	3,440,652.63	(38,819.23)	0.00
GNMA	2006 ABCDE Single Family	5.38	10/17/06	10/20/36			2,263,832.39			2.290.662.77	-26,394.03	163,65				
GNMA	2006 ABCDE Single Family	5.13	10/17/06	10/20/36			3,683,838.34						2,263,832.39	2,272,749.90	8,917.51	0.80
GNMA	2006 ABCDE Single Family	5.63	10/24/06	10/20/36							-42,933.31	249.72	3,583,838,34	3,849,808.51	(34,231.83)	0.00
GNMA	2006 ABCDE Single Family	5.38					1,992,460,64			2,005,445.05	-23,120.98	136.57	1,982,460,64	1,099,090,23	17,529.59	0.00
			10/24/08	10/20/35			2,828,565,03			2,581,359,07	-32.942.70	145.66	2,828,565.03	2,839,727.19	11.182.16	0.00
GNMA	2006 ABCDE Single Family	5,13	10/24/08	10/20/36			3,914,368.81			3,959,751,53	-45,592,65	209,93				
GNMA	2006 ABCDE Single Family	5,38	11/02/06	11/20/38			2,087,083,35						3,914,368.81	3,878,022.25	(36,346.56)	0,00
GNMA	2006 ABCDE Single Family	5.13	11/02/06	10/20/36							-24,279.98	61.23	2,087,083.35	2,095,340.66	8,257.31	0.00
GNMA	2006 ABCDE Single Family	5.63					2,294,106,98			2,320,728.06	-26,688.37	67.29	2,294,105.98	2,272,828,23	(21,278.75)	0.00
			11/14/06	11/20/36			1,731,819.20			1,751,936.69	-20,147.27	29.78	1,731,819,20	1,747,171.42	15,352.22	0.00
GNMA	2006 ABCDE Single Family	5.38	11/14/06	10/20/36			1,478,370.16			1,495,543,49	-17,198,75	25.42	1,478,370.16	1,484,237.18		
GNMA	2006 ABCDE Single Family	5.13	11/14/05	11/20/36			2,127,489.25			2,152,203.00	-24.750.34				5,867,02	0.00
GNMA	2006 ABCDE Single Family	5.38	11/21/08	11/20/36			2,736,120.79					36.59	2,127,489.25	2,107,781.53	(19,707.72)	0.00
GNMA	2006 ABCDE Single Family	5.63	11/21/06	11/20/36							-31,831.16	24.91	2,736,120,79	2,747,001,51	10,880.72	0.00
GNMA							777,313.20			786,349.14	-9,043.02	7.08	777,313,20	783,054,34	5,741.14	0.00
	2006 ABCDE Single Family	5.13	11/21/06	11/20/36			1,467,779,81			1,484,842,14	-17.075.68	13.35	1,467,779.81	1,454,195.00	(13,584.81)	0.00
GNMA	2006 ABCDE Single Family	5.38	11/28/06	11/20/36			2,143,474.97				-24.936.69					
GNMA	2006 ABCDE Single Family	5.63	11/28/06	11/20/36			272,462.28					4.34	2,143,474.97	2,152,014,16	8,539.19	0,00
GNMA	2006 ABCDE Single Family	5.13	11/28/06	11/20/36						275,631.50	-3,169.76	0.54	272,482.28	274,881.78	2,419.50	0.00
FNMA	2006 ABCDE Single Family	5.13			500 Pr		419,133.03			424,008.28	-4,876.09	0.84	419,133.03	415,256.75	(3.878.28)	0.00
			08/09/08	08/01/36	567,573.22	578,427.35	30.53			590,525,68	-2,967,51	45.58	587,603.75	584,496,42	6.038.54	0.00
FNMA	2006 ABCDE Single Family	5.13	08/10/06	07/01/36	387,281.44	370,151.34		(3	347.02)	388,851.07	-1,946,79	3D.14	386.934.42			
FNMA	2005 ABCDE Single Family	5.38	08/23/06	08/01/36	567,020.05	558.197.49	939.79	,,						379,981.38	4,177.06	0.00
FNMA	2006 ABCDE Single Family	5.63	08/23/06	08/01/36	732.618.15					570,788.10	-2,863.73	35.47	567,959,84	564,960.35	5,823.07	0.00
FNMA	2006 ABCDE Single Family	5.13	08/23/06	08/01/38		728,034.51	963.55			737,234.70	-3,700.08	47.0B	733,581.70	733,806,57	4.808.51	0.00
. , , , , . , . ,					868,507.22	843,552.28		(2	211.94)	872,601.57	-4,365.85	59.56	866.295.28	852,697,53	9,357.21	0.00
FNMA	2006 ABCDE Single Family	5.38	09/08/06	09/01/36			989,882.46	,-	•	974,718.04	-4.898.08	62.50	969,882.48	984,766.16		0.00
							•			27-11-10.04	7,000.00	02.00	003,002.40	DU4,700.10	(5,116,30)	0.00

FNMA	2006 ABCDE Single Family	5.63	09/08/08	08/01/36			365,008.59			366.826.42	-1.837.73	47.00	777 057 50	40F 465 57		
FNMA	2008 ABCDE Single Family	5.13	09/12/06	09/01/36			1,220,584.18			1,228,673.39	-6,149.56	17.90 60.35	365,006,59 1,220,564,18	365,120.67	114.98	0.00
FNMA	2006 ABCDE Single Family	5,38	09/12/06	09/01/36			919.933.29							1,198,692.97	(21,891.21)	0.00
FNMA	2006 ABCDE Single Family	5.83	09/20/06	09/01/36			445,929.89			924,522.63 448.156.34	-4,638.40 -2,245.32	49.06	919,933,29	915,083.24	(4,850.05)	0.00
FNMA	2006 ABCDE Single Family	5.38	09/20/06	09/01/36			851.808.53				-1-1-1-1	18.87	445,929.89	446,072.41	142.52	0.00
FNMA	2006 ABCDE Single Family	5,13	09/20/06	09/01/36			734,256,73			855,860.45	-4,291.41	39.49	851,608.53	847,122.11	(4,488.42)	0.00
FNMA	2006 ABCDE Single Family	5.38	09/26/06	09/01/36						737,922.74	-3,698.47	32.46	734,256.73	721,090.72	(13,166.01)	0.00
FNMA							929,903.47			934,548.18	-4,684.25	39,54	929,903.47	925,006.45	(4,097.02)	0.00
FNMA	2006 ABCDE Single Family	5.38	10/05/06	09/01/36			1,525,949.78			1,533,577.80	-7,879,50	50.48	1,525,949.78	1,517,919.97	(8,029.81)	0.00
	2006 ABCDE Single Family	5 63	10/17/06	09/01/38			735,291.89			738,971.98	-3,698.78	18.69	735,291.89	735,535.76	243.87	0.00
FNMA	2006 ABCDE Single Family	5.13	10/17/08	10/01/36			1,651,481.86			1,659,747.41	-8,308.36	42.81	1,651,481.88	1,621,688.57	(29,593.29)	0.00
FNMA	2006 ABCDE Single Family	5.38	10/17/06	10/01/36			1,541,089.73			1,548,802.77	-7,758.22	45.1B	1,541,089,73	1,532,989,49	(8.100.24)	0.00
FNMA	2006 ABCDE Single Family	5.38	10/24/06	11/01/36			2,012,579.63			2,022,658.54	-10,129.53	50.62	2,012,579.63	2,002,007,19	(10.572.44)	0.00
FNMA	2006 ABCDE Single Family	5.38	11/02/06	11/01/36			2,025,986.43			2,038,142,68	-10,180,71	26.46	2,025,988,43	2,015,353.66	(10,634.77)	0.00
FNMA	2008 ABCDE Single Family	5.63	11/02/06	10/01/36			591,084.87			594,047,39	-2.970.24	7.72	591,084.87	591,285.07	260.20	0.00
FNMA	2006 ABCDE Single Family	5,13	11/02/08	10/01/38			1,128,095,00			1,133,749.01	-5.668.74	14.73	1,128,095.00	1,107,888.20	(20,206,60)	0.00
FNMA	2006 ABCDE Single Family	5.38	11/14/08	11/01/36			1,275,742,36			1,282,144.11	-6,410,72	8.97	1,275,742.36	1,269,053.42	(8.688.94)	0.00
FNMA	2006 ABCDE Single Family	5.63	11/14/06	11/01/36			535,417.9B			538,104,74	-2,690.52	3.76	535,417.98	535,602.55	184.57	0.00
FNMA	2006 ABCDE Single Family	5,13	11/14/06	11/01/36			534,742.82			537,426.19	-2.687.13	3.76	534,742.62	525,167.50	(9,575,32)	0.00
FNMA	2006 ABCDE Single Family	5.38	11/21/08	10/01/36			622,531.36			625,657.15	-3,128,28	2.49	622.531.36	619.269.19		
FNMA	2006 ABCDE Single Family	5.83	11/21/06	11/01/36			391,748.24			393,715.25	-1,968.57	1.58	391,748,24		(3,262.17) 135.23	0.00
FNMA	2006 ABCDE Single Family	5.13	11/21/05	11/01/36			252,693.93			253.962.73	-1,269.81	1.01		391,684.47	,	0.00
FNMA	2006 ABCDE Single Family	5.38	11/28/06	11/01/36			454,107.21			458,388.70			252,693.93	248,169.84	(4,524.09)	0.00
FNMA	2006 ABCDE Single Family	5.13	11/28/06	11/01/36			318,477,72				-2,281.94	0.45	454,107.21	451,728.97	(2.378.24)	0.00
FNMA	2006 ABCDE Single Family	5.63	11/28/06	11/01/36						320,077.79	-1,600,39	0.32	318,477.72	312,776.82	(5,700.90)	0.00
GIC's	2006 ABCDE Single Family	5.25	06/28/06	12/31/07	226.048.209.08	226,048,209,08	401,233.69	104 050 540 405		403,249.74	-2,016.25	0.40	401,233.89	401,374.63	140.74	0.00
Repa Agmt	2000 ABCDE Single Family	5.29	11/30/06	12/01/06	27.467.66			(84,039,340.49)		142,008,888.59	0.00	0,00	142,008,888.59	142,009,869.59	-	0.00
GNMA	2006 ABCDE Single Family	6.15	01/07/03			27,467.66		(1,429.82)		26,037.64	0.00	0.00	26,037.84	26,037,84	-	0.00
GNMA		6.15		12/20/32	5,828.47	5,916,19			(20.91)	5,857,25	0.00	-49.69	5,807.56	5,935.37	40.09	0.00
GNMA	2006 ABCDE Single Family		11/12/02	11/20/32	13,098.31	13,294,81			(46.11)	13,163.24	0.00	-111.04	13,052.20	13,338.81	90,11	0.00
GNMA	2006 ABCDE Single Family	5.40	11/12/02	10/20/32	13,852.73	13,539.97			(54.35)	13,714.01	0.00	+115.63	13,598.38	13,654.75	169.13	0.00
	2008 ABCDE Single Family	6,15	01/10/03	09/20/32	9,073.65	9,209.81			(39.03)	9,111.02	0.00	-77.20	9,033.82	9,232.21	62.23	0.00
GNMA	2006 ABCDE Single Family	5.40	09/26/02	09/20/32	11,829.47	11,731.31			(47.36)	11,881.60	0.00	-99.71	11,782.09	11,830.46	146.53	0.00
GNMA	2006 ABCDE Single Family	6.15	10/10/02	09/20/32	16,469.49	16,736,35			(4,507.59)	11,982.58	0.00	-100.68	11,861.90	12,142.44	13.68	0.00
GNMA	2006 ABCDE Single Family	5.40	10/10/02	09/20/32	3,532.73	3,503.44			(14.10)	3,548.45	0.00	-29.82	3,518.63	3,533,11	43.77	0.00
GNMA	2006 ABCDE Single Family	€.15	10/21/02	10/20/32	11,003.57	11,168.81			(40,42)	11,056.18	0.00	-93.03	10,963.15	11.204.05	75.66	0.00
GNMA	2006 ABCDE Single Family	6,15	10/29/02	10/20/32	8,448.05	6,544.72			(28.16)	6,474.41	0.00	-54.52	6,419.89	6,550.79	44.23	0.00
GNMA	2006 ABCDE Single Family	5.40	10/29/02	09/20/32	2,854.25	2,830,64			(16.02)	2,862,33	0.00	-24.10	2,838.23	2,849.95	35.33	0.00
GNMA	2006 ABCDE Single Family	6.15	11/05/02	10/20/32	3,113.29	3,160.00			(10.90)	3,128.76	0.00	-28.37	3,102.39	3,170.53	21.43	0.00
GNMA	2006 ABCDE Single Family	5.40	11/05/02	09/20/32	7,011.75	6,953.77			(32.48)	7,038.55	0.00	-59.28	6 979 27	7,008.13	BB B4	0.00
GNMA	2006 ASCDE Single Family	6,15	11/19/02	11/20/32	4,100.69	4,162,26			(14.24)	4,121.24	0.00	-34.79	4.086.45	4,178.22	28.20	0.00
GNMA	2006 ABCDE Single Family	5,40	11/19/02	11/20/32	5,017.61	4,978.21			(19.78)	5 040 38	0.00	-42.55	4,997.83	5,018.60	62.17	0.00
GNMA	2006 ABCDE Single Family	6.15	11/26/02	11/20/32	21,297.53	21,617,30			(84,01)	21,394.22	0.00	-180.70	21,213.52	21,679.60	149.31	0.00
GNMA	2006 ABCDE Single Family	5.40	11/26/02	11/20/32	13,605.60	13,493.63			(55.83)	13,665.39	0.00	-115.42	13,549,97	13,606.34	168.54	0.00
GNMA	2006 ABCDE Single Family	5.15	11/26/02	11/20/32	5,146.67	5,223.94			(19.35)	5,171.00	0.00	-43.6B	5,127,32	5,239.97	35.38	
GNMA	2006 ABCDE Single Family	5.40	11/26/02	11/20/32	7,299,82	7.239.66			(30.04)	7,331.71	0.00	-61.93	7,269.78	7,300.05	90.43	0.80 0.00
GNMA	2008 ABCDE Single Family	6.15	12/12/02	12/20/32	3,174.85	3,222.59			(10.96)	3,190.90	9.00	-27.01	3,163.89	3,233.47	90.43 21.84	0.00
GNMA	2006 ABCDE Single Family	5,40	12/12/02	12/20/32	5.464.77	5,419,83			(21.96)	5,489.27	0.00	-27.01 -45.45	5,442.81			
GNMA	2006 ABCDE Single Family	6.15	12/30/02	12/20/32	6,004,08	6.094.41			(39.51)	6,015.56	0.00	-40.40 -50.99		5,465.57	67.70	0.00
GNMA	2006 ABCDE Single Family	5.40	12/30/02	12/20/32	10,352.99	10,267.95			(40.5B)	10,400.47	0.00		5,964.57	6,095,60	40.90	0.00
GNMA	2006 ABCDE Single Family	6.15	12/30/02	12/20/32	8,796,05	8.928.39			,,			-88.16	10,312.31	10,355.53	128.26	0.00
GNMA	2006 ABCDE Single Family	5.40	12/30/02	12/20/32	5,114.51	5,072.51			(31.41)	8,839.57	0.00	-74.93	8,764.64	8,957.50	60.52	0.00
GNMA	2006 ABCDE Single Family	6.15	01/23/03	01/20/33	24.605.03				(20.02)	5,138.05	0.00	-43.56	5,094.49	5,115.05	63,36	0.00
GNMA	2006 ABCDE Single Family	5.40	01/23/03	01/20/33	8,984.19	24,965.68 8,909.61			(87.92)	24,728,26	0.00	-210,15	24,518.11	25,041,86	163.10	0.00
GNMA	2006 ABCDE Single Family	6.15	01/23/03	01/20/33	5,489.26	5.589.70			(35.31)	9,025.58	0.00	-76.70	8,948.BB	8,982.16	107.86	0.00
GNMA	2006 ABCDE Single Family	5.40	01/23/03	01/20/33	5,469.20	-,			(19.09)	5,517.06	0.00	-46.89	5,470.17	5,587.02	36.41	0.00
GNMA	2006 ABCDE Single Family	6.15	D1/30/03	01/20/33		5,129.07			(20.11)	5,198.02	0.00	-44.18	5,151.86	5,171.06	62.10	0.00
GNMA	2006 ABCDE Single Family	5.40	D1/30/03	01/20/33	18,011.25	18,275.29			(67.78)	18,097,36	0.00	-153.89	17,943.47	18,326.81	119.30	0.00
GNMA		5.40 6.15			17,250.08	17,106.94			(80.95)	17,316.38	0.00	-147.25	17,169.13	17,233.07	207.08	0.00
GNMA	2006 ABCDE Single Family 2006 ABCDE Single Family		02/12/03	02/20/33	21,338.51	21,651.63			(81,85)	21,429.18	0.00	-182.52	21,246.66	21,700.90	141.12	0.00
GNMA		6.15 5.40	02/20/03	02/20/33	8,677.57	8,804,94			(30.33)	8,721.58	0.00	74,34	8,647.24	8,832.15	57.54	0.00
GNMA	2006 ABCDE Single Family			03/20/33	5,920.91	5,871.97			(22.75)	5,948.94	0.00	-50.78	5,898.16	5,920.32	71.10	0,00
GNMA	2006 ABCDE Single Family	6.15	02/27/03	02/20/33	22,014.72	22,338.04			(75.40)	22,128.03	0.00	-188.71	21,939,32	22,408.63	145.99	0.00
GNMA	2006 ABCDE Single Family	5.40	02/27/03	01/20/33	5,372.25	5,327.77			(20.93)	5,397.34	0.00	-46.02	5,351.32	5,371.35	64.51	0.00
GNMA	2006 ABCDE Single Family	6.15	03/12/03	02/20/33	15,910.95	16,144.80			(55.91)	15,991.60	0.00	-136.56	15,855.04	16,194,38	105.49	0.00
	2006 ABCDE Single Family	6.15	03/24/03	03/20/33	7,929,69	8,046,36	•		(36.88)	7,960,89	0.00	+68,06	7,892.81	8.061.87	52.39	0.00
GNMA	2006 ABCDE Single Family	5.40	03/24/03	02/20/33	5,508.86	5,461.44			(23.50)	5,530.64	0.00	-47.28	5,483.36	5,504.05	66.11	0.00
GNMA	2006 ABCDE Single Family	B.15	04/02/03	04/20/33	10,076.64	10,224.97			(35.64)	10,127.71	0.00	-86.71	10.041.00	10,256.13	66.80	0.00
GNMA	2006 ABCDE Single Family	6.15	04/02/03	03/20/33	8,055,95	8,175.54			(27.33)	8,098,94	0.00	-69.32	8,029,62	8,201,64	53.43	0.00
GNMA	2006 ABCDE Single Family	6.15	04/10/03	03/20/33	15,992.66	16,228.11			(73.43)	18,056.74	0.00	-137.51	15,919.23	16.260.33	105.05	0.00
GNMA	2006 ABCDE Single Family	6.15	04/10/03	03/20/33	3,561.84	3,614.28			(12.09)	3,580.42	0.00	-30.67	3.549.75	3,625.81	23.62	0.00
GNMA	2000 ABCDE Single Family	5.40	04/10/03	01/20/33	4,576.69	4,538.99			(17.80)	4,598.25	0.00	-39.35	4,558.89	4.576.15	54.96	0.00
GNMA	2006 ABCDE Single Family	6.15	04/17/03	04/20/33	8,239.10	8,360.50			(27.97)	8.282.14	0.00	-71.Dt	8,211.13	6.367.18	54.95 54.65	00.0
GNMA	2006 ABCDE Single Family	6.15	04/24/03	04/20/33	8,520.66	8,646.23			(29.90)	8,564.24	0.00	-73.48	8.490.76	8,672.83	54,05 56.50	0.00
GNMA	2006 ABCDE Single Family	6.15	04/29/03	03/20/33	4,428.22	4,493.50			(15.40)	4,451.01	0.00	-38.19	4.412.82	4,507.47	29.37	0.00
GNMA	2006 ABCDE Single Family	6.15	05/08/03	04/20/33	2,590.60	2,629.79			(9.29)	2,603,68	0.00	-36.19	4,412.02 2,581.31			
GNMA	2006 ABCDE Single Family	6.15	05/08/03	04/20/33	4,236.68	4,299.18			(14.70)	4,258,57	0.00	-22.37 -36.59	2,581.31 4,221.98	2,638.87	17.17	0.00
GNMA	2005 ABCDE Single Family	6.15	05/15/03	04/20/33	9,012.59	9,145.61			(31.44)	9,059.02	0.00	-30.59 -77.87	4,221.98 8,981.15	4,312.58 9.173.94	28.10	0.00
GNMA	2006 ABCDE Single Family	6.15	05/22/03	05/20/33	3,220.35	3,267,94			(10.83)	3,237.38	0.00	-77.87 -27.86		-,,,-,-,	59.77	00.0
GNMA	2006 ABCDE Single Family	8.15	06/10/03	08/20/33	3,194.12	3,241.34			(10.86)				3,209.52	3,278.47	21,36	0.00
GNMA	2006 ABCDE Single Family	8.15	06/19/03	05/20/33	4,121.34	4,182,29			(13.76)	3,210.95 4,143,33	0.00 0.00	-27.69	3,183.28	3,251.6B	21.20	B.00
GNMA	2006 ABCDE Single Family	6.15	07/17/03	07/20/33	2,612.14	2,050.85			(8.88)			-35.75	4,107.58	4,195.88	27.35	0.00
GNMA	2006 ABCDE Single Family	6.15	07/17/03	07/20/33	4,719.21	4,789.13			(26.86)	2,625.99	0.00	-22.73	2,603.26	2,659,29	. 17.32	0.00
	-					-,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			(20.00)	4,733.32	0.00	-40.97	4,692.35	4,793.33	31.06	0.00

GNMA	2006 ABCDE Single Family	6 15	07/24/03	07/20/33	4,401,63	4 466 87	(15.20)	4.424.75	0.00	-38.32				
GNMA	2006 ABCDE Single Family	6.15	07/30/03	07/30/33	2,438.14	2,474.28	(8.07)	2,451.32	0.00		4,388.43	4,480.85	29.18	0.00
GNMA	2006 ABCDE Single Family	6.15	09/04/03	08/20/33	2,784.83	2,826.19	(9.10)	2,451.32	0.00	-21.25	2,430.07	2,482.39	16.18	0.00
GNMA	2006 ABCDE Single Family	6.15	09/29/03	09/20/33	8.354.79	8,479,13	(27.60)			-24.35	2,775.73	2,835.57	18.48	0,00
GNMA	2006 ABCDE Single Family	6.15	10/09/03	08/20/33	2,923.02	2,966.54		5,400.44	0.08	-73.25	8,327.19	8,506.96	55.43	0.00
GNMA	2006 ABCDE Single Family	6.15	01/15/04	12/20/33	3,297.92	3,347.32	(9.62)	2,939.05	0.00	-25.65	2,913,40	2,976.32	19.40	0.00
GNMA	2006 ABCDE Single Family	6.15	03/11/04	03/20/34	5,229.88	5,305.97	(10.59)	3,316.57	0.00	-29.24	3,287.33	3,358.63	21.90	0.00
GNMA	2006 ABCDE Single Family	5.40	07/08/04	05/20/34			(16.34)	5,259.17	0.00	-46.63	5,212.54	5,321.78	32,15	0.00
GNMA	2006 ABCDE Single Family	6.15	04/08/04	04/20/34	17,991.62	17,847.15	(63.53)	16,090.37	0.00	-162.28	17,928.09	17,993.51	210.19	0.00
GNMA	2006 ABCDE Single Family	5.40			2,010.85	2,040.55	(6.26)	2,022.58	0.00	-17,99	2,004.59	2,046.66	12.37	0.00
GNMA			06/17/04	06/20/34	42,513.18	42,171.02	(150,79)	42,745.09	0.00	-382.70	42,362.39	42,518.84	496.61	0.00
	2006 ABCDE Single Family	5.40	09/02/04	09/20/34	37,216.23	36,919.28	(193.68)	37,359.61	0.00	-337.06	37,022.55	37,160.12	434.52	0,00
GNMA	2006 ABCDE Single Family	5.40	09/09/04	09/20/34	52,764.62	52,244.87	(186.20)	53,057.43	0.00	-479.D1	52,578.42	52,675.43	616.76	0.00
GNMA GNMA	2006 ABCDE Single Family	5.40	09/16/04	09/20/34	47,752.81	47,372.32	(164.43)	48,022.22	0.00	-433.64	47,588.38	47,765.76	557.87	0.00
	2006 ABCDE Single Family	5.40	07/15/04	07/20/34	17,955,80	17,811.73	(67.31)	18,050,55	0.00	-162.06	17,888.49	17,954.15	209,73	0.00
GNMA	2006 ABCDE Single Family	5.40	07/22/04	07/20/34	18,132.22	17,986,88	(83.35)	18,212.50	0.00	-163.63	18,048.87	18,115.28	211.75	0.00
GNMA	2006 ABCDE Single Family	5.40	07/29/04	07/20/34	24,178.70	23,982.95	(87.29)	24,307,92	0.00	-218.51	24,089,41	24,178.09	282.43	0.00
GNMA	2006 ABCDE Single Family	5.40	08/05/04	08/20/34	19,457,44	19,301.71	(68.95)	19,564.52	0.00	-178.03	19,388,49	19,460.05	227.29	0.00
GNMA	2006 ABCDE Single Family	5.40	08/12/04	08/20/34	30,069.88	29,829,36	(104.69)	30,237.42	0.00	-272.23	29,965.19	30,075.95	351.28	0.00
GNMA	2006 ABCDE Single Family	5.40	08/20/04	08/20/34	10,461.75	10,378.16	(39,08)	10,517.44	0.00	-94.77	10,422.67	10,451,28	122 20	D.00
GNMA	2006 ABCDE Single Family	5.40	08/26/04	08/20/34	6,787,58	6,733.35	(47.55)	6,801,33	0.00	-51.32	6,740.01	6,765.01	79.21	D.00
GNMA	2006 ABCDE Single Family	5.40	12/02/04	12/20/34	20,897.14	20,732.07	(72.95)	21.015.50	0.00	191.31	20,824.19	20,903.27	244.15	0.00
GNMA	2006 ABCDE Single Family	5.40	10/14/04	10/20/34	47,359.00	46,893,94	(166.56)	47,623.87	0.00	-431.43	47,192.44	47,280.96	553,58	0.00
GNMA	2005 ABCDE Single Family	4.49	10/14/04	09/20/34	7,837.95	7,360.31	(32.22)	7,877.08	0.00	-71.35	7,805.73	7,493.30	165.21	0.00
GNMA	2006 ABCDE Single Family	5.40	10/21/04	10/20/34	78,409,30	77,787.00	(288.91)	78,835.03	0.00	-714.64	78,120.39	78.414.05	915.96	0.00
GNMA	2006 ABCDE Single Family	4.49	10/21/04	10/20/34	16,321.52	15,327.00	(67.14)	16,403.08	0.00	-148.70	16,254.38	15,603.89	344.03	0,00
GNMA	2006 ABCDE Single Family	5.40	10/28/04	10/20/34	19,449.40	19,258.65	(78.83)	19,547.89	0.00	-177.32	19,370.57	19,407.14	227,32	0.00
GNMA	2006 ABCDE Single Family	4.49	10/29/04	10/20/34	29,333.09	27,472.55	(126.25)	29,474.21	0.00	-267,37	29,208.84	27,963.97	617.67	0.00
GNMA	2006 ABCDE Single Family	4.49	11/04/04	10/20/34	128.154.57	120,026.52	(584.62)	125,738.38	0.00	-1,168.43	127,569,95			
GNMA	2006 ABCDE Single Family	5.40	11/04/04	11/20/34	23,039,35	22.856.80	(80.08)	23,169.61	0.00	-210.34		122,141.83	2,699.93	0.00
GNMA	2006 ABCDE Single Family	4.49	11/10/04	11/20/34	27.344.56	25 610 44	(114.90)	27,479.26	0.00	-210.34 -249.60	22,959.27 27,229.66	23,045.88 26.071.21	269.16	0.00
GNMA	2006 ABCDE Single Family	5.40	11/10/04	11/20/34	3,420.39	3,393.29	(11.51)	3,440.03	0.00				575.67	0.00
GNMA	2006 ABCDE Single Family	4.49	11/18/04	11/20/34	39,717.93	37,199.40	(166.82)	39,913.93	0.00	-31.25	3,408.78	3,421.63	39.95	0.00
GNMA	2006 ABCDE Single Family	5.40	12/23/04	12/20/34	9,321.31	9,247,87				-362.82	39,551.11	37,868.74	B36.16	0.00
GNMA	2006 ABCDE Single Family	5 40	09/08/05	08/20/35	2,986.07	2,961.13	(3,955,54)	5,415,17	0.00	-49.40	5,365.77	5,386.26	93.93	0.00
ENMA	2006 ABCDE Single Family	5.40	BB/14/03	09/01/32	2,923,41	2,876.52	(10.08)	3,004.09	0.00	-28.10	2,975.99	2,986.74	35.69	0.00
FNMA	2006 ABCDE Single Family	5.15	08/14/03	12/01/31	3,211,98	3,242.75	(11.77)	2,923.96	0,00	-12.32	2,911,64	2,905.08	41.31	0.00
FNMA	2006 ABCDE Single Family	5.45	03/01/04	02/01/34	7,118.20	7,013.07	(29.37)	3,196.03	0.00	-13.42	3,182,61	3,244.37	30,99	0.00
FNMA	2006 ABCDE Single Family	6.15	04/15/04	02/01/34	5,188.44	5,223.54	(23.23)	7,125,72	0.00	-30.75	7,094.97	7,093.30	103.46	0.00
FNMA	2006 ABCDE Single Family	5.4D	10/28/04	10/01/34	5,100.44 15,290.24		(16.49)	5,194.45	0.00	-22.50	5,171.95	5,251.19	44,14	0.00
FNMA	2006 ABCDE Single Family	4.49	11/04/04	10/01/34	15,505.20	15,026.20	(54.11)	15,303.75	0.00	-67.62	15,236.13	15,194,79	222.70	0.00
GNMA	2006 ABCDE Single Family	5.40	08/29/02	08/20/32		14,525.89	(62.92)	15,510.86	0.00	-68.58	15,442.28	14,772.24	309.27	0.00
GNMA	2006 ABCDE Single Family	5.4U B.15	09/12/02		11,071.11	10,978.78	(44.92)	11,119.22	0.00	-93.03	11,026.19	11,070,97	137.13	0.00
GNMA				08/20/32	3,149.74	3,196.87	(12.89)	3,163.35	0.00	~26,50	3,138.85	3,205.61	21.63	0.00
GNMA	2006 ABCDE Single Family	8.15	09/19/02	09/20/32	7,511.48	7,623.83	(28.71)	7,546.06	0.00	63.29	7,482.77	7,648.74	51.62	0.00
GNMA	2006 ABCDE Single Family	5.40	09/19/02	09/20/32	12,196,95	12,095.67	(52.59)	12,247.07	0.00	-102.71	12,144,36	12,194.15	151.07	0.00
GNMA	2006 ABCDE Single Family	4.49	12/09/04	12/20/34	98,274.76	92,044.69	(426.57)	98,747.69	0.00	-899.50	97,848.19	93,687.87	2,069.55	0.00
GNMA	2005 ABCDE Single Family	4.49	12/16/04	12/20/34	91,719.86	85,906,04	(415.62)	02,143.94	0.00	-839,90	91,304,04	87,422.50	1,932,28	0.00
	2006 ABCDE Single Family	4.49	11/23/04	11/20/34	101,653.20	95,207.69	(444.59)	102,137.45	0.00	-925.64	101,208,61	96,903.91	2,140,81	0.00
GNMA	2006 ABCDE Single Family	4.49	12/02/04	12/20/34	164,634,90	154,197.35	(688.40)	185,452.62	0.00	-1,505,12	163 948 50	158 974 84	3,465.89	0.00
GNMA .	2008 ABCDE Single Family	4.49	12/23/04	12/20/34	96,927.79	90,784.40	(407.47)	97,408.79	0.00	+9B8,47	96,520,32	92,417,57	2.840.64	0.00
GNMA	2006 ABCDE Single Family	4.49	12/29/04	12/20/34	104,904.42	98,255,93	(7,956.22)	97,841.10	0.00	-892.90	96,948.20	92.827.70	2,527.99	0.00
GNMA	2006 ABCDE Single Family	4.49	01/06/05	01/20/35	200,494.57	187,666.02	(838.55)	201,496,49	0.00	-1,840.47	199,656.02	191,095.26	4,267.79	0.00
GNMA	2006 ABCDE Single Family	5.40	01/06/05	01/20/35	22,354.59	22,162.91	(75.25)	22,484.72	0.00	-205.38	22,279,34	22,354,74	267.08	0.00
GNMA	2006 ABCDE Single Family	4.49	01/13/05	01/20/35	110,057,04	103,015.70	(9,060,29)	101,928,38	0.00	-931,63	100,996.75	96,666.83	2,711.42	0.00
GNMA	2006 ABCDE Single Family	5.40	01/13/05	01/20/35	9,524.25	9,442.03	(31.66)	9,579,96	0.00	-87.57	9.492.39	9,524.56	113.79	0.00
GNMA	2006 ABCDE Single Family	4.49	01/19/05	01/20/35	132,994.87	124,486.61	(557.84)	133,659.35	0.00	-1,222.32	132,437,03	126,759.84	2.831.07	0.00
GNMA	2006 ABCDE Single Family	5.40	01/19/05	01/20/35	13,160.81	13,048.14	(44.03)	13,237.85	0.00	-121.07	13,116.78	13,161,35	157.24	0.00
GNMA	2006 ABCDE Single Family	4.49	01/27/05	01/20/35	151,258.18	141,582.55	(1,323.69)	151,319.37	0.00	-1,384.88	149,934,49	143,508,25	3,249.39	
GNMA	2006 ABCDE Single Family	4.49	02/03/05	02/20/35	219,189.15	205,169.59	(8,138,18)	213,003.88	B.00	-1,950.91	211,052.97	202,008.60	4.975.19	0.00 0.00
GNMA	2006 ABCDE Single Family	4.49	02/10/05	02/20/35	73,335.01	68,644,84	(296.38)	73.714.23	0.00	-675.60	73,038,63	69,909.09	1,560.63	0.00
GNMA	2006 ABCDE Single Family	4.49	02/10/05	02/20/35	151,173.30	141,504,96	(604.05)	151,961.99	0.00	-1,392.74	150,569,25	144,117.71	3.216 BO	0.00
GNMA	2008 ABCDE Single Family	5.40	02/17/05	11/20/34	9,895.05	9,619.09	(33.17)	9,751.27	0.00	-89.39	9,661.68	9,899.19	113.27	0.00
GNMA	2006 ABCDE Single Family	4,49	02/17/05	02/20/35	105,832,86	99.084.90	(435,50)	-106,372,91	0.00	-975.55	105,397,36			
GNMA	2006 ABCDE Single Family	4.49	02/24/05	02/20/35	97,738,20	91,480.56	(433.29)	98,204.13	0.00	-901,22	97,302.91	100,881.98 93 134 84	2,252.55	0.00
GNMA	2006 ABCDE Single Family	4.49	03/03/05	03/20/35	94,538,60	88.492.37	(412.17)	94 997 09	0.00				2,081,57	0.00
GNMA	2008 ABCDE Single Family	4.49	03/11/05	03/20/35	39,310.45	36,797.31	(154.18)	39,519.50	0.00	-872.46 -363,23	94,124.63 39,158.27	90,093.33	2,013.13	0.00
GNMA	2006 ABCDE Single Family	5.40	03/17/05	02/20/35	6,307.18	6,253.48	(22.17)	6,343.34			,	37,479.51	836.38	0,00
GNMA	2006 ABCDE Single Family	4.49	03/17/05	03/20/35	59.913.10	56,083.10	(244,94)		0.00	-58.33	6,285.01	8,306.66	75,35	0.00
GNMA	2006 ABCDE Single Family	4.49	03/24/05	03/20/35	59.297.59	55,507,28	(232.83)	60,221.97	0.00	-553.81	59,668,16	57,113.33	1,275.17	0.00
GNMA	2006 ABCDE Single Family	4.49	04/07/05	04/20/35	81,400.60	76,198.43	(320.13)	59,613,33	0.00	-548.57	59,064.76	56,536.11	1,261,66	0.00
GNMA	2006 ABCDE Single Family	4,49	D4/14/05	04/20/35	58.413.73	54,827.17		81,834.5B	0.00	-754.11	81,080.47	77,610.26	1,731.98	0.00
GNMA	2006 ABCDE Single Family	5.40	D4/21/05	04/20/35	11,554.13	54,827.17 11.434.58	(227.20)	58,728,07	0.00	-541,54	58,186.53	55,843.34	1,243,37	0.00
GNMA	2006 ABCDE Single Family	4.49	04/21/05	04/20/35	82.627.41	77,347.82	(38.85)	11,622.53	0.00	-107.25	11,515,28	11,533.75	138.02	0.00
GNMA	2006 ABCDE Single Family	4.49	04/28/05	04/20/35	73.603.82	68,901,21	(323.47)	83,070.44	0.00	-766,50	82,303.94	78,782.37	1,758.02	0.00
GNMA	2006 ABCDE Single Family	5.40	04/28/05	04/20/35	6,632.18	6,575.97	(286.51)	74,000.56	0.00	-683.25	73,317.31	70,180.66	1,565.96	0.00
GNMA	2006 ABCDE Single Family	4.49	05/05/05	04/20/35	120 466 36	0,575.97 112.770.41	(22.18)	6,671.60	0,00	-61.60	6,610.00	6,633.02	79.23	0.00
GNMA	2006 ABCDE Single Family	5.40	05/05/05	04/20/35	120,466,36		(534.39)	121,050.48	0.00	-1,118.51	119,931.97	114,801.83	2,565.81	0.00
GNMA	2006 ABCDE Single Family	5.40	07/07/05	04/20/35		11,524,09	(39.44)	11,713.22	0.00	-108.22	11,805,00	11,823.75	139.10	0.00
GNMA	2006 ABCDE Single Family	5.40	05/26/05	07/20/35	5,912.79	5,863.05	(20.25)	5,947.04	0.00	-55.30	5,892.54	5,913.46	70.66	0.00
GNMA	2006 ABCDE Single Family 2006 ABCDE Single Family	4.49	05/26/05	05/20/35	8,060.28	7,992.19	(26.73)	8,108.62	0.00	-75.07	8,033.55	8,061.76	96.30	0,00
GNMA	2006 ABCDE Single Family	4.49 5.40	06/09/05	05/20/35	35,577.47	33,305.24	(206.18)	35,701.82	0.00	-330.53	35,371,29	33,858.90	759.84	0.00
	conserve outlie i entità	3,40	mma/05	U3/20/35	8,517.95	8,446.09	(27.89)	8,569.50	0.00	-79.44	8,490.06	8,519.97	101.77	0.00

GNMA	2006 ABCDE Single Family	5.40	08/11/05	07/20/35	3,216.57	3,189.61			(10.36)		3,236.38	0.08	-30,19	3,206.19	3,217,68	38.45	0.00
FNMA FNMA	2006 ABCDE Single Family 2006 ABCDE Single Family	4.49 4.49	12/23/04	12/01/34 01/01/35	16,172.32 21,657.36	15,151.19 20.290.14			(72.00)		16,172.18	0.00	-71.86	15,100.32	15,402.06	322.87	0.00
FNMA	2006 ABCDE Single Family	4.49	01/27/05	01/01/35	22,099.95	20,290.14			(105,66) (98,38)		21,648.15 22,100,10	0.00 0.00	-96.45 -98.53	21,551.70 22,001.57	20,617.27	432.79 450.43	0.00
FNMA	2006 ABCDE Single Family	4.49	03/14/05	12/01/34	17,497.66	16,393.40			(70.45)		17,505.57	0.00	-78.38	17,427,21	21,018.71 16.671.95	450.43 349.00	0.00 0.00
FNMA	2006 ABCDE Single Family	5.40	03/24/05	02/01/35	12,040.20	11,833.05			(51.52)		12,042.66	0.00	-53.98	11,986.68	11,956.92	175.39	0.00
FNMA FNMA	2006 ABCDE Single Family 2006 ABCDE Single Family	4.4B 5.40	04/07/05 07/14/05	02/01/35	15,188.22	14,203.60			(60.11)		15,198.30	0.00	-68.19	15,128.11	14,452.73	309.24	0.00
LMMM	2006 ABCDE Single Family Total	5.40	07/14/05	04/01/35	5,653,59 278,034,859.74	5,546.84 278,043,524,52	86,238,177.25	(89,494,312.93)	(18.80) (1,213,308.66)	0.00	5,660.43	0.00	-25.64	5,634.79 273,565,415.40	5,613.82 273,614,392.80	85.78 40,312.62	0.00
GIC's	2008 FOLK Finals Families	f 40	11/15/05	08/29/08					• • • •								
GIC's	2006 FGH Single Family 2006 FGH Single Family	5.19 4.33	11/15/06	02/26/38			1,813,289.00 600,000.00				1,913,269.00 600,000.00	0.00 00.0	00.0 00.0	1,913,289.00 600,000.00	1,913,289.00 600,000.00	-	0.00 0.00
GiC's	2006 FGH Single Family	5.19	11/15/06	08/29/08			132,030,000.00				132,030,000.00	0.00	0.00	132,030,000.00	132,030,000.00	-	0.00
Repo Agmt	2006 FGH Single Family	5.29	11/30/06	12/01/06			135,256,07				135,256.07	0.00	0.00	135,258.07	135,256.07	-	0.00
	2005 FGH Single Family Total				0.00	0.00	134,678,545.07	0.00	0.00	0.00			_	134,678,545.07	134,678,545.07	0.00	0.00
GNMA GNMA	2002 A-D SF MRB 2002 A-D SF MRB	4.49 4.49	12/09/04	12/20/34	75,658.01	70,859.96			(328.39)		76,020.09	-765.56	74.19	75,327.62	72,124.80	1,593.23	0.00
GNMA	2002 A-D SF MRB 2002 A-D SF MRB	4.49	12/16/04 10/14/04	12/20/34 09/20/34	70,609.72 6.033.97	66,134.02 5.666.28			(320.12) (24.81)		70,936.19 6,064.09	-713.09 -81.38	68.50 6.45	70,289.60	67,301.45	1,487.55	0.00
GNMA	2002 A-D SF MRB	4.49	10/01/04	10/20/34	12,585,19	11,799,37			(51.68)		12.827.77	-127.99	13.73	6,009.16 12,513.51	5,768.65 12,012.53	127.18 264.84	0.00 0.00
GNMA	2002 A-D SF MRB	4.49	10/01/04	10/20/34	22,582.35	21,149.51			(97.19)		22,690.47	-229.69	24.38	22,485.16	21,527.82	475.50	0.00
GNMA GNMA	2002 A-D SF MRB	4.49	11/04/04	10/20/34	98,659.66	92,401,37			(450.08)		99,108.11	-1,002.81	103,30	98,208.60	94,029.82	2,078.51	0.00
GNMA	2002 A-D SF MRB 2002 A-D SF MRB	4.49 4.49	11/10/04 11/18/04	11/20/34 11/20/34	21,050.95 30,576.51	19,715.97 28,637.83			(88.46) (128.43)		21,154.64 30,727,40	-215.43 -387.39	23.28 108.07	20,962.49 30,448.08	20,070.69 29,152.91	443.18 643.71	90,0 00.0
GNMA	2002 A-D SF MRB	4.49	11/23/04	11/20/34	78,256.81	73.294.81			(342.26)		78,629.61	-793.28	78.22	77,914.55	74,600.63	1,648.08	0.00
GNMA	2002 A-D SF MRB	4.49	12/02/04	12/20/34	126,742.77	118,707.48			(529.95)		127,372.29	-1,283.15	123.68	126,212.82	120,845.71	2,668.18	0.00
GNMA GNMA	2002 A-D SF MRB	4.49	12/23/04	12/20/34	74,619,01	69,889.58			(313.68)		74,989.31	-753.75	69.77	74,305.33	71,146.88	1,570.96	0.00
GNMA	2002 A-D SF MRB 2002 A-D SF MRB	4.49 4.49	12/29/04 01/06/05	12/20/34 01/20/35	80,759.71 154,349.00	75,641.47 144,473.05			(5,125.02) (645.55)		75,322.08 155,120.32	-872.55 -1.558.63	185,16	74,634.69	71,462.59	1,945.14	0.00
GNMA	2002 A-D SF MRB	4.49	01/13/05	01/20/35	84,728,44	79,305.74			(6,974.98)		78,468,67	-056.79	141.76 139.58	153,703.45 77,751.48	147,113.02 74,418,11	3,285,52 2,087,35	0.00 0.00
GNMA	2002 A-D SF MRB	5.40	01/13/05	01/20/35	7,332,13	7,269.32			(24.52)		7,375.02	-73.64	6.23	7,307.61	7,332.39	87.59	0.00
GNMA GNMA	2002 A-D SF MRB	4.49	01/19/05	01/20/35	102,384.94	95,834,93			(429.44)		102,896.49	-1,035.72	94.73	101,955.50	97,584.96	2,179.47	0.00
GNMA	2002 A-D SF MRB 2002 A-D SF MRB	5.40 4.49	01/19/05 01/27/05	01/20/35 01/20/35	10,131.78 116,444.77	10,044.99 108,996.09			(33.89) (1,019.04)		10,191.07 116.491.67	-101.76 -1.181.45	8.56	10,097.87	10,132.15	121.05	0.00
GNMA	2002 A-D SF MRB	4.49	02/03/05	02/20/35	168,740.86	157,948.02			(6,263.58)		163,979.17	-1,161.43	115.31 270.43	115,425,73 162,477,28	110,478.57 155,514.56	2,501.52 3,830.12	0.00 0.00
GNMA	2002 A-D SF MRB	4.49	02/10/05	02/20/35	56,456.28	52,845,62			(228.16)		58,748.22	-569,27	49.17	58,228.12	53,818.90	1,201.44	0.00
GNMA GNMA	2002 A-D SF MRB 2002 A-D SF MRB	4.49 4.49	02/10/05 02/17/05	02/20/35	118,379.47	108,936.37			(465.03)		116,986,63	-1,241.72	169.53	115,914.44	110,947.77	2,476.43	0.00
GNMA	2002 A-D SF MRB 2002 A-D SF MRB	4.49	02/17/05	02/20/35 02/20/35	81,474.51 75,241.35	76,264.25 70.430.13			(335.26) (333,56)		81,890.27	-821.80	70.78	81,139.25	77,663.09	1,734,10	0.00
GNMA	2002 A-D SF MRB	4.49	03/03/05	03/20/35	72,778.32	68,125,07			(317.32)		75,601.59 73.132.66	~760.89 ~733.83	67.09 62.17	74,907.79 72,461.00	71,699.04 69,357,56	1,602.47 1,549.81	0.00 0.00
GNMA	2002 A-D SF MRB	4.49	03/11/05	03/20/35	30,262.81	28,328.09			(118.69)		30,423.75	-304.34	24.71	30,144.12	28,853.27	643.87	0.00
GNMA GNMA	2002 A-D SF MRB 2002 A-D SF MRB	4.49 4.49	03/17/05 03/24/05	03/20/35	45,123.55	43,175.09			(188.55)		46,361.34	-464.55	38.21	45,935.00	43,958.20	981,66	0.00
GNMA	2002 A-D SF MRB	4.49	04/07/05	03/20/35 04/20/35	45,649.73 62.665.53	42,731.79 58.660.70			(179.23) (246.45)		45,892.81 62,999,63	-459.57 -710.95	37.26 138.40	45,470.50	43,523.B2	971.26	0.00
GNMA	2002 A-D SF MRB	4.49	04/14/05	04/20/35	44,959.27	42,208.22			(174.90)		45,211.27	-451.66	34,76	62,419,08 44,794,37	59,747.58 42,990.51	1,333.33 957.19	0.00 0.00
GNMA	2002 A-D SF MRB	4.49	04/21/05	04/20/35	63,510.02	59,545.55			(249.01)		63,951.09	-639.80	49.72	63,361.01	60,649.93	1,353.39	0.00
GNMA GNMA	2002 A-D SF MRB 2002 A-D SF MRB	4.49 4.49	04/28/05 05/05/05	04/20/35 05/20/35	56,663.25 92,739.97	53,042.99 89.815.31			(220.57)		56,968.68	-569.66	43.65	58,442.68	54,027.97	1,205.55	0.00
GNMA	2002 A-D SF MRB	4.49	05/12/05	05/20/35	63.383.61	59.334.76			(411.39) (249.88)		93,189,66 63,722,92	-1,054.64 -636.07	193.56 46.88	92,328,58 63,133,73	88,379.18 60.433.55	1,975.26 1,348 67	0.00 0.00
GNMA	2002 A-D SF MRB	4.49	07/07/05	07/20/35	219,684.11	205,642.61			(5,905.99)		215,763.87	-2,202.06	196,31	213,758,12	204.626.13	4.889.51	0.00
GNMA GNMA	2002 A-D SF MRB	4.49	07/14/05	07/20/35	38,244.56	33,931.22			(139.31)		36,444.26	-362.B8	23.87	38,105,25	34,563.00	771.09	0.00
GNMA	2002 A-D SF MRB 2002 A-D SF MRB	4.49 4.49	05/26/05 05/26/05	05/20/35 05/20/35	54,238,57 27,389,02	50,910.27 25,639.74			(212.59) (158.73)		54,530,83	-545.08	40.23	54,025,98	51,852.28	1,154.60	0.00
GNMA	2002 A-D SF MRB	4.49	06/02/05	08/20/35	49,615.19	48,570.94			(254.50)		27,484.75 49.822.30	-275.47 -498.95	21.01 37.34	27,230.29 49,360.69	26,065.97 47.375.05	584.96 1,058.61	0.00 0.00
GNMA	2002 A-D SF MRB	4.49	06/09/05	08/20/35	59,998.02	56,164.97			(233.00)		60,322.27	-801.65	42.40	59,763.02	57,208,44	1,276.47	0.00
GNMA GNMA	2002 A-D SF MRB 2002 A-D SF MRB	4.49 4.49	06/15/05 06/23/05	06/20/35 06/20/35	53,922.18 113.305.61	50,614,22			(212.17)		54,212.89	-540.67	37.79	53,710.01	51,549,94	1,147.89	0.00
GNMA	2002 A-D SF MRB	4,49	06/29/05	06/20/35	113,305.61 48,158.89	106,071.75 45.083.73			(499.52) (189.60)		113,863,09 48,419.21	-1,137.40	6D.40	112,806.09	107,985.48	2,413.25	0.00
GNMA	2002 A-D SF MRB	4.49	09/0B/05	09/20/35	9,755.52	9.157.77			(37.59)		9 809 88	-556,90 -97,73	107.18 5.99	47,959.49 9,717.93	45,919.81 9,327.84	1,024.68 207.66	0.00 0.00
GNMA	2002 A-D SF MRB	4.49	09/15/05	09/20/35	18,843.01	15,788.90			(64.63)		16,936,88	-168.69	10.19	16,778.38	16,062.51	358.34	0.00
GNMA GNMA	2002 A-D SF MRB 2002 A-D SF MRB	4.49 4.49	09/22/05 07/21/05	09/20/35 07/20/35	22,066.79	20,659,67			(98.77)		22,177.70	-220.62	12.94	21,970.02	21,032,90	470.00	0.00
GNMA	2002 A-D SF MRB	4,49	07/28/05	07/20/35	23,713.63 18,250.29	22,259,60 17,085,65			(91.76) (73.15)		23,843.81 18,348.04	-309.14 -182.73	87.20 11.83	23,621.87 18,177,14	22,672.62 17,400.91	504.78	0.00
GNMA	2002 A-D SF MRB	4.49	DB/04/05	08/20/35	10,691,18	10,035.76			(6,649.27)		4,079.94	-108.83	68.80	4,041.91	3,879,53	388,41 493,04	0.00 00.0
GNMA GNMA	2002 A-D SF MRB	4.49	08/11/05	07/20/35	29,418,95	27,615.58			(115.60)		29,579.21	-294.05	18.19	29,303.35	28,126,27	626.29	0.00
GNMA	2002 A-D SF MRB 2002 A-D SF MRB	4.49 4.49	08/18/05 08/30/05	08/20/35 08/20/35	81,619.75	78,412.70			(397,20)		81,987.75	-817.26	52.06	81,222.55	77,755,54	1,740.04	0.00
GNMA	2002 A-D SF MRB	4.49	09/29/05	07/20/35	144,862.16 11.962.47	135,621.81 11,229,67			(616.72) (45.96)		145,605.84 12,029.20	-1,451.75 -119.63	91.35 6.94	144,245.44 11.916.51	138,089.65 11,438.33	3,084.56	0.00
GNMA	2002 A-D SF MRB	4.49	10/13/05	09/20/35	15,235.82	14,265,47			(58.63)		15,321.95	-152.21	8.45	15,178,19	14.531.02	254.62 324.18	0.00 0.00
GNMA GNMA	2002 A-D SF MRB	4.49	10/27/05	10/20/35	100,563.15	94,153.46			(447.04)		101,065,63	-1,005.19	55.67	100,115.11	95,848.62	2,142.20	0.00
ENMA	2002 A-D SF MRB 2002 A-D SF MRB	4.49 4.49	11/01/05 11/04/04	11/20/35 10/01/34	24,966.50 11,936.56	23,437.61			(96.44)		25,106.06	-249.42	13.42	24,870.06	23,872.84	531.47	0.00
FNMA	2002 A-D SF MRB	4.49	12/23/04	12/01/34	12,450.13	\$1,182.64 \$1,664.0\$			(48.44) (55.42)		11,940.92 12,450.03	-50.52 -02.19	5.72 6.87	11,888.12	11,372.29	238.09	0.00
FNMA	2002 A-D SF MRB	4.49	01/19/05	D1/01/35	16,672.74	15,620.19			(81.33)		18,585.58	-81.71	7.48	12,394.71 16,591,41	11,857.14 15,872.03	248.55 333 17	0.00 0.00
FNMA FNMA	2002 A-D SF MRB	4.49	01/27/05	01/01/35	17,013.44	15,910,05			(75.73)		17,013.56	-83.37	7.52	16,937.71	15,181.08	346.76	0.00
FNMA	2002 A-D SF MRB 2002 A-D SF MRB	4.49	03/14/05 04/07/05	12/01/34 02/01/35	13,470,42 11,692,49	12,620.31 10,934.53			(54.25)		13,476.50	-65.75	5.42	13,418.17	12,834.75	268.69	0.00
FNMA	2002 A-D SF MRB	4.49	07/28/05	07/01/35	23,428.05	10,934.53 21,910.41			(46.28) (119.87)		11,698.71 23.414.42	-56.93 -113.92	4.43 7.68	11,646.21 23,308.18	11,126.32 22,260.78	238.D7 478.22	0.00
FNMA	2002 A-D SF MRB	4.49	09/08/05	08/01/35	18,048.91	15,880,02			(70.65)		18,060,53	-87.57	5,30	17,978.26	17,176,84	367.47	0.00
FNMA	2002 A-D SF MRB	4.49	10/20/05	09/01/35	5,000.46	4,676.71			(19.04)		5,004.31	-24.16	1.27	4,981.42	4,759,45	101.78	0.00

FNMA	2002 A-D SF MRB	4.49	11/01/05	10/01/35	10,329.66	9,660.91			(39.38)	10,337.62	-49.85	2.51	10,290,28	9,831.79	210,28	0.00
Repo Agmt	2002 A-D SF MRB	5.29	11/30/06	12/01/06	0.03	0.03	0.00			0.03	0.00	0.00	0.03	0.03	-	0.00
GNMA GNMA	2002 A-D SF MRB 2002 A-D SF MRB	5.40 5.40	07/01/04 08/01/04	06/20/34 06/20/34	7,842.03	7,778.90			(27.69)	7,885.03	-126.66	55.97	7,814.34	7,842.90	91.61	0.00
GNMA	2002 A-D SF MRB 2002 A-D SF MRB	5.40 5.40	09/01/04	09/20/34	18,530.33 16,221.33	18,380.95 16,091,90			(65.72) (84.45)	18,631.18 16,283.80	-253.27 -191.87	86.7G	18,464.61	18,531.6B	216.45	0.00
GNMA	2002 A-D SF MRB	5.40	09/01/04	09/20/34	22,998.53	22,771.81			(81.18)	23,126.00	-191.07 -233.07	44.95 24.42	15,135.88 22,917,35	16,198.87 22,959.48	189.42 268.85	0.00 0.00
GNMA	2002 A-D SF MRB	5.40	09/01/04	09/20/34	20,814.14	20,648.03			(71.69)	20,931.30	0.00	-188.85	20,742.45	20,819.51	243,17	0.00
GNMA	2002 A-D SF MRB	5.40	07/01/04	07/20/34	7,826.42	7,783.54			(29,35)	7,867.62	-115.79	48.24	7,797.07	7,825.62	91,43	0.00
GNMA GNMA	2002 A-D SF MRB 2002 A-D SF MRB	5.40 5.40	07/01/04 07/01/04	07/20/34	7,903.38	7,839.89			(36.33)	7,938.24	-97.42	26.23	7,867,05	7,895,85	92.29	0.00
GNMA	2002 A-D SF MRB	5.40	08/01/04	07/20/34 08/20/34	10,538.05 8,480.87	10,453,38 8,412,98			(38.06) (30.05)	10,595.00 8,527,52	-129.52	34.51	10,499.99	10,538.44	123,12	0.00
GNMA	2002 A-D SF MRB	5.40	08/01/04	08/20/34	13,106.57	13,001.63			(45.63)	13,179.48	-97.48 -212.58	20.78 94.04	8,450.62 13,060.94	8,481:99 13,109.11	99,06 153,11	0.00 00.0
GNMA	2002 A-D SF MRB	5.40	08/01/04	08/20/34	4,560.00	4,523.50			(17.03)	4,584.21	-52.11	10,87	4,542,97	4,559.73	53,26	0.00
GNMA	2002 A-D SF MRB	5,40	08/01/04	08/20/34	2,958.53	2,934.64			(20.72)	2,964.48	-33.09	6.42	2,937,81	2,948.64	34.52	0.00
GNMA Repo Agmi	2002 A-D SF MRB 2002 A-D SF MRB	5.40 5.29	10/14/04 11/30/06	19/20/34 12/01/06	20,642.23	20,439.52			(72.60)	20,757.68	-208.99	20,94	20,569.63	20,608.21	241.29	0.00
Repo Agmi	2002 A-D SF MRB 2002 A-D SF MRB	5,29	11/30/06	12/01/06	10,569.81 4,469,935.27	10,569.81 4,469,935.27	140,97	(4,401,191,18)		10,710.78 68.744.09	0,00 00.0	0.00 0.00	10,710.78 68,744.09	10,710.78 68,744,09	•	0.00
Repo Agmi	2002 A-D SF MRB	5.29	11/30/06	12/01/05	783,493.21	783,493.21		(774,772.86)		8,720.35	0.00 0.00	0.00	8.720.35	8.720.35	-	0.80 0.00
GIC's	2002 A-D SF MRB	5.01	06/26/02	03/01/34	546,538.30	548,538.30	2,324,324.15	,,		2,870,862.45	0,00	0.00	2,870,862.45	2,870,882.45		0.00
GIC's	2002 A-D SF MRB	4.51	06/26/02	03/01/34			118,206,18			118,206.18	0.00	0.00	118,206,18	118,206.18	-	0.00
Repa Agmt GNMA	2002 A-D SF MRB 2002 A-D SF MRB	5.29 6.15	11/30/06 01/07/03	12/01/06 12/20/32	66.79 116.105.65	68.79 117,853.48		(0,03)	4440 400	68.76	0.00	0.00	68.76	66.76		0.00
GNMA	2002 A-D SF MRB	5.40	08/29/02	08/20/32	220,796.00	218,958.28			(418.45) (895.66)	118,679.07 221,755.35	-1,199.75 -2.919.19	210.07 1.063.98	115,689.39 219,980,14	118,235.57 220,797,39	798.55 2.734.97	0.00 0.00
GNMA	2002 A-D SF MRB	6.15	11/12/02	11/20/32	260,924.39	264,839,25			(918.32)	262,217.66	-3,515.44	1,303.63	260,006,07	265,715.86	1,794.93	0.00
GNMA	2002 A-D SF MRB	5.40	11/12/02	10/20/32	271,968,94	269,722.96			(1.082.63)	273,189.58	-3,859.23	1,555.96	270,886.31	272,009.42	3,369,09	0.00
GNMA	2002 A-D SF MRB	6.15	09/12/02	08/20/32	63,394.50	64,341.90			(259.55)	63,668.30	-657.94	124.59	63,134.95	64,517,64	435.29	0.00
GNMA GNMA	2002 A-D SF MRB 2002 A-D SF MRB	6.15 5.40	09/19/02 09/19/02	09/20/32 09/20/32	151,180.17 245,481,56	153,440,85 243,443,27			(577.83)	151,675.98	-1,561.70	286,08	150,602.34	153,901.99	1,038.97	0.00
GNMA	2002 A-D SF MRB	6.15	09/26/02	09/20/32	182,632.37	185,364,33			(1,058.49) (802,05)	248,490,14 183,368.97	-3,680.84 -3,324.09	1,813.77 1,785,44	244,423.07 181.830.32	245,425,31 185,015,12	3,040,53 1,252,84	0.00 0.00
GNMA	2002 A-D SF MRB	5.40	09/26/02	09/20/32	238,085.74	236,110.05			(953.78)	239,138.58	-2,474.58	467.94	237,131.96	238,105.52	2,949.25	0.00
GNMA	2002 A-D SF MRB	6,15	10/10/02	09/20/32	328,479.23	333,396.55			(91,785.58)	238,699,21	-3,943.52	1,937.96	238,593.65	241,883,45	272.48	0.00
GNMA GNMA	2002 A-D SF MRB	5.40	10/10/02	09/20/32	70,373.53	69,790.33			(280,84)	70,686.60	-1,677.28	1,083.37	70,092.69	70,381.24	871.75	0.00
GNMA	2002 A-D SF MRB 2002 A-D SF MRB	6.15 6.15	10/21/02 10/29/02	10/20/32 10/20/32	219,199.03 128,448.79	222,483.12 130,374.17			(805.14) (581.05)	220,247.05 128,973,70	-3,206.00 -1,339.80	1,352.84	218,393.59	223,165.13	1,507.15	0.00
GNMA	2002 A-D SF MRB	5.40	10/29/02	09/20/32	56,858.05	56,387.69			(319.20)	57,018.78	-1,339.00 -598.11	253.84 118.18	127,887.74 56,538.85	130,694.21 56,772.44	881.09 703.95	0.00 0.00
GNMA	2002 A-D SF MRB	6.15	11/05/02	10/20/32	62,015.91	62,948.84			(216.94)	62,327.14	-1,140.88	615.71	61,801.97	63,158.55	426.65	0.00
GNMA	2002 A-D SF MRB	5.40	11/05/02	09/20/32	139,577.15	138,522.56			(646.93)	140,211.08	-1,496.67	315.81	139,030.22	139,605,38	1,729.75	0.00
GNMA GNMA	2002 A-D SF MRB 2002 A-D SF MRB	6.15	11/19/02	11/20/32	81,688.22	82,914.26			(283.60)	82,097.33	-3,841.22	3,148.31	81,404.42	83,192.50	562.04	0.00
GNMA	2002 A-D SF MRB	5.40 6.15	11/19/02 11/26/02	11/20/32 11/20/32	99,953.18 424,257.24	99,128.64 430,627,46			(393.91) (1,673.51)	106,406.71 426.183.28	-2,064.20 -10,955.30	1,216.76 7,355.75	99,559.27	99,972.94 431.888.54	1,238.21	00.0
GNMA	2002 A-D SF MRB	5.40	11/26/02	11/20/32	271,034.15	268 799.95			(1,073.01)	272,221.08	-3,963.98	7,335.75 1,564.60	422,583.73 269,921.90	431,808.54 271,045.09	2,914.59 3,357.39	0.00 00.0
GNMA	2002 A-D SF MRB	6.15	11/26/02	11/20/32	102,524.12	104,063.52			(385.43)	103,006.71	-4,048.28	3,178.26	102,138.69	104,382.84	704.75	0.00
GNMA	2002 A-D SF MRB	5.40	11/26/02	11/20/32	145,416.36	144,217.67			(598.42)	146,051.50	-2,357.41	1,133.85	144,817.94	145,420,57	1,601,32	0.00
GNMA GNMA	2002 A-D SF MRB 2002 A-D SF MRB	6.15 5.40	12/12/02 12/12/02	12/20/32 12/20/32	63,244.85	64 195 52			(218.28)	63,564.46	-4,007.25	3,469.36	63,026.57	64,412.42	435.18	0.00
GNMA	2002 A-D SF MRB	6.15	12/30/02	12/20/32	109,851.44 119,604,23	107,965.79 121,493.76			(437.45) (787.09)	109,349.31 119,832.85	-1,132.98 -2,941,15	207.66 1,825.44	108,423,99 118,817,14	108,876.91 121,431.41	1,348.57 814.74	0.00 00,0
GNMA	2002 A-D SF MRB	5.40	12/30/02	12/20/32	206,236.63	204,542.75			(810.35)	207,182.36	-3,082.73	1,326.65	205,426,28	206,287.34	2,554.94	0,00 B.00
GNMA	2002 A-D SF MRB	6.15	12/30/02	12/20/32	175,221.00	177,858.02			(825.42)	176,088.79	-4,250.89	2,758.38	174,596,26	178,437.80	1,205.20	0,00
GNMA GNMA	2002 A-D SF MRB	5.40	12/30/02	12/20/32	101,883.66	101,046.88			(398.66)	102,352.52	-2,047.13	1,179.59	101,484.98	101,910.35	1,262.17	0.00
GNMA	2002 A-D SF MRB 2002 A-D SF MRB	6.15 5.40	01/23/03 01/23/03	01/20/33 01/20/33	490,165.52 178,969.74	497,348.76 177,483.90			(1,751.36) (703.66)	492,600.25 179,793.95	-6,469.60 -3,867.93	2,283.48	488,414.14	498,846,41	3,249.03	0.00
GNMA	2002 A-D SF MRB	6.15	01/23/03	01/20/33	109,348.82	110,951,30			(380.14)	109,902.64	-2,915.17	2,340.04 1,982.21	178,266.06 108,968.68	178,929.14 111,296,20	2,148.92 725.04	0.00 0.00
GNMA	2002 A-D SF MRB	5.40	01/23/03	01/20/33	103,029.05	102 173 64			(400.61)	103,508.06	-1,084.82	185.20	102,628.44	103,010.14	1,237,11	0.00
GNMA	2002 A-D SF MRB	6.15	01/30/03	01/20/33	358,793.09	364,052.92			(1,350.33)	360,508.17	-4,249.87	1,184.26	357,442.76	365,079,39	2,376.60	0.00
GNMA GNMA	2002 A-D SF MRB 2002 A-D SF MRB	5.40 6.15	01/30/03 02/12/03	01/20/33 02/20/33	343,630.01	340,778.88			(1,612.50)	344,950.63	-5,534.50	2,601.38	342,017,51	343,291.44	4,125.08	0,00
GNMA	2002 A-D SF MRB	6.15	02/20/03	02/20/33	425,073.78 172,881.25	431,311.39 175,398,90			(1,829.54) (804.14)	426,879.98 173,737.88	-7,605.42 -5,152.35	3,969.66 3,671.56	423,244.24	432,292.82	2,810.97	0.50
GNMA	2002 A-D SF MRB	5.40	03/03/03	03/20/33	117,947.54	116,972,69			(453.18)	118,505.81	-1,216.06	204.61	172,257.11 117,494,36	175,940,86 117,935,81	1,148.10 1,416.30	0.00 0.00
GNMA	2002 A-D SF MRB	6,15	02/27/03	02/20/33	438,544.88	444,985.11			(1,502.13)	440,801.91	-6,104.14	2,344.98	437,042.75	446,391.29	2,900.31	0.00
GNMA GNMA	2002 A-D SF MRB 2002 A-D SF MRB	5.40	02/27/03	01/20/33	107,017.48	105,131.91			(416.91)	107,517.16	-1,105.38	188.79	106,600.57	107,000.02	1,285.02	0.00
GNMA	2002 A-D SF MRB	6.15 6.15	03/12/03 03/24/03	02/20/33 03/20/33	318,954.41 157,964.14	321,612.56 160,287.61			(1,113.75)	318,580.88	-4,309.69	1,589.49	315,840.66	322,600.20	2,101.37	0.00
GNMA	2002 A-D SF MRB	5.40	03/24/03	02/20/33	109,699,95	108.794.69			(734.52) (468.31)	158,585,69 110,173.41	-3,318.00 -2,202.82	1,961.93 1,261.05	157,229.62 109,231.64	160,596.53 109,643.48	1,043.44 1,317.10	0.00 0.00
GNMA	2002 A-D SF MR8	6.15	04/02/03	04/20/33	200,732.03	203,688.62			(710.02)	201,749.19	-6.085.00	4,357.82	200,022.01	204,307.35	1.330.75	0.00
GNMA GNMA	2002 A-D SF MRB	6.15	04/02/03	03/20/33	160,499.86	162,860,79			(544.58)	161,334.99	-1,643.82	263.11	159,854.28	163,386.71	1,084.50	0.00
GNMA	2002 A-D SF MRB 2002 A-D SF MRB	6.15 6.15	04/10/03	03/20/33	318,581.86	323,272.13			(1,463.07)	319,858,06	-4,511.37	1,772.10	317,118.79	323,913.88	2,104.82	0.00
GNMA	2002 A-D SF MRB	5,4D	04/10/03 04/10/03	03/20/33 01/20/33	70,953.77 91,170,43	71,998.39 90.418.98			(240.94)	71,323.65	-1,425.62	814.60	70,712.83	72,228.05	470,60	0.00
GNMA	2002 A-D SF MRB	6.15	04/17/03	04/20/33	104,127,45	166,545.29			(354.52) {557.15}	91,599.83 164,984.72	-939.43 -4,277.65	155.51 2,863,23	90,815.91 163,570.39	91,159.22 167,076.72	1,094.76 1,086.58	0.00 0.00
GNMA	2002 A-D SF MRB	6.15	04/24/03	04/20/33	169,735.73	172,237.25			(595.55)	170,603.80	-1,749.51	285.89	169,140,18	172,767.06	1,125.36	0.00 0.00
GNMA	2002 A-D SF MRB	6,15	04/29/03	03/20/33	88,212.60	89,512.75			(306,59)	88,666,69	-907.52	146.84	87,906.01	89,780,98	584.82	0.00
GNMA GNMA	2002 A-D SF MRB 2002 A-D SF MRB	5.15 6.15	05/08/03 05/08/03	04/20/33 04/20/33	51,605.58	52,368.73			(185.06)	51,868.05	-1,054.62	609.09	51,420.52	52,523.74	342.07	0.00
GNMA	2002 A-D SF MRB 2002 A-D SF MRB	6.15 8.15	05/08/03 05/15/03	04/20/33 04/20/33	84,397.01 179,536.38	85,641.77 182.185.25			(292.65)	84,833.08	-2,038.29	1,309.57	84,104.36	85,908.75	559.63	0.00
GNMA	2002 A-D SF MRB	6.15	05/22/03	05/20/33	64,151.89	65,098.93			(826.08) (215.63)	180,461.37 64.491.15	-1,847.24 -656.84	296,17 101,95	178,910.30 63,936.26	182,749.59 65,308,83	1,190.42 425.53	0,00 - 0.00
GNMA	2002 A-D SF MRB	6.15	06/10/03	06/20/33	63,628.66	64,569.20			(216.16)	53,964,00	-652.66	101.16	63,412.50	64,775.D5	423.33 422.01	0.00
GNMA GNMA	2002 A-D SF MRB 2002 A-D SF MRB	6.15 6.15	06/19/03 07/17/03	05/20/33	62,099.33	83,313.22	-		(273.91)	B2,537.39	-838.81	126.84	81,825.42	83,583.95	544.64	0.00
GNMA	2002 A-D SF MRB 2002 A-D SF MRB	6.15 6.15	07/17/03	07/20/33 07/20/33	52,035.30 94,009,07	52,806.17 95.401.76			(176.93)	52,311.08	-533.83	81.12	51,858.37	52,974.38	345.14	0.00
GNMA	2002 A-D SF MRB	6.15	07/24/03	07/20/33	87,682,73	95,401.76 98,982.28			(535.14) (302.93)	. 94,269.92 88,143.12	-986.68 -1,637.94	170.69 874.62	93,473,93 87,379,80	95,485.52 89.709.70	618.90 684.46	0.00 0.00
						,			(552.55)	00,143.12	1,027.04	474.02	00,816,10	89,260.79	581.46	0.80

GNMA	2002 A-D SF MRB	6.15	07/30/03	07/20/33	48,568.82	49,288,86	(160.71	45.024.40	405.30	70.00	40 100 44	40 450		
GNMA	2002 A-D SE MRB	6.15	09/04/03	08/20/33	55,474,85	56,299.09	(181.26		-495.76 -564.89	72.68 79.83	48,408.11	49,450.39	322.24	0.00
GNMA	2002 A-D SF MRB	6.15	09/30/03	09/20/33	166,431,59	168,908.45					55,293.59	56,485.94	368.11	0.00
GNMA	2002 A-D SF MRB	6.15	10/09/03	08/20/33	50,228.22	59,095.00	(549.79		-3,498.79	2,039.57	165,881.80	169,462.92	1,104.26	0.00
GNMA	2002 A-D SF MRB	6.15	01/15/04	12/20/33	65,698.34	66,680.35	(191.54		-1,561,49	1,050.72	58,036.88	59,289,82	386.36	0.00
GNMA	2002 A-D SF MRB	6.15	03/11/04	03/20/34	184.161.41		(210.84		-667.13	64.80	65,485,50	66,905.56	438.05	0.00
GNMA						105,697.70	(325.50		-1,053.89	125,04	103,835.91	106,012.52	B40.32	0.00
	2002 A-D SF MRB	5.40	07/08/04	06/20/34	187,843.97	186,335.28	(663.15		-2,466.58	772.37	187,180.82	187,868.45	2,194.32	0.00
GNMA	2002 A-D SF MRB	B.15	04/01/04	04/20/34	40,057.24	40,648.88	(124.70		-405.20	47.17	39,932.54	40,770.44	246.26	0.00
GNMA	2002 A-D SF MRB	5.40	06/17/04	08/20/34	443,663.97	440,291.44	(1,574.38		-4,370.56	374.96	442,289.59	443,902.03	5,184.97	0.00
GNMA	2002 A-D SF MRB	5.40	09/02/04	09/20/34	388,560,60	385,460.03	(2,022.23) 390,D57.47	-4,595.92	1,076.82	386,538.37	387,974,55	4,536.75	0.00
GNMA	2002 A-D SF MRB	5.40	09/09/04	09/20/34	550,895.45	545,468,73	(1,944.03	553,952.51	-5,582.83	5B1.74	548,951,42	549,964,05	6,439.35	0.00
GNMA	2002 A-D SF MRB	5,40	09/18/04	09/20/34	498,568.71	494,596.31	{1,716.75		-5,032.42	502.94	496,851.96	490,704.07	5.B24.51	0.00
GNMA	2002 A-D SF MRB	5,40	07/15/04	07/20/34	187,489.57	185,965.42	(702.80		-1,842,48	150,49	186,766.77	187,452.42	2,189.80	0.00
GNMA	2002 A-D SF MRB	5.40	07/22/04	07/20/34	189,312.00	187,794.19	(670.14		-1,898.18	189.87	188,441,88	189,134,78	2.210.73	0.00
GNMA	2002 A-D SF MRB	5.40	07/29/04	07/20/34	252,419,40	250.396.85	(911.28		-2,526.17	244.85	251,508.12	252,434.20	2,948.63	0.00
GNMA	2002 A-D SF MRB	5.40	06/05/04	08/20/34	203,147.86	201,521.74	(719.87		-2,038.85	201.07	202,427.99	203,174.99	2,373.12	0.00
GNMA	2002 A.D SF MR8	5.40	08/12/04	08/20/34	313,948.0B	311,438,93	(719.0)		-4,549.86	1,707.63	312,855.05	203,774.89 314,011,47	3,667,57	D.00
GNMA	2002 A-D SF MRB	5.40	08/20/04	08/20/34	109,227.29	108,354,40								
GNMA	2002 A-D SF MRB	5.40	08/26/04	08/20/34	70,866.31	70,300.33	(407.99		-1,109.63	120,25	108,819.30	109,222.31	1,275.90	0.00
GNMA	2002 A-D SF MRB	5.40 5.40	12/02/04	12/20/34			(496.40		-712.39	72.23	70,369.91	70,630.88	826,95	0.00
					416,281.24	412,993.23	(1,453.06		-4,705.43	977.55	414,828.18	416,403.53	4,863.36	0.00
GNMA GNMA	2002 A-D SF MRB	4.49	12/09/04	12/20/34	1,385,986.40	1,298,125.15	. (6,015.96		-14,044.04	1,359.23	1,379,970.44	1,321,296.46	29,187.27	0.00
	2002 A-D SF MRB	4.49	12/16/04	12/20/34	1,293,541.57	1,211,547.97	(5,864.39		-13,063,54	1,218.39	1,287,677.16	1,232,934.80	27,251.22	0.00
GNMA	2002 A-D SF MRB	5,40	10/14/04	10/20/34	494,457.09	489,501.54	(1,739.02		-5,006.12	501.78	492,718.07	493,642.40	5,779.78	0.00
GNMA	2002 A-D SF MRB	4.49	10/14/04	09/20/34	110,539.99	103,603.62	(454.42		-1,124.45	118.29	110,085,57	105,679.35	2,329.95	0.00
GNMA	2002 A-D SF MRB	5.40	10/21/04	10/20/34	1,581,952.70	1,549,556.13	(5,755.40	1,570,433.28	~18,258.99	4,023.01	1,556,197.30	1,552,047.15	18,246.43	0.00
GNMA	2002 A-D SF MRB	4.49	10/21/04	10/20/34	230,184,98	216,159.52	(946.85	231,335,19	-2,344.72	247.66	229,238.13	220,064.55	4,851,88	0.00
GNMA	2002 A-D SF MRB	5.40	10/28/04	10/20/34	387,441.88	353,641.94	(1,570.48	389.403.69	-4,683,86	1,151.57	385,871,40	386,599.97	4,528.51	0.80
GNMA	2002 A-D SF MRB	4.49	10/29/04	10/20/34	413,089.98	387,450.28	(1,780.40	415,680.22	-4,207,91	437.27	411,909,58	394,380,79	B.710.91	0.00
GNMA	2002 A-D SF MR8	4.49	11/04/04	10/20/34	1,807,366,28	1,692,755.05	(8,244.99		-18,371.14	1,892.57	1,789,141.29	1,722,587.52	38,077,46	0.00
GNMA	2002 A-D SF MRB	5.40	11/04/04	11/20/34	458,955.35	455,318.78	(1.595.17		-4.635.24	445,28	457,360.18	459,085.46	5.361.85	0,00
GNMA	2002 A-D SF MRB	4.49	11/10/04	11/20/34	385,845.02	361,188,50	(1,620.53		-3,948,56	426.49	384,024,49	367,556.77	B,118.80	0.00
GNMA	2002 A-D SF MRB	5.40	11/10/04	11/20/34	68,135,54	67,596.03	(231.54)		-1,484.73	862.30	67,904.00	68,160.53	796.04	0.00
GNMA	2002 A-D SF MRB	4.49	11/18/04	11/20/34	560,148,90	524.629.56	(2,352.74		-7,098.79	1,979.91	557,796.16			
GNMA	2002 A-D SF MRB	4.49	11/23/04	11/20/34	1,433,632.70	1,342,730,70						534,069.37	11,792.55	0.00
GNMA	2002 A-D SF MRB	4.49	12/02/04	12/20/34	2,321,874.89	2,174,672.12	(6,270.15		-14,532.49	1,432.92	1,427,362.55	1,366,652.83	30,192.28	0.00
GNMA	2002 A-D SF MRB	5.40	12/23/04				(9,708.56		-23,506.82	2,265.81	2,312,166.31	2,213,843,55	48,860.61	0.00
GNMA	2002 A-D SF MRB	4.49	12/23/04	12/20/34 12/20/34	185,685,59	184,222.28	(78,796.35		-2,787.76	1,803.84	106,589.24	107,297.10	1,871.17	0.00
GNMA	2002 A-D SF MRB				1,366,989.74	1,260,348.26	{5,746.66		-13,808.45	1,278.26	1,361,243.08	1,303,381.14	28,779.54	0.00
GNMA	2002 A-D SF MRB	4.49	12/29/04	12/20/34	1,479,485.13	1,385,720.55	(112,208.01)		-15,984.70	3,392.00	1,367,277.12	1,309,165.31	35,652.77	0.00
		7	01/06/05	01/20/35	2,827,610.24	2,648,686.69	(11,828.26)		-28,553.54	2,597,08	2,815,783.98	2,695,049.80	60,189.37	0.00
GNMA	2002 A-D SF MRB	5.40	01/06/05	01/20/35	445,314.52	441,498.39	(1,499,11)		-4,477,47	386.29	443,815.41	445,317.70	5,320.42	0.80
GNMA	2002 A-D SF MRB	4.49	01/13/05	01/20/35	1,552,153.61	1,452,848,46	(127,778.83)	1,437,513.66	-15,696.13	2,557.25	1,424,374.78	1,363,309,20	38,239.57	0.00
GNMA	2002 A-D SF MRB	5.40	01/13/05	01/29/35	134,321.90	133,171.04	(449.38)	135,107.43	-1,349.02	114,13	133,872,54	134,326.52	1,604.84	0.00
GNMA	2002 A-D SF MRB	4.49	01/19/05	01/20/35	1,875,649.76	1,755,656.52	(7,867.28)	1,885,021.00	-18,973.93	1,735.41	1,867,782.48	1,787,718.22	39,926,98	0.00
GNMA	2002 A-D SF MRB	5.40	01/19/05	01/20/35	185,609.55	184,020,18	(620.99)	186,695,90	-1,864.11	156.77	184,988,56	185,616.01	2,217.62	8.00
GNMA	2002 A-D SF MRB	4.49	01/27/05	01/20/35	2,133,220.45	1,996,763.42	(18,688.31)		-21,643.66	2,112.52	2.114.552.14	2,023,921.89	45,828.78	0.00
GNMA	2002 A-D SF MRB	4.49	02/03/05	02/20/35	3,091,262,76	2,893,542,51	(114,748.07)		-32,466.19	4,954.27	2,976,518.69	2,848,962.55	70,166.11	0.00
GNMA	2002 A-D SF MRB	4.49	02/10/05	02/20/35	1,034,256.23	968,110,03	(4.179.72)		-10,428.76	900.78	1,030,076,51	985,940.10	22,009.79	0.00
GNMA	2002 A-D SF MRB	4.49	02/10/05	02/20/35	2,132,023.62	1,995,669.34	(8,519.05)	2,143,146.51	-22,747.87	3,105,93	2.123.504.57	2,032,517.28	45,366,99	0.00
GNMA	2002 A-D SF MRB	5.40	02/17/05	11/20/34	193,130,21	191.617.15	(660.63)	194,250.08	-1.940.90	160.40	192,469.58	193,212.79	2,256.27	
GNMA	2002 A-D SF MRB	4.49	02/17/05	02/20/35	1,492,579.50	1,397,129.55	(6.141.69)		-15,055,06	1,295.76				0.00
GNMA	2002 A-D SF MRB	4.49	02/24/05	02/20/35	1.378.390.73	1,290,250,92					1,466,437.61	1,422,755,79	31,768.13	0.00
GNMA	2002 A-D SF MRB	4,49	03/03/05	03/20/35	1,333,268.97	1,248,023.25	(6.110.73) (5.812.93)		-13,939.20	1,229.14	1,372,280,00	1,313,496.87	29,356.68	0.00
GNMA	2002 A-D SF MRB	4.49	03/11/05	03/20/35	554,402.25	518,958.89			-13,443.48	1,139.12	1,327,456.04	1,270,801.97	28,391.65	0.00
GNMA	2002 A-D SF MRB	5,40	03/17/05	02/20/35	125,641,99	124.572.42	(2,174.45)		-5,575.48	452.87	552,227.60	528,579.99	11,795.55	0.00
GNMA	2002 A-D SF MRB	4.49	03/17/05	02/20/35	844,965.04	124,572.42 790,949,77	(441.57)		-1,272.39	110.61	125,200.42	125,631.84	1,500.99	0.00
GNMA	2002 A-D SF MRB	4.49	03/24/05	03/20/35			(3,454.16)		-8,510.35	899.99	841,510.88	805,479.27	17,983.68	0.00
GNMA	2002 A-D SF MRB	4.49	04/07/05		836,284.37	782,828.77	(3,283.48)		-8,419,14	682.67	833,000.89	797,338,51	17,793.22	0.00
GNMA	2002 A-D SF MRB	4.49	04/07/05 04/14/05	04/20/35	1,145,006,60	1,074,039.71	(4,514.06)		-13,024.36	2,389.07	1,143,491,72	1,094,550.98	24,426.15	00,0
GNMA	2002 A-D SF MRB			04/20/35	823,818,94	773,237.16	(3,204.16)		-8,274.27	636.95	820,614.78	787,568.34	17,535,34	0.00
GNMA	2002 A-D SF MRB 2002 A-D SF MRB	5.40	04/21/05	04/20/35	230,164.43	227,782.60	(773.77)	231,526.96	-2,312.59	176.29	229,390.66	229,758.08	2,749.25	0.00
GNMA		4.49	04/21/05	04/20/35	1,165,309.37	1,090,849.67	(4,561.88)		-11,720.95	910.9B	1,160,747,49	1,111,081.64	24,793.65	0.00
	2002 A-D SF MRB	4.49	04/2B/05	04/20/35	1,038,047.79	971,725.79	(4,040.73)		-10,435.97	800,01	1,034,007.06	989,770.17	22,085.11	0.00
GNMA	2002 A-D SF MRB	5.40	04/28/05	04/20/35	132,116.21	130,996.55	(442.12)	132,901.17	-1,326.34	99.26	131,574.09	132,133,01	1,578.58	0.00
GNMA	2002 A-D SF MRB	4.49	05/05/05	05/20/35	1,698,957.78	1,590,420.79	(7,536.56)		-19,320,60	3,546.11	1,091,421.22	1,619,070.28	36,186.05	0.00
GNMA	2002 A-D SF MRB	5.40	05/05/05	04/20/35	231,963.48	229,565.62	(785.65)	233,333.60	-2,332.79	177.02	231,177.83	231,550.92	2,770.75	0.00
GNMA	2002 A-D SF MRB	4.49	05/12/05	05/20/35	1,181,161,91	1,085,988.27	(4,577.72)	1,167,377.77	-11,652.55	858.97	1,158,584.19	1,107,117.70	24,707,15	0.00
GNMA	2002 A-D SF MRB	4.49	07/07/05	07/20/35	4,024,155,82	3,767,267.72	(108,195.21)	3,952,704.96	-40,340.82	3,596.47	3,915,960.61	3,748,666.33	89,573,82	0.00
GNMA	2002 A-D SF MRB	5.40	07/07/05	07/20/35	117,785,76	116,794.98	(403.32)	118,483.87	-1,186,75	85.32	117,382.44	117,799.03	1,407.39	0.00
GNMA	2002 A-D SF MRB	4.49	07/14/05	07/20/35	063,985.29	621,605.87	(2,552.05)	667,643.67	-6,647.84	437.41	581,433,24	633,179.03	14,126,11	0.00
GNMA	2002 A-D SF MRB	4.49	05/26/05	05/20/35	993,628.36	B32,655.28	(3,894,45)	998,982,49	-9.985.62	737.04	989,733.91	949,912.48	21,151.65	0.00
GNMA	2002 A-D SF MRB	5.40	05/26/05	05/20/35	160,565.19	159,208,43	(532.58)	161,528.04	-1,607.42	111.99	160.032.61	160.594.40	1,918.55	0.00
GNMA	2002 A-D SF MRB	4.49	05/26/05	05/20/34	501,763.00	469,709.57	(2.906.87)	503,509.08	-5,048,40	393.47	498,856.13	477,517.93	10,715.23	0.00
GNMA	2002 A-D SF MRB	4.49	06/02/05	06/20/35	908,929.99	853.160.37	(4,662.03)	912,724.36	-9,140,60	684.20	904,267.96			
GNMA	2002 A-D SF MRB	5.40	06/09/05	05/20/35	169,682.05	168.250.29	(555.64)	170,708.71	-1,895.55	113.25	169,126.41	867,891,34	19,393.00	0.00
GNMA	2002 A-D SF MRB	4,49	05/09/05	08/20/35	1,099,102.42	1,028,919.06	(4,268.46)					169,722.01	2,027.36	0.00
GNMA	2002 A-D SF MRB	4.49	06/15/05	06/20/35	987,832,17	927,231,63	(3,887.13)	993,157.57	-11,021.96 -9.904.91	776.77 692.38	1,094,833.96	1,048,034.97	23,384.37	0.00
GNMA	2002 A-D SF MRB	4,49	08/23/05	06/20/35	2,075,712.22	1,943,190.79					983,945.04	944,373.66	21,029.18	0.00
GNMA	2002 A-D SF MRB	4,49	06/29/05	08/20/35	882,236.63	B25,915.43	(9,150,92) (3,455,17)		-20,836.68	1,473.03	2,068,561.30	1,978,249.50	44,209.63	0.00
GNMA	2002 A-D SF MR8	4.49	09/08/05	09/20/35	178,717,43	167,766.51			-10,202.19	1,963.54	878,781.46	841,232.13	18,771.87	0.00
GNMA	2002 A-D SF MRB	5.40	09/08/05	08/20/35	59,484,33	58,987.22	(668.58)	179,709,50	-1,790.34	109.69	178,028.05	170,882.16	3,804.23	0.00
GNMA	2002 A-D SF MRB	4.49	09/15/05	09/20/35	306,557.41	288,879,80	(200.67)	59,843.26	-598.11	38.51	59,283.66	59,497,35	710.80	0.00
		7.70	05,15105	u コ/ とひ/ 33	3 P. 100,000	¥00,8/9,8U	(1,184.05)	310,276,94	-3,090.26	186.68	307,373.38	294,260,45	6,564.70	0.00

GNMA	2002 A-D SF MRB	4.49	09/22/05	09/20/35	404.254.86	378,476.63			(1,772.67)		406,286.68	-4,041,62	237.15	402,482,19	385.314.14	8.610.18	
GNMA	2002 A-D SF MRB	4.49	07/21/05	07/20/35	434,424.14	407,788.70			(1,680.66)		436,809.10	-5,663,28	1,597.46	432,743.28	305,314.14 415,353.05		0.00
GNMA	2002 A-D SF MRB	4.49	07/28/05	07/20/35	334,337,74	313,002.14			(1,339,85)		338,128.60	-3,347.54	216.83	332,997.89	318,777.63	9,247.21 7,115.34	0.00
GNMA	2002 A-D SF MR8	4.49	08/04/05	08/20/35	195,857,98	183,851.05			(121,811.95)		74.742.71	-1,957.17	1,260,49	74,046.03	71.071.36	7,115.34 9,032.26	0.00 0.00
GNMA	2002 A-D SF MRB	5.40	08/11/05	07/20/35	64 075 61	63,538.55			(208.57)		84.470.29	-638.71	37.48	63,869.04	64,097.65	785 67	0.00
GNMA	2002 A-D SF MRB	4.49	08/11/05	07/20/35	538,943.02	505,906.00			(2,117.92)		541,878.67	-5.386.94	333.37	535,825.10	515 281.58	11,473.50	0.00
GNMA	2002 A-D SF MRB	4.49	08/18/05	08/20/35	1,495,240.35	1,399,849,14			(7.276.80)		1.501.981.75	-14.971.79	953.79	1,487,963.75	1,424,449.47	31.878.93	0.00
GNMA	2002 A-D SF MRB	4.49	DB/30/05	08/20/35	2,053,814.79	2,484,535.58			(11,298.04)		2,667,438.63	-26,595.38	1,673.50				
GNMA	2002 A-D SF MRB	4.49	09/29/05	07/20/35	219,147.85	205.727.89			(842.08)		220,370,20	-2,191.52	1,073.50	2,642,516,75 218,305,77	2,529,745,45 209,545,60	56,507.91 4,664.79	0.00 00,0
GNMA	2002 A-D SF MRB	4.49	10/13/05	09/20/35	279,132.26	281,337.49			(1,074,09)		280.691.62	-2,788,49					
GNMA	2002 A-D SF MRB	4.49	10/27/05	10/20/35	1,842,275.37	1,724,852.47			(8,189.53)		1,851,480.50	-18,414.58	155.04 1,019.92	278,058.17 1,834,085.84	268,202.30	5,938.90	0.00
GNMA	2002 A-D SF MRB			,=	43,475.31	43,113.62					1,031,400.50	*10,414.00	\$,018.92	1,034,005,04	1,755,907.09	39,244.15	0.00
GNMA	2002 A-D SF MRB	4.49	11/01/05	11/20/35	457,376,02	429,371.11			(43,475.31) {1,768.81)		459.932.58	-4,569,19	245.82	455 500 64		361.69	0.00
FNMA	2002 A-D SF MRB	6.40	07/24/03	11/01/32	76.821.56	77,924.72			(268,61)			-4,569.19 0.00		455,609.21	437,340,69	9,736,39	0.00
FNMA	2002 A-D SF MRB	5.40	0B/14/03	09/01/32	58,236.07	57,301.59			(200,01)		76,552.95		0.00	76,552.95	78,242.47	586.36	0.00
FNMA	2002 A-D SF MRB	6.15	08/14/03	12/01/31	63,984.79	64,597.0B					58,248,69	-571.48	326.20	58,001.41	57,890.22	823.29	0.00
FNMA	2002 A-D SF MRB	6.40	08/28/03	11/01/32	48,483,94	49.180.17			(585.18)		63,666.82	-331.62	64.41	63,399.61	64,629.45	B17.55	0.00
FNMA	2002 A-D SF MRB	5.45	03/25/04	02/01/34	83,120.05	81,535.78			(150,81)		48,333.13	0.00	0.00	48,333.13	49,399,84	370.48	0.00
FNMA	2002 A-D SF MR8	6.15	04/01/04	02/01/34					(274.56)		82,845.47	40.64	-40.64	82,845,47	82,468.53	1,207.33	0,00
FNMA	2002 A-D SF MRB	5.40	10/28/04	10/01/34	103,357,35 304,589,45	104,055.58 299.329.49			(328.46)		103,476.53	-508.70	59.06	103,028.69	104,505.47	879,37	0.00
FNMA	2002 A-D SF MRB	4.49	13/04/04	10/01/34	218,672.73	204,881,21			(1,077.77)		304,858.55	-1,494.48	147.61	303,511.50	302,687.94	4,436.22	0.00
FNMA	2002 A-D SF MRB	4.49	12/23/04	12/01/34	228,081,15	213,679,87			(867.27)		218,752.57	-1,072.01	104.90	217,785,46	208,335.58	4,361.64	0.00
FNMA	2002 A-D SF MRB	4.49	01/19/05	01/01/35					(1,015.45)		228,079.00	-1,139.27	125.91	227,065.70	217,217.92	4,553.50	0.00
FNMA	2002 A-D SF MRB	4.49	01/27/05	01/01/35	305,437.61	286,155.42			(1,490,02)		305,307.74	-1,496,99	136.84	303,947.59	290,768,97	6,103.57	0.00
FNMA	2002 A-D SF MRB	4,49	03/14/05	12/01/34	311,679,14 246,772,55	291,465.59			(1,387,40)		311,681.22	-1,527.25	137.77	310,291.74	296,430.66	6,352.47	0,00
FNMA	2002 A-D SF MRB	5.40	03/24/05			231,198.97			(993.58)		248,884.03	-1,204.43	99.37	245,778.97	235,127.40	4,922.01	0.00
FNMA	2002 A-D SF MRB	4.49	03/24/05	02/01/35 02/01/35	239,847.22	235,720.24			(1,028.55)		239,895.89	-1,172.82	97.60	238,820.67	238,187,88	3,494.17	0.00
FNMA	2002 A-D SF MRB	4.49	07/28/05	07/01/35	214,201,96	200,316.00			(847.66)		214,315.94	-1,043.04	81.40	213,354.30	203,029,45	4,361.11	0.00
FNMA	2002 A-D SF MRB	5.4D			429,192.64	401,389.76			(2,196.06)		428,942.70	-2,086.97	140.85	426,996.58	407,954.53	8,780.63	0.00
FNMA	2002 A-D SF MRB		07/14/05	04/01/35	112,623.11	110,495.93			(374.53)		112,759.27	-544.95	34.26	112,248.58	111,830,10	1,705.70	0.00
FNMA	2002 A-D SF MRB	4.49	09/08/05	08/01/35	330,648.65	309,234.99			(1,284.17)		330,681.58	-1,604.17	97.09	329,354.48	314,672.51	6,731.69	B.00
FNMA	2002 A-D SF MRB	4.49	10/20/05	09/01/35	91,606.53	85,675.40			(348.84)		91,676,93	-442.61	23.37	91, 257, 69	87,191.18	1,864.62	0.00
Repo Agmil	2002 A-D SF MRB 2002 A-D SF MRB	4.49	11/01/05	10/01/35	189,235.18	176,983.92			(721,71)		189,380.65	-913.18	46.00	188,513.47	180,114,26	3,852.05	0.00
repo Agini	2002 A-D SF MRB Total	5.29	11/30/06	12/01/06 _	1,255,042.73	1,255,042.73	16,728.84				1,271,769.57	0.00	0.00	1,271,769.57	1,271,769,57		0.00
	2002 A-D SP MRB 10(8)				95,747,398.43	92,385,330.62	2,459,398.14	(5,175,964.07)	(1,162,744.48)	0.00				92,668,088.02	90,194,704.93	1,688,684,72	0.00
Repo Agmit	2004A Cloude Camille, (2011 (no)	r =0	******	40104100													
	2004A Single Family (JR Lien)	5.29	11/30/06	12/01/06	2,432.80	2,432.80		(1,589.11)			843.69	0,00	0.00	843,69	843.69	-	0.00
Repa Agmt	2004A Single Family (JR Lien)	5.29	11/30/06	12/01/05	124,205.19	124,205,19	0.00				124,205.19	0.00	0.00	124,205.19	124,205.19	-	0.80
Repa Agmit	2004A Single Family (JR Lien)	5.29	11/30/06	12/01/08	1,047,804.51	1,047,804.51		(689,912.20)			357,892.31	0.00	0.00	357,892.31	357,892.31	-	0.00
	2004A Single Family (JR Lien) Total				1,174,442.50	1,174,442.50	0.00	(891,501.31)	0.00	0.00				482,941.19	482,941.19	0.00	0.00
D 4	1001 1 0/7 11000 1 0 0 0														,.		
Repo Agmi	1991 A S/F (1980 A Refunding)	5.29	11/30/06	12/01/06	19,920.71	19,920.71		(17,703.20)			2,217.51	0.00	B.00	2,217.51	2,217.51		0.00
GIC's	1991 A S/F (1980 A Refunding)	6.09	11/14/96	09/30/29	126,309,23	126,309.23	65,991.03				2,217.51 192,300.26	0.00	6.00 0.00	2,217.51 192,300.26		•	
GIC's Repo Agml	1991 A S/F (1980 A Refunding) 1991 A S/F (1980 A Refunding)	6.09 5.29	11/14/96 11/30/06	09/30/29 12/01/06				(17,703.20) (7,123.94)				0.00 0.00			2,217.51	• •	0.00
GIC's Repo Agmi GIC's	1991 A S/F (1980 A Refunding) 1991 A S/F (1980 A Refunding) 1991 A S/F (1980 A Refunding)	6.09	11/14/96	09/30/29	126,309,23 7,123.95	126,309.23 7,123,95	85,991,03 6,951,57	(7,123.94)			192,300.26	0.00	0,00	192,300.26	2,217.51 192,300.26	• • •	0.00 0.00
GIC's Repo Agml GIC's Repo Agml	1991 A S/F (1980 A Refunding) 1991 A S/F (1980 A Refunding) 1991 A S/F (1980 A Refunding) 1991 A S/F (1980 A Refunding)	6.08 5.29 6,08	11/14/96 11/30/06 11/14/96	09/30/29 12/01/06 09/30/29	126,309,23 7,123.95 12,794.62	126,309.23 7,123,95 12,794.62	6,951.57				192,300.26 0.01	0.00 0.00	00,6 00.0	192,300.26 0.01	2,217.51 192,300.26 0.01	:	0.00 0.00 0.00
GIC's Repo Agml GIC's Repo Agml GIC's	1991 A S/F (1980 A Refunding) 1991 A S/F (1980 A Refunding)	6.09 5.29	11/14/96 11/30/06	09/30/29 12/01/06	126,309,23 7,123.95 12,794.62 553,903.06	126,309,23 7,123,95 12,794.62 553,903,06		(7,123.94) (12,794.62)			192,300.26 0.01	0.00 0.00	00,6 00.0	192,300.26 0.01	2,217.51 192,300.26 0.01		0.00 0.00 0.00 0.00
GIC's Repo Agml GIC's Repo Agml GIC's Repo Agmt	1991 A S.F. (1980 A Refunding) 1991 A S.F. (1980 A Refunding)	6.08 5.29 6,08	11/14/96 11/30/06 11/14/96	09/30/29 12/01/06 09/30/29	126,309,23 7,123.95 12,794.62 553,903.06 0.08	126,309.23 7,123.95 12,794.62 553,803.06 0.08	6,951.57	(7,123.94) (12,794.62) (0.08)			192,300.26 0.91 6,951.57	00.0 00,0 00,0	0,00 0,00 0,00	192,300.26 0.91 6,851.57	2,217.51 192,300.26 0.01 6,951.57	:	0.00 0.00 0.00 0.00 0.00 0.00
GIC's Repo Agmi GIC's Repo Agmi GIC's Repo Agmi Repo Agmi	1991 A S./F (1980 A Refunding) 1991 A S./F (1980 A Refunding)	6.08 5.29 6,08	11/14/96 11/30/06 11/14/96	09/30/29 12/01/06 09/30/29	126,309,23 7,123.95 12,794.62 553,903.06 6.08 0.33	126,309.23 7,123.95 12,794.62 553,803.06 0.08 0.33	6,951.57	(7,123.94) (12,794.62) (0.08) (0.33)			192,300.26 0.91 6,951.57	00.0 00,0 00,0	0,00 0,00 0,00	192,300.26 0.91 6,851.57	2,217.51 192,300.26 0.01 6,951.57	- - - - -	0.00 0.00 0.00 0.00 0.00 0.00 0.00
GIC's Repo Agml GIC's Repo Agml GIC's Repo Agmt	1991 A SIF (1980 A Refunding) 1991 A SIF (1980 A Refunding)	6.08 5.29 6,08	11/14/96 11/30/06 11/14/96	09/30/29 12/01/06 09/30/29	126,309,23 7,123,95 12,794,62 553,903,06 0.08 0.33 10,64	126,309.23 7,123.95 12,794.62 553,803.06 0.08 9.33 10,64	6,951.57 12,914.29	(7,123.94) (12,794.62) (0.08) (0.33) (10.64)			192,300.26 0.91 6,951.57	00.0 00,0 00,0	0,00 0,00 0,00	192,300.26 0.91 6,951,57 586,817.35	2,217.51 192,300.26 0.01 6,951.57 566,817.35		0.00 0.00 0.00 0.00 0.00 0.00
GIC's Repo Agmi GIC's Repo Agmi GIC's Repo Agmi Repo Agmi	1991 A S./F (1980 A Refunding) 1991 A S./F (1980 A Refunding)	6.08 5.29 6,08	11/14/96 11/30/06 11/14/96	09/30/29 12/01/06 09/30/29	126,309,23 7,123.95 12,794.62 553,903.06 6.08 0.33	126,309.23 7,123.95 12,794.62 553,803.06 0.08 0.33	6,951.57	(7,123.94) (12,794.62) (0.08) (0.33)	0.00	0.00	192,300.26 0.91 6,951.57	00.0 00,0 00,0	0,00 0,00 0,00	192,300.26 0.91 6,851.57	2,217.51 192,300.26 0.01 6,951.57		0.00 0.00 0.00 0.00 0.00 0.00 0.00
GIC's Repo Agmi GIC's Repo Agmi GIC's Repo Agmi Repo Agmi GIC's	1991 A SIF (1980 A Refunding)	6.09 5.29 6.08 4.51	11/14/98 11/30/06 11/14/96 06/26/02	09/30/29 12/01/05 09/30/29 03/01/34	126,309,23 7,123,95 12,794,62 553,903,06 6,08 0,33 10,64 720,062,62	126,309.23 7,123,95 12,794.62 553,803.06 0.08 0.33 10,64 720,062.62	6,951.57 12,914.29	(7,123.94) (12,794.62) (6.08) (0.33) (10.64) (37,632.61)		0.00	192,300.26 0.01 0,951.57 586,817.35	0.00 0.00 0.00 0.00	0.00 0.00 0.00	192,300.26 0.91 6,951,57 586,817.35	2,217.51 192,300.26 0.01 6,951.57 566,817.35	- - - - - - - - -	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC's Repo Agmi GIC's Repo Agmi GIC's Repo Agmi GIC's Repo Agmi GIC's	1991 A S.F. (1980 A Refunding)	6.08 5.29 6,08	11/14/96 11/30/06 11/14/96	09/30/29 12/01/06 09/30/29	126,309,23 7,123,95 12,794,62 553,903.06 0.08 0.33 10.64 720,062,62	126,309.23 7,123.95 12,794.62 553,803.06 0.08 0.33 10.64 720,062.62	6,951.57 12,914.29	(7,123.94) (12,794.62) (0.08) (0.33) (10.64) (37,632.81)		0.00	192,300.26 0.91 6,951.57	00.0 00,0 00,0	0,00 0,00 0,00	192,300.26 0.91 6,951,57 586,817.35	2,217.51 192,300.26 0.01 6,951.57 566,817.35	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC's Repo Agmt GIC's Repe Agmt GIC's Repo Agmt Repo Agmt GIC's Repo Agmt Repo Agmt	1991 A SIF (1980 A Refunding) 1991 A SIF (1980 R Refunding) 1994 A&B SF (1983 Refunding) 1994 A&B SF (1983 Refunding)	6.08 5.29 6.06 4.51	11/14/96 11/30/06 11/14/96 06/26/02	09/30/29 12/01/06 09/30/29 03/01/34 	126,309,23 7,123,95 12,794,62 553,903,06 6.08 0.33 10.64 720,062,62 943,77 0.30	126,309.23 7,123.95 12,794.62 553,803.06 0.08 0.33 10.64 720,062.62	6,951.57 12,914.29	(7,123,94) (12,794,62) (0.08) (0.33) (10,64) (37,832,81) (926,47) (0.30)		0.00	192,300.26 0.91 0,951.57 566,817.35	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	192,300.26 0.01 5,851.57 586,817.35 768,286.70	2,217.51 192,300.26 0.01 6,951.57 566,817.35 788,286.70		0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC's Repo Agmi GIC's Repo Agmi GIC's Repo Agmi Repo Agmi GIC's Repo Agmi Repo Agmi GIC's	1991 A SIF (1980 A Refunding) 1991 A SIF (1980 Refunding) 1994 A&B SF (1983 Refunding) 1994 A&B SF (1983 Refunding)	6.08 5.29 6.08 4.51 5.29 6.08	11/14/96 11/30/06 11/14/96 06/26/02 11/30/06 11/34/96	09/30/29 12/01/06 09/30/29 03/01/34 	126,309,23 7,123,95 12,794,62 553,903,06 0.08 0.33 10,64 720,062,62 943,77 0.30 59,232,22	126,309.23 7,123.95 12,794.62 553,803.06 0.08 0.33 10.64 720,062.62 943,77 0.30 59,232.22	6,951.57 12,914.29	(7,123.94) (12,794.62) (0.08) (0.33) (10.64) (37,632.81)	0.00	0.00	192,300.26 0.01 6,951.57 580,817.35 17.30 28,338.79	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 	192,300.26 0.01 6,851.57 566,817.35 766,266.70 17.30 28,338.79	2,217.51 192,300.26 0.01 6,951.57 566,817.35 768,285.70 17.30 28,338.79		0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC's Repo Agmt GIC's Repo Agmt GIC's Repo Agmt Repo Agmt Repo Agmt GIC's Repo Agmt GIC's Repo Agmt GIC's	1991 A SJF (1980 A Refunding) 1994 A&B SF (1983 Refunding) 1994 A&B SF (1983 Refunding) 1994 A&B SF (1983 Refunding)	6.08 5.29 6.08 4.51 5.29 6.08 6.15	11/14/96 11/30/06 11/14/96 06/26/02 11/30/06 11/30/06	09/30/29 12/01/06 09/30/29 03/81/34 	126,309,23 7,123,95 12,794,62 553,903,06 0.08 0.33 10,64 720,092,62 943,77 0.30 59,232,22 12,943,22	126,309.23 7,123.95 12,794.62 553,903.06 0.08 0.33 10,64 720,062.62 943.77 0.30 59,232.2 13,163.11	6,951.57 12,914.29	(7,123,94) (12,794,62) (0.08) (0.33) (10,64) (37,832,81) (926,47) (0.30)	0.00	0.00	192,300.26 0.91 0,951.57 566,617.35 17.30 28,338.79 12,693.57	0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 227.25	192,300.26 0.01 6,851.57 566,817.35 766,286.70 17.30 28,338.79 12,629.14	2,217.51 192,300.26 0.01 6,951.57 566,817.35 788,286.70		0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmt GIC'S Repo Agmt GIC'S Repo Agmt Repo Agmt GIC'S Repo Agmt GIC'S Repo Agmt GIC'S Repo Agmt Repo Agmt Repo Agmt Repo Agmt FNMA FNMA	1991 A SIF (1980 A Refunding) 1991 A SIF (1980 Refunding) 1994 A&B SF (1983 Refunding)	6.08 5.29 6.08 4.51 5.29 6.08 6.15 6.15	11/14/96 11/30/06 11/14/96 06/26/02 11/30/06 11/14/96 05/30/96 06/27/96	09/30/29 12/01/06 09/30/29 03/01/34 	126,309,23 7,123,95 12,794,62 553,903,06 6.08 0.33 10.64 720,062,62 943,77 0.30 59,232,22 12,943,22	126,309.23 7,123.95 12,794.62 553,803.06 0.08 0.33 10.64 720,062.62 943.77 0.30 59,232.22 13,163.11 10,251.20	6,951.57 12,914.29	(7,123,94) (12,794,62) (0.08) (0.33) (10,64) (37,832,81) (926,47) (0.30)	0.00 (114.08) (93.54)	0.00	192,300.26 0.91 0,951.57 566,817.35 17.30 28,338.79 12,893.57 10,036.87	0.00 0.00 0.00 0.00 0.00 0.00 -201.68 -133.73	0.00 0.00 0.00 0.00 0.00 0.00 227.25 96.78	192,300.26 0.01 6,851.57 586,817.35 768,286.70 17.30 28,338.79 12,829.14 9,999.92	2,217.51 192,300.26 0.01 6,951.57 566,817.35 768,286.70 17.30 28,336.79 13,160.99	131.96 102.93	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC's Repo Agmt GIC's Repo Agmt GIC's Repo Agmt Repo Agmt Repo Agmt GIC's Repo Agmt	1991 A SIF (1980 A Refunding) 1991 A SIF SIF (1980 A Refunding) 1994 A&B SF (1983 Refunding)	5.29 5.08 4.51 5.29 6.08 6.15 6.15 6.15	11/14/96 11/20/06 11/14/96 06/26/02 11/20/06 11/14/96 05/30/96 06/27/96 07/15/96	09/30/29 12/01/06 09/30/29 03/01/34 	126,309.23 7,123.95 12,784.62 553,903.06 0.08 0.33 10.64 720,082.62 943.77 0.30 59,232.22 12,943.22 10,093.46 11,259.97	126,309.23 7,123.95 12,794.62 553,803.06 0.08 0.33 10,64 720,062.62 943.77 0.30 59,232.22 13,163.11 10,251.20	6,951.57 12,914.29	(7,123,94) (12,794,62) (0.08) (0.33) (10,64) (37,832,81) (926,47) (0.30)	0.00 (114.09) (93.54) (174.75)	0.00	192,300,26 0.01 0,951.57 566,817.35 17.30 28,338,79 12,893.57 10,036,87 11,152.00	0.00 0.00 0.00 0.00 0.00 0.00 -201.68 -133.73 -435.19	0.00 0.00 0.00 0.00 0.00 0.00 227.25 98.78 369.40	192,300.26 0.91 6,851.57 566,817.35 766,286.70 17.30 28,338.79 12,829.14 9,999.92 11,085.21	2,217.51 192,300.26 0.01 6,951.57 566,817.35 768,285.70 17.30 28,336.79 13,180.99 10,280.55	131.96 102.93 112.53	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmi GIC'S Repo Agmi GIC'S Repo Agmi Agic'S FNMA FNMA FNMA FNMA FNMA FNMA	1991 A SJF (1980 A Refunding) 1994 A&B SF (1983 Refunding)	5.29 5.08 4.51 5.29 6.08 6.15 6.15 6.15 6.15	11/14/96 11/30/06 11/14/96 06/26/02 11/30/06 11/34/96 05/30/98 08/27/96 07/15/96 07/01/96	09/30/29 12/01/06 09/30/29 03/01/34 	126,309,23 7,123,95 12,794,62 553,903,06 6.08 0.33 10,64 720,062,62 943,77 0.30 59,232,22 12,943,22 12,963,46 11,259,97	126,309.23 7,123.95 12,794.62 553,803.06 0.08 0.33 10,64 720,062.62 943.77 0.30 59,232.22 13,163.11 10,251.20 11,462.78	6,951.57 12,914.29	(7,123,94) (12,794,62) (0.08) (0.33) (10,64) (37,832,81) (926,47) (0.30)	(114.08) (93.54) (174.76) (69.86)	0.00	192,300.26 0.91 0,951.57 566,817.35 17.30 28,338.79 12,693.57 19,036.87 11,152.00	0.00 0.00 0.00 0.00 0.00 0.00 -201.68 -133.73 -436.19 -117.61	0.00 0.00 0.00 0.00 0.00 0.00 227.25 96.78 369.40 44.72	192,300.26 0.01 6,851.57 566,817.35 766,286.70 17.30 28,338.79 12,829.14 9,999.92 11,085.21 11,107.02	2,217.51 192,300.26 0.01 6,951.57 566,817.35 768,286.70 17.30 28,336.79 13,180.99 10,280.59 11,420.30	131.96 102.93	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmt GIC'S Repo Agmt GIC'S Repo Agmt Repo Agmt GIC'S Repo Agmt Repo Agmt GIC'S Repo Agmt Repo A	1991 A SIF (1980 A Refunding) 1991 A SIF (1980 Refunding) 1994 A SIF SIF (1983 Refunding)	5.29 5.08 4.51 5.29 6.08 6.15 6.15 6.15 6.15	11/14/98 11/30/00 11/14/96 06/26/02 11/30/06 11/34/96 05/30/96 06/27/96 07/01/96 08/15/96	09/30/29 12/01/05 09/30/29 03/01/34 12/01/06 09/30/29 04/01/26 05/01/26 06/01/26 07/01/26	126,309.23 7,123.95 12,784.62 553,903.06 6.08 9.33 10.64 720.062.62 943.77 0.30 59,232.22 12,093.46 11,259.97 11,176.90 12,437.83	126,309.23 7,123.95 12,794.62 553,803.06 0.08 0.33 10.64 720,062.62 943.77 0.30 59,232.22 13,163.11 10,251.20 11,462.78 11,384.59 12,684.73	6,951.57 12,914.29	(7,123,94) (12,794,62) (0.08) (0.33) (10,64) (37,832,81) (926,47) (0.30)	(114.08) (93.54) (174.76) (69.86) (183.71)	0.08	192,300,26 0.01 0,551.57 566,817.35 17.30 28,338.79 12,893.57 10,036.87 11,152.00 11,179.91 12,330.66	0.00 0.00 0.00 0.00 0.00 0.00 -201.68 -133.73 -436.19 -117.61	0.00 0.00 0.00 0.00 0.00 0.00 227.25 96.78 369.40 44.72 226.63	192,300.26 0.01 6,851.57 566,817.35 768,286.70 17.30 28,338.79 12,829.14 9,999.92 11,085.21 11,107.02	2,217.51 192,300.26 0.01 6,951.57 566,817.35 768,286.70 17.30 28,336.79 13,180.99 10,260.59 11,400.55 11,429.30 12,605.53	131.96 102.93 112.53 114.59	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmi GIC'S Repo Agmi GIC'S Repo Agmi GIC'S FNMA FNMA FNMA FNMA FNMA FNMA FNMA FNMA	1991 A SJF (1980 A Refunding) 1991 A SJF SJF (1980 Refunding) 1994 A&B SF (1983 Refunding)	5.29 5.08 4.51 5.29 6.08 6.15 6.15 6.15 6.15 6.15 6.15	11/14/96 11/30/06 11/14/96 06/26/02 11/30/06 11/14/96 05/30/96 06/27/96 07/15/96 07/15/96 08/29/96	09/30/29 12/01/06 09/30/29 03/01/34 12/01/06 09/30/29 04/01/26 05/01/26 06/01/26 07/01/26 08/01/26 08/01/26 08/01/26	126,309,23 7,123,95 12,794,62 553,903,06 0.08 0.33 10,64 720,062,62 943,77 0.30 59,232,22 10,093,46 11,259,97 11,176,90 12,437,83 11,014,20	126,309.23 7,123.95 12,794.62 553,903.06 0.08 0.33 10,64 720,062.62 943.77 0.30 59,232.22 13,163.11 10,251.20 11,462.76 11,384.59 12,684.73 11,108.43	6,951.57 12,914.29	(7,123,94) (12,794,62) (0.08) (0.33) (10,64) (37,832,81) (926,47) (0.30)	(114.08) (93.54) (93.67) (69.86) (103.71) (90.76)	0.98	192,300,26 0.01 0,951.57 566,817.35 17.30 28,338.79 12,693.57 10,036.87 11,152.00 11,179.91 12,330.69 10,941.08	0.00 0.00 0.00 0.00 0.00 0.00 -201.68 -133.73 -436.19 -117.61 -305.17 -93.75	0.00 0.00 0.00 0.00 0.00 0.00 227.25 96.78 369.40 44.72	192,300.26 0.01 6,851.57 566,817.35 766,286.70 17.30 28,338.79 12,829.14 9,999.92 11,085.21 11,107.02	2,217.51 192,300.26 0.01 6,951.57 566,817.35 768,286.70 17.30 28,336.79 13,180.99 10,280.59 11,420.30	131.96 102.93 112.53 114.59	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmi Repo Agmi Repo Agmi GIC'S FNMA FNMA FNMA FNMA FNMA FNMA FNMA FNMA	1991 A SIF (1980 A Refunding) 1994 A SIF (1983 Refunding)	6.08 5.29 6.08 4.51 5.29 6.05 6.15 6.15 6.15 6.15 6.15 6.15	11/14/96 11/30/06 11/14/96 06/26/02 11/30/06 11/14/96 06/20/96 07/15/96 08/29/96 08/29/96	09/30/29 12/01/06 09/30/29 03/01/34 12/01/06 09/30/29 04/01/26 05/01/26 06/01/26 06/01/26 06/01/26 08/01/26 08/01/26 08/01/26	126,309,23 7,123,95 12,794,62 553,903,06 8,08 10,64 720,062,62 943,77 0,30 59,232,22 12,943,22 10,093,46 11,259,97 11,176,90 12,437,83 11,014,20 10,052,36	126,309,23 7,123,95 12,794,62 553,803,06 0.08 0.33 10,64 720,062,62 943,77 0.30 59,232,22 13,163,11 10,251,20 11,462,78 11,384,59 12,664,73 11,108,43 11,1012,84	6,951.57 12,914.29	(7,123,94) (12,794,62) (0.08) (0.33) (10,64) (37,832,81) (926,47) (0.30)	0.00 (114.08) (93.54) (174.76) (99.86) (183.71) (90.76) (181.22)	0.00	192,300.26 0.91 0,951.57 566,817.35 17.30 28,338.79 12,693.57 19,036.87 11,152.00 11,179.91 12,330.69 10,941.08	0.00 0.00 0.00 0.00 0.00 -201.68 -133.73 -435.19 -117.61 -305.17 -93.75 -22.63	0.00 0.00 0.00 0.00 0.00 0.00 227.25 96.78 369.40 44.72 228.63 76.11	192,300.26 0.91 6,851.57 568,817.35 766,286.70 17.30 28,338.79 12,828.14 9,999.92 11,107.02 12,254.12 10,923.44 10,751.14	2,217.51 192,300.26 0.01 6,951.57 566,817.35 768,286.70 17.30 28,336.79 13,180.99 10,260.59 11,400.55 11,429.30 12,605.53	131.96 102.93 112.53 114.59	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC's Repo Agmt GIC's Repe Agmt Repo	1991 A SIF (1980 A Refunding) 1994 A SIF SIF (1983 Refunding) 1994 A SIF SIF (1983 Refunding) 1994 A SIF SIF (1983 Refunding) 1994 A SIF (1983 Refunding)	6.08 5.29 6.08 4.51 5.28 6.08 6.15 6.15 6.15 6.15 6.15 6.15	11/14/96 11/13/96 11/14/96 06/26/02 11/14/96 05/30/96 09/27/96 09/15/96 09/16/96 09/16/96	09/30/29 12/01/06 09/30/29 03/01/34 12/01/06 09/30/29 04/01/26 05/01/26 06/01/26 07/01/26 08/01/26 08/01/26 08/01/26 10/01/26	126,309.23 7,123.95 12,784.62 553,903.06 0.08 0.33 10.64 720,082.62 943.77 0.30 59,232.22 10,093.46 11,259.97 11,176.90 12,437.83 11,014.20 10,032.36 25,564.52	126,309.23 7,123.95 12,794.62 553,803.06 0.08 0.33 10,64 720,062.62 943.77 0.30 59,232.22 13,163.11 10,251.20 11,462.78 11,384.59 12,684.73 11,108.43 11,012.94	6,951.57 12,914.29	(7,123,94) (12,794,62) (0.08) (0.33) (10,64) (37,832,81) (926,47) (0.30)	0.00 (114.08) (93.54) (174.76) (69.86) (183.71) (90.76) (181.22) (509.25)	0.00	192,300,26 0.01 0,951.57 566,817.35 17.30 28,338.79 12,893.57 10,036.87 11,152.00 11,179.91 12,330.66 10,941.08 10,755.99 25,081.72	0.00 0.00 0.00 0.00 0.00 0.00 -201.68 -133.73 -435.19 -117.61 -305.17 -93.75 -22.63 -24.76	0.00 0.00 0.00 0.00 0.00 227.25 98.78 369.40 44.72 228.63 75.11 17.78 18.31	192,300.26 0.01 6,851.57 566,817.35 766,286.70 17.30 28,338.79 12,829.14 9,999.92 11,085.21 11,107.02 12,254.12 10,923.44 10,751.14 25,075.27	2,217.51 192,300.26 0.01 6,951.57 566,817.35 768,285.70 17.30 28,338.79 13,180.99 10,280.59 11,409.55 11,429.30 12,605.53	131.96 102.93 112.53 114.59 124.51 113.01	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmi GIC'S Repo Agmi GIC'S Repo Agmi Repo Agm	1991 A S.F. (1980 A Refunding) 1994 A&B SF. (1983 Refunding)	6.08 5.29 6.08 4.51 5.29 6.08 6.15 6.15 6.15 6.15 6.15 6.15 6.15 6.15	11/14/96 11/30/06 11/14/96 06/26/02 11/30/06 11/14/96 05/30/96 06/27/96 07/15/96 09/16/96 09/16/96 10/30/96	09/30/29 12/01/06 09/30/29 03/01/34 12/01/06 09/30/29 04/01/26 05/01/26 05/01/26 05/01/26 05/01/26 10/01/26 10/01/26 11/01/26	126,309,23 7,123,95 12,794,62 553,903,06 0.33 10,64 720,062,62 943,77 0.30 59,232,22 12,943,22 10,093,46 11,259,97 11,176,90 12,437,83 11,014,20 10,032,36 25,584,52 14,553,77	126,309.23 7,123.95 12,794.62 553,903.06 0.08 0.33 10,64 720,062.62 943.77 0.30 59,232.22 13,163.11 10,251.20 11,462.76 11,384.59 12,664.73 11,108.43 11,012.64 25,767.68	6,951.57 12,914.29	(7,123,94) (12,794,62) (0.08) (0.33) (10,64) (37,832,81) (926,47) (0.30)	(114.08) (93.54) (174.76) (09.88) (183.71) (90.76) (181.22) (509.25) (385.95)	0.00	192,300,26 0,91 0,951,57 566,817.35 17.30 28,338,79 12,893,57 10,036,87 11,152,030,66 10,941,08 10,755,99 25,081,72 14,187,69	0.00 0.00 0.00 0.00 0.00 -201.68 -133.73 -435.19 -117.61 -305.17 -93.75 -22.63	0.00 0.00 0.00 0.00 0.00 0.00 227.25 96.78 369.40 44.72 228.63 76.11	192,300.26 0.91 6,851.57 568,817.35 766,286.70 17.30 28,338.79 12,828.14 9,999.92 11,107.02 12,254.12 10,923.44 10,751.14	2,217.51 192,300.26 0.01 6,951.57 566,817.35 768,286.70 17.30 28,386.79 13,180.99 10,280.59 11,490.50 11,490.50 11,490.50 11,490.50 11,490.50 11,490.50 11,490.50	131,96 102,93 112,53 114,59 124,51 113,01 110,68	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmt GIC'S Repo Agmt GIC'S Repo Agmt Repo Agm	1991 A SIF (1980 A Refunding) 1994 A&B SIF (1983 Refunding)	5.29 5.08 4.51 5.29 6.08 6.15 6.15 6.15 6.15 6.15 6.15 6.15 6.15 6.15	11/14/86 11/14/86 06/26/02 11/14/86 05/30/96 02/27/96 07/15/96 07/15/96 10/29/96 09/16/96 10/30/96 10/30/96	09/30/29 12/01/06 09/30/29 03/01/34 12/01/06 09/30/29 04/01/26 05/01/29 05/01/26 08/01/26 08/01/26 10/01/26 10/01/26 10/01/26 10/01/26 10/01/26	126,309.23 7,123.95 12,784.62 553,903.06 0.08 0.33 10.64 720,062.62 943.77 0.30 59,232.22 12,093.46 11,259.97 11,173.90 12,437.83 11,014.20 10,032.36 25,584.52 14,653.77	126,309.23 7,123.95 12,794.62 553,803.06 0.08 0.33 10.64 720,062.62 943.77 0.30 59,232.22 13,163.11 10,251.20 11,462.76 11,384.59 12,684.73 11,108.43 11,101.94 25,767.86 14,675.11 12,306.51	6,951.57 12,914.29	(7,123,94) (12,794,62) (0.08) (0.33) (10,64) (37,832,81) (926,47) (0.30)	(114.08) (93.54) (174.76) (60.86) (183.71) (90.76) (181.22) (509.25) (385.95) (138.41)	0.00	192,300,26 0.01 0,551.57 566,817.35 17.30 28,338.79 12,693.57 10,036.87 11,152.00 11,179.91 12,330.66 10,941.08 10,941.08 25,081.72 14,187.69 12,030.61	0.00 0.00 0.00 0.00 0.00 0.00 -201.68 -133.73 -435.19 -117.61 -305.17 -93.75 -22.63 -24.76 -51.18	0.00 0.00 0.00 0.00 0.00 0.00 227.25 96.78 369.40 44.72 228.63 76.11 17.78 18.31 41.29 0.06	192,300,26 0.01 6,851,57 568,817,35 768,286,70 17,30 28,338,79 12,829,14 9,999,92 11,085,21 11,107,02 12,254,12 10,923,44 10,751,14 25,075,27 14,177,82 12,033,68	2,217.51 192,300.26 0.01 6,951.57 566,817.35 768,285.70 17.30 28,336.79 13,180.99 10,280.59 11,429.30 12,605.53 11,130.68 10,942.40 25,516.23	131.96 102.93 112.53 114.59 124.51 113.01 110.68 257.62	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmit GIC'S Repo Agmit GIC'S Repo Agmit Repo Agmit Repo Agmit Repo Agmit Repo Agmit Repo Agmit GIC'S FNMA FNMA FNMA FNMA FNMA FNMA FNMA FNMA	1991 A SIF (1980 A Refunding) 1994 A&B SF (1983 Refunding)	5.29 5.08 4.51 5.29 6.05 6.15 6.15 6.15 6.15 6.15 6.15 6.15 6.1	11/14/96 11/13/96 11/14/96 06/26/02 11/14/96 05/30/96 09/15/96 09/15/96 09/16/96 10/30/96 12/23/96 03/15/97	09/30/29 12/01/06 09/30/29 03/01/34 12/01/06 09/30/29 04/01/26 05/01/26 06/01/26 06/01/26 06/01/26 10/01/26 11/01/26 01/01/26 01/01/26 03/01/26 03/01/26 03/01/26 03/01/26 03/01/26 03/01/26 03/01/26 03/01/26 03/01/26 01/01/27	126,309.23 7,123.95 12,794.62 553,903.06 0.08 0.33 10.64 720,062.62 943.77 0.30 59,232.22 10,093.46 11,259.97 11,178.90 12,437.83 11,014.20 10,932.36 25,554.52 14,563.77 12,222.09 1,617.65	126,309.23 7,123.95 12,794.62 553,803.06 0.08 0.33 10,64 720,062.62 943.77 0.30 59,232.22 13,163.11 10,251.20 11,462.78 11,384.59 12,664.73 11,108.43 11,108.43 11,108.43 11,108.43 11,012.94	6,951.57 12,914.29	(7,123,94) (12,794,62) (0.08) (0.33) (10,64) (37,832,81) (926,47) (0.30)	(114.08) (93.54) (93.54) (174.76) (69.86) (183.71) (90.76) (181.22) (509.25) (385.95) (138.41) (70.00)	0.98	192,300,26 0.01 0,951.57 566,817.35 17.30 28,338.79 12,893.57 10,036.87 11,152.00 11,179.91 12,330.66 10,941.08 10,755.99 25,081.72 14,187.69 12,033.61 1,742.73	0.00 0.00 0.00 0.00 0.00 0.00 -201.88 -133.73 -435.19 -117.61 -905.17 -93.75 -22.63 -24.76 -51.18	0.00 0.00 0.00 0.00 0.00 0.00 227.25 90.78 369.40 44.72 226.63 76.11 17.78 18.31 41.29	192,300.26 0.01 6,851.57 566,817.35 766,266.70 17.30 28,338.70 12,829.14 9,999.92 11,085.21 11,107.02 12,254.12 10,923.44 10,751.14 25,075.27 14,177.82	2,217.51 192,300.26 0.01 6,951.57 566,817.35 768,286.70 17.30 28,338.79 13,180.99 10,260.59 11,490.55 11,429.30 12,605.53 11,130.68 10,942.40 25,516.23 14,433.94	131.96 102.93 112.53 114.59 124.51 113.01 110.68 257.62 144.78	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmi GIC'S Repo Agmi GIC'S Repo Agmi GIC'S Repo Agmi Repo Agmi Repo Agmi Repo Agmi GIC'S Repo Agmi GIC'S Repo Agmi GIC'S Repo Agmi GIC'S FNMA FNMA FNMA FNMA FNMA FNMA FNMA FNMA	1991 A SIF (1980 A Refunding) 1991 A SIF (1980 B Refunding) 1994 A&B SF (1983 Refunding)	5.28 5.08 4.51 5.28 6.08 6.15 6.15 6.15 6.15 6.15 6.15 6.15 6.15	11/14/86 11/14/86 06/26/02 11/14/86 06/26/02 11/14/86 05/30/96 09/27/96 07/01/86 08/15/96 08/15/96 03/27/97 07/15/96 03/27/97 07/15/97	09/30/29 12/01/06 09/30/29 03/01/34 12/01/06 09/30/29 04/01/26 05/01/26 06/01/26 06/01/26 10/01/26 10/01/26 10/01/26 08/01/26 01/01/27 03/01/27	126,309.23 7,123,95 12,784.62 553,903.06 8.08 9.03 10.64 720.062.62 943.77 0.30 59,232.22 12,943.22 10,093.46 11,259.97 11,178.90 12,437.83 11,014.20 10,632.36 25,584.52 14,563.77 12,222.09 1,817.85 12,554.89	126,309,23 7,123,95 12,794,65 12,794,65 0.08 0.33 10,64 720,062,62 943,77 0.30 59,232,22 13,163,11 10,251,20 11,462,78 11,384,59 12,664,73 11,108,43 11,012,84 25,707,86 14,675,11 12,306,51 1,831,52	6,951.57 12,914.29	(7,123,94) (12,794,62) (0.08) (0.33) (10,64) (37,832,81) (926,47) (0.30)	0.00 (114.08) (93.54) (174.76) (69.86) (183.71) (90.76) (181.22) (509.25) (386.95) (138.41) (70.00) (2,622.69)	0.00	192,300,26 0.81 0,551.57 566,817.35 17.30 28,338.79 12,893.57 10,036.87 11,152.00 11,179.91 12,330.66 10,941.08 10,755.99 25,081.72 14,187.69 12,083.81 1,742.73 9,932.20	0.00 0.00 0.00 0.00 0.00 0.00 -201.68 -133.73 -436.19 -117.61 -205.17 -22.63 -24.76 -51.16 0.01	0.00 0.00 0.00 0.00 0.00 0.00 227.25 96.78 369.40 44.72 228.63 76.11 17.78 18.31 41.29 0.06	192,300,26 0.01 6,851,57 568,817,35 768,286,70 17,30 28,338,79 12,829,14 9,999,92 11,085,21 11,107,02 12,254,12 10,923,44 10,751,14 25,075,27 14,177,82 12,033,68	2,217.51 192,300.26 0.01 6,951.57 566,817.35 768,286.70 17.30 28,336.79 13,180.99 10,280.59 11,490.55 11,490.50 11,400.55 11,490.30 12,605.53 11,130.68 10,942.40 25,516.23 14,433.94 12,293.06	131.96 102.93 112.53 114.59 124.51 113.01 110.66 257.62 144.78 124.96	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmt GIC'S Repo Agmt GIC'S Repo Agmt Repo Agmt Repo Agmt GIC'S Repo Agmt Re	1991 A SIF (1980 A Refunding) 1991 A SIF (1980 Refunding) 1994 A SIF SIF (1983 Refunding) 1994 A SIF SIF (1983 Refunding) 1994 A SIF SIF (1983 Refunding) 1994 A SIF SIF (1983 Refunding) 1994 A SIF SIF (1983 Refunding)	6.08 5.208 6.08 4.51 5.20 6.08 6.15 6.15 6.15 6.15 6.15 6.15 6.15 6.15	11/14/96 11/13/06 11/14/96 06/26/02 11/14/96 05/30/96 06/27/96 07/15/96 07/15/96 07/15/96 11/29/96 03/27/96 03/27/96 03/27/96 03/27/96 03/27/96 03/27/96 03/27/96 03/27/96	09/30/29 12/01/06 09/30/29 03/01/34 12/01/06 09/30/29 04/01/26 05/01/26 06/01/26 06/01/26 08/01/26 10/01/26 11/01/26 01/01/27 03/01/27 07/01/27 07/01/27	126,309.23 7,123.95 12,784.62 553,903.06 0.08 0.33 10.64 720.062.62 943.77 0.30 59,232.22 12,943.22 10,093.46 11,259.97 11,176.90 12,437.83 11,014.20 10,032.36 25,564.52 14,563.77 12,222.09 1,817.65 12,554.89	126,309.23 7,123.95 12,794.62 553,803.06 0.08 0.33 10,64 720,062.62 943.77 0.30 59,232.22 13,163.11 10,251.20 11,462.78 11,384.59 12,664.73 11,108.43 11,102.94 12,676.86 14,677.86 14,675.11 12,300.51 1,831.28 12,705.85	6,951.57 12,914.29	(7,123,94) (12,794,62) (0.08) (0.33) (10,64) (37,832,81) (926,47) (0.30)	0.00 (114.08) (93.54) (174.76) (69.86) (183.71) (90.76) (181.22) (509.25) (385.95) (138.41) (78.00) (2.622.69) (3,127.46)	0.00	192,300,26 0.01 0,551.57 566,817.35 17.30 28,338.79 12,893.57 19,036.87 11,152.00 11,179.91 12,330.68 10,941.08 10,755.08 12,083.61 1,142.73 9,932.20 67,071.41	0.00 0.00 0.00 0.00 0.00 0.00 -201.68 -133.73 -430.19 -117.61 -305.17 -93.75 -22.63 -24.76 -51.18 0.01 -19.13	0.00 0.00 0.00 0.00 0.00 0.00 227.25 90.78 369.40 44.72 228.63 76.11 17.78 18.31 41.29 0.06	192,300.26 0.01 6,851.57 566,817.35 766,266.70 17.30 28,338.79 12,829.14 9,999.92 11,035.21 11,107.02 12,254.12 10,923.44 10,751.14 25,075.27 14,177.82 12,033.68 1,741.85 9,932.20 66,643.62	2,217.51 192,300.26 0.01 6,951.57 566,817.35 768,288.70 17.30 28,338.79 13,180.99 10,280.55 11,429.30 12,605.53 11,130.68 10,942.40 25,516.23 14,433.94 12,233.04	131.96 102.93 112.53 114.59 124.51 113.01 110.68 257.62 144.78 124.96 17.58	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmi GIC'S Repo Agmi GIC'S Repo Agmi Repo Agmi Repo Agmi Repo Agmi Repo Agmi GIC'S Repo Agmi GIC'S FINMA GINMA GINMA GINMA GINMA GINMA GINMA	1991 A S.F. (1980 A Refunding) 1994 A&B SF. (1983 Refunding)	6.08 5.29 6.08 4.51 5.29 6.05 6.15 6.15 6.15 6.15 6.15 6.15 6.15 6.1	11/14/96 11/30/96 11/14/96 06/26/02 11/30/06 11/14/96 05/30/96 06/25/96 07/15/96 09/16/96 10/30/96 10/30/96 10/30/96 10/30/96 10/30/96 10/30/96 10/30/96 10/30/96 10/30/96	09/30/29 12/01/06 09/30/29 03/01/34 12/01/06 09/30/29 04/01/26 05/01/26 06/01/26 08/01/26 08/01/26 10/01/26 10/01/27 07/01/27 07/01/27 07/01/27 07/01/27	126,309,23 7,123,95 12,794,62 553,903,06 0.08 0.33 10.64 720,062,62 943,77 0.30 59,232,22 10,993,46 11,259,97 11,178,90 12,437,83 11,014,20 10,632,36 25,584,52 14,553,77 12,222,09 1,817,65 12,554,89 69,771,10 22,373,67	126,309.23 7,123.95 12,794.62 553,903.06 0.08 0.33 10,64 720,062.62 943.77 0.30 59,232.22 13,163.11 10,251.20 11,482.76 11,384.59 12,664.73 11,108.43 11,012.94 25,797.86 14,675.11 12,306.51 1,831.28 12,705.85 70,794.95	6,951.57 12,914.29	(7,123,94) (12,794,62) (0.08) (0.33) (10,64) (37,832,81) (926,47) (0.30)	0.00 (114.08) (93.54) (174.76) (69.86) (183.71) (90.76) (181.22) (305.95) (138.41) (70.00) (2.622.69) (3,127.46) (2,701.14)	0.00	192,300,26 0.01 0,951.57 566,817.35 17.30 28,338.79 12,693.57 10,036.87 11,152.00 11,179.91 12,330.69 10,941.08 10,755.99 25,081.72 14,187.69 12,083.61 1,742.73 9,932.20 67,071.41	0.00 0.00 0.00 0.00 0.00 0.00 -201.88 -133.73 -436.19 -117.61 -305.17 -93.75 -22.63 -24.76 -51.18 0.01 -19.13 0.00 -2.053.25 -551.92	0.00 0.00 0.00 0.00 0.00 0.00 227.25 99.78 369.40 44.72 226.63 76.11 17.78 18.31 41.29 0.06 18.25 0.90 1.625.46 387.93	192,300.26 0.01 6,851.57 566,817.35 766,266.70 17.30 28,338.70 12,628.14 9,999.92 11,085.21 11,107.02 12,254.12 10,923.44 10,751.14 25,075.27 14,177.82 12,083.68 1,741.85 9,932.20	2,217.51 192,300.26 0.01 6,951.57 566,817.35 768,286.70 17.30 28,338.79 13,180.99 10,280.59 11,429.30 12,605.53 11,130.68 10,942.40 25,516.23 14,433.94 12,293.06 1,772.60	131,96 102,93 112,53 114,59 124,51 113,01 110,06 257,02 144,78 124,96 17,58 74,58	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmt GIC'S Repo Agmt GIC'S Repo Agmt Repo Agm	1991 A SIF (1980 A Refunding) 1994 A&B SIF (1983 Refunding)	5.28 5.28 4.51 5.28 6.15 6.15 6.15 6.15 6.15 6.15 6.15 6.15	11/14/96 11/13/0/06 06/26/02 11/14/96 05/30/96 06/27/96 07/15/96 07/15/96 07/15/96 10/30/96 10/30/96 10/30/96 10/30/96 10/30/96 03/27/97 07/15/97	09/30/29 12/01/06 09/30/29 03/01/34 12/01/06 09/30/29 04/01/26 05/01/26 05/01/26 08/01/26 10/01/26 10/01/26 10/01/26 10/01/26 10/01/27 03/01/27 07/01/27 07/01/27 07/01/27	126,309.23 7,123,95 12,784.62 553,903.06 0.08 0.33 10.64 720,062.62 943,77 0.30 59,232.22 12,093.46 11,259.97 11,176.90 12,437.83 11,014.20 10,032.36 25,584.52 14,563,77 12,222.09 1,817.65 25,554.59 69,771.10 22,373.67 52,740.07	126,309.23 7,123.95 12,794.62 553,803.06 0.08 0.33 10.64 720,062.62 943.77 0.30 59,232.22 13,163.11 10,251.20 11,462.78 11,364.59 12,684.73 11,108.43 11,012.94 25,767.86 14,675.11 12,306.51 1,831.28 12,705.85 70,794.92 22,699.87 53,500.61	6,951.57 12,914.29	(7,123,94) (12,794,62) (0.08) (0.33) (10,64) (37,832,81) (926,47) (0.30)	0.00 (114.08) (93.54) (174.76) (99.86) (183.71) (90.76) (181.22) (509.25) (365.95) (135.41) (70.00) (2,622.69) (3,127.46) (2,701.14) (2,843.13)	0.00	192,300,26	0.00 0.00 0.00 0.00 0.00 0.00 0.00 -201.68 -133.73 -436.19 -117.61 -305.17 -93.75 -22.63 -24.76 -51.18 0.01 -19.13 0.00 -2,053.25 -511.92 -2,106.21	0.00 0.00 0.00 0.00 0.00 0.00 227:25 96:78 369:40 44:72 228:63 76:11 17:78 18:31 41:29 0.00 18:25 0.00 1.625:46 387:83	192,300.26 0.01 6,851.57 568,817.35 768,286.70 17.30 28,338.79 12,829.14 9,999.92 11,085.21 11,107.02 12,254.12 10,923.44 10,751.14 25,075.27 14,177.82 12,083.68 1,741.85 9,932.20 66,643.62 19,072.53 49,898.94	2,217.51 192,300.26 0.01 6,951.57 566,817.35 768,285.70 17.30 28,336.79 13,180.99 10,260.59 11,429.30 12,605.53 11,130.68 10,942.40 25,516.23 14,433.96 17,72.60 10,157.76 68,107.00	131,96 102,93 112,53 114,59 124,51 113,01 110,68 257,62 144,78 124,96 17,58 74,58 439,56	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmil GIC'S Repo Agmil GIC'S Repo Agmil GIC'S FNIMA GNIMA	1991 A SIF (1980 A Refunding) 1994 A&B SF (1983 Refunding) 1984 A&B SF (1983 Refunding)	6.08 5.28 6.08 4.51 5.29 6.08 6.15 6.15 6.15 6.15 6.15 6.15 6.15 6.15	11/14/96 11/13/96 11/14/96 06/26/02 11/14/96 05/30/96 06/27/96 06/15/96 09/16/96 12/23/96 03/27/97 09/15/96 07/15/96 07/15/96 03/27/97 09/15/96 04/28/96	09/30/29 12/01/06 09/30/29 03/01/34 12/01/06 09/30/29 04/01/26 05/01/26 06/01/26 06/01/26 06/01/26 10/01/27 07/01/27 07/01/27 07/01/27 07/01/27 07/01/26 03/20/26 07/20/26 04/20/26	126,309.23 7,123.95 12,784.62 553,903.06 0.08 0.33 10.64 720,062.62 943.77 0.30 59,232.22 10,093.46 11,259.97 11,178.90 12,437.83 11,014.20 10,032.36 25,554.52 14,563.77 12,222.09 1,817.85 12,554.89 69,771.10 22,373.67 52,740.07 22,578.89	126,309.23 7,123.95 12,794.62 553,803.06 0.08 0.33 10,64 720,062.62 943.77 0.30 59,232.22 13,163.11 10,251.20 11,462.78 11,108.43 11,101.94 25,707.86 14,675.11 12,306.51 1,831.28 12,705.85 70,784.92 22,699.87 53,500.61	6,951.57 12,914.29	(7,123,94) (12,794,62) (0.08) (0.33) (10,64) (37,832,81) (926,47) (0.30)	(114.08) (93.54) (174.76) (69.68) (183.71) (90.76) (181.22) (509.25) (385.95) (176.00) (2.622.69) (3.127.46) (2.701.14) (2.843.13) (2.378.02)	0.00	192,300,26 0.81 0,951.57 566,817.35 17.30 28,338.79 12,893.57 10,036.87 11,152.00 11,179.01 12,330.69 10,941.08 10,755.99 25,081.72 14,187.69 12,083.81 1,742.73 9,932.20 67,071.44 19,796.62 50,204.65 20,224.61	0.00 0.00 0.00 0.00 0.00 0.00 -291.68 -133.73 -435.19 -117.61 -305.17 -93.75 -22.63 -24.76 -51.16 0.01 -19.13 0.00 -2,053.25 -511.92 -2,106.21 -850.30	0.00 0.00 0.00 0.00 0.00 227.25 90.78 369.40 44.72 228.63 76.11 17.78 18.31 41.29 0.00 18.25 0.00 18.25 0.90 18.25 1.798.30 7.798.30	192,300.26 0.01 6,851.57 566,817.35 766,266.70 17.30 28,338.79 12,829.14 9,999.92 11,085.21 11,107.02 12,254.12 10,923.44 10,751.14 25,075.27 14,177.82 12,083.68 1,741.85 9,932.20 66,643.62 19,072.53 49,895.34 20,200.87	2,217.51 192,300.26 0.01 6,951.57 566,817.35 768,285.70 17.30 28,338.79 13,189.99 10,280.59 11,490.55 11,429.30 12,695.53 11,130.68 10,942.40 25,516.23 14,433.94 12,293.06 1,772.66 10,157.74 68,107.00 20,102.69 50,980.02 20,639.42	131.96 102.93 112.53 114.59 124.51 113.01 110.68 257.02 144.78 124.96 17.58 74.58 439.56	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S REPO Agmil GIC'S REPO Agmil GIC'S REPO Agmil GIC'S REPO Agmil REPO Agmi	1991 A SIF (1980 A Refunding) 1994 A&B SF (1983 Refunding)	5.28 6.08 5.28 4.51 5.28 6.08 6.15 6.15 6.15 6.15 6.15 6.15 6.15 6.15	11/14/96 11/14/96 06/26/02 11/14/96 06/26/02 11/14/96 05/30/96 06/27/96 07/15/96 00/29/96 09/16/96 10/30/96 12/23/96 09/16/96 03/27/97 07/15/97 07/15/97 07/15/97 07/15/97 05/15/97 05/15/96	09/30/29 12/01/06 09/30/29 03/01/34 12/01/06 09/30/29 04/01/26 05/01/26 08/01/26 08/01/26 08/01/26 10/01/26 10/01/27 03/01/27 07/01/27 07/01/27 07/01/27 07/01/27 07/01/28 04/20/26 07/20/28 04/20/28	126,309.23 7,123,95 12,784.62 553,903.06 0.08 10.64 720,062.02 943.77 0.30 59,232.22 12,943.22 10,093.46 11,259.97 11,176.90 12,437.83 11,014.20 10,632.36 25,564.52 14,563.77 12,222.09 1,817.65 12,554.89 69,771.10 22,373.67 52,740.07 22,578.69 52,671.39	126,309.23 7,123,95 12,794.62 553,803,06 0.08 0.33 10,64 720,062,62 943.77 0.30 59,232.22 13,163.11 10,251.20 11,462.76 11,384.59 12,664.73 11,108.43 11,012.94 25,767.86 14,675.11 12,306.51 1,831.28 12,705.85 70,784.92 22,669.87 53,500.61 22,004.45 53,631.71	6,951.57 12,914.29	(7,123,94) (12,794,62) (0.08) (0.33) (10,64) (37,832,81) (926,47) (0.30)	(114.08) (93.54) (174.76) (69.88) (183.71) (90.76) (181.22) (509.25) (385.95) (138.41) (70.00) (2622.69) (3,127.46) (2,701.14) (2,843.13) (2,378.02) (447.63)	0.00	192,300,26 D.01 0,551.57 566,817.35 17.30 28,338.79 12,893.57 10,036.87 11,152.00 11,179.91 12,330.66 10,941.08 10,755.99 25,081.72 14,187.86 12,033.61 17,742.73 9,932.20 67,071.41 19,786.42 50,204.85 20,234.81 52,745.14	0.00 0.00 0.00 0.00 0.00 0.00 0.00 -201.68 -133.73 -435.19 -117.61 -305.17 -83.75 -22.63 -24.76 -51.16 0.01 -19.13 0.00 -2,053.25 -511.92 -2,106.21 -850.30	0.00 0.00 0.00 0.00 0.00 0.00 0.00 227.25 96.79 369.40 44.72 226.63 76.11 17.78 18.31 41.29 0.06 18.25 0.00 1.625.46 387.83 1,799.30 720.56	192,300.26 0.01 6,851.57 568,817.35 768,286.70 17.30 28,338.79 12,829.14 9,999.92 11,085.21 11,107.02 12,254.12 10,923.44 10,751.14 25,075.27 14,177.82 12,083.68 1,741.85 9,932.20 66,643.62 19,072.53 49,898.94	2,217.51 192,300.26 0.01 6,951.57 566,817.35 768,286.70 17.30 28,386.79 13,180.99 10,280.59 11,490.50 11,490.30 12,605.53 11,130.68 10,942.40 25,516.23 14,433.94 12,293.06 17,72.66 10,157.74 68,107.00 20,102.69 50,980.02	131.96 102.93 112.53 114.59 124.51 113.01 110.66 257.62 144.78 124.96 17.58 439.56 103.96 322.54	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmt GIC'S Repo Agmt GIC'S Repo Agmt Repo Agmt Repo Agmt GIC'S Repo Agmt Re	1991 A SIF (1980 A Refunding) 1991 A SIF (1980 Refunding) 1994 A SIF (1983 Refunding) 1994 A SIF SIF (1983 Refunding)	5.29 6.08 4.51 5.29 6.05 6.15 6.15 6.15 6.15 6.15 6.15 6.15 6.15 6.15 6.15 6.15 6.15	11/14/96 11/13/06 11/14/96 06/26/02 11/14/96 05/26/96 07/15/96 09/15/96 09/15/96 09/15/97 07/15/97 09/29/96 09/29/96 09/29/96 09/29/96 09/29/96 09/29/96 09/29/96 09/29/96 09/29/96 09/29/96 09/29/96 09/29/96 09/29/96 09/29/96 09/29/96 09/29/96 09/29/96	09/30/29 12/01/06 09/30/29 03/01/34 12/01/06 09/30/29 04/01/26 05/01/26 06/01/26 06/01/26 06/01/26 10/01/26 10/01/27 07/01/27 07/01/27 07/01/27 07/01/27 07/01/27 07/01/26 03/20/26 03/20/26 03/20/26 05/20/28 04/20/26 05/20/28	126,309.23 7,123.95 12,784.62 553,903.06 0.08 0.33 10.64 720.062.62 843.77 0.30 59,232.22 12,943.22 12,943.22 12,943.22 12,943.22 12,176.90 12,437.83 11,014.20 10,832.36 25,584.52 14,563.77 12,222.09 1,817.65 12,554.89 69,771.10 22,373.67 52,740.67 22,578.89 52,671.39 30,846.78	126,309.23 7,123.95 12,794.62 553,803.06 0.08 0.33 10,64 720,062.62 943.77 0.30 59,232.22 13,163.11 10,251.20 11,462.78 11,384.59 12,664.73 11,108.43 11,108.43 11,108.43 11,012.84 25,767.86 14,675.11 12,306.51 1,831.28 12,705.85 70,784.92 22,698.87 53,500.61 22,804.45 53,631.71 31,297.63	6,951.57 12,914.29	(7,123,94) (12,794,62) (0.08) (0.33) (10,64) (37,832,81) (926,47) (0.30)	0.00 (114.08) (93.54) (174.76) (69.86) (183.71) (90.76) (181.22) (305.95) (138.41) (76.00) (2.622.69) (3,127.46) (2,701.14) (2,843.13) (2,378.02) (447.63)	0.00	192,300,26 0.01 0,551.57 566,817.35 17.30 28,338.79 12,893.57 19,036.87 11,152.00 11,179.91 12,330.66 10,941.08 10,755.09 12,030.67 11,142.73 9,932.20 67,071.41 19,796.62 50,204.65 20,324.61 52,745.14	0.00 0.00 0.00 0.00 0.00 0.00 -201.68 -133.73 -430.19 -117.61 -305.17 -93.75 -22.63 -24.76 -51.18 0.01 -19.13 -2.053.25 -511.92 -2.106.21 -850.30 -1,746.97	0.00 0.00 0.00 0.00 0.00 227.25 90.78 369.40 44.72 228.63 76.11 17.78 18.31 41.29 0.00 18.25 0.00 18.25 0.90 18.25 1.798.30 7.798.30	192,300.26 0.01 6,851.57 566,817.35 766,266.70 17.30 28,338.79 12,829.14 9,999.92 11,085.21 11,107.02 12,254.12 10,923.44 10,751.14 25,075.27 14,177.82 12,083.68 1,741.85 9,932.20 66,643.62 19,072.53 49,895.34 20,200.87	2,217.51 192,300.26 0.01 6,951.57 566,817.35 768,285.70 17.30 28,338.79 13,189.99 10,280.59 11,490.55 11,429.30 12,695.53 11,130.68 10,942.40 25,516.23 14,433.94 12,293.06 1,772.66 10,157.74 68,107.00 20,102.69 50,980.02 20,639.42	131.96 102.93 112.53 114.59 124.51 113.01 110.68 257.02 144.78 124.96 17.58 74.58 439.56 103.96 322.54 112.99	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmil GIC'S Repo Agmil GIC'S Repo Agmil GIC'S FNMA FNMA FNMA FNMA FNMA FNMA FNMA FNMA	1991 A SIF (1980 A Refunding) 1991 A SIF (1980 B Refunding) 1994 A&B SF (1983 Refunding)	6.08 5.29 4.51 5.29 6.08 6.15 6.15 6.15 6.15 6.15 6.15 6.15 6.15	11/14/96 11/30/96 11/14/96 06/26/02 11/14/96 05/30/96 09/27/96 07/15/96 07/15/96 09/29/96 10/30/96 10/30/96 03/27/97 03/27/97 03/27/97 05/30/96 05/30/96 05/30/96 05/30/96	09/30/29 12/01/06 09/30/29 03/01/34 12/01/06 09/30/29 04/01/26 05/01/26 06/01/26 06/01/26 06/01/26 10/01/26 10/01/26 01/01/27 07/01/27	126,309.23 7,123.95 12,794.62 553,903.06 0.08 0.33 10.64 720,062.62 943.77 0.30 59,232.22 12,943.22 10,093.46 11,259.97 11,178.90 12,437.83 11,014.20 10,632.36 25,556.52 14,563.77 12,222.09 1,817.85 12,554.89 69,771.10 22,373.67 52,740.95 52,776.99 52,677.39 30,846.78 82,789.56	126,309.23 7,123.95 12,794.62 553,803.06 0.08 0.33 10,64 720,062.62 943.77 0.30 59,232.22 13,163.11 10,251.20 11,462.78 11,384.59 12,664.73 11,108.43 11,101.94 25,767.86 14,675.11 12,306.51 1,831.28 12,705.85 70,794.92 22,669.87 53,500.61 22,004.45 53,631.71 31,297.63	6,951.57 12,914.29	(7,123,94) (12,794,62) (0.08) (0.33) (10,64) (37,832,81) (926,47) (0.30)	(114.08) (93.54) (174.76) (69.86) (183.71) (90.76) (181.22) (509.25) (365.95) (138.41) (70.00) (2,622.69) (3,127.46) (2,701.14) (2,843.13) (2,376.02) (447.83) (3,396.33) (11,039.96)	0.00	192,300,26 0.01 0.951.57 566,817.35 17.30 28,338,79 12,693.57 10,036.87 11,152.00 11,179.91 12,330.66 10,941.08 10,755.99 12,083.61 1,742.73 9,932.20 67,071.41 19,796.62 50,224.61 52,745.14 27,625.10	0.00 0.00 0.00 0.00 0.00 0.00 0.00 -201.68 -133.73 -435.19 -117.61 -305.17 -83.75 -22.63 -24.76 -51.16 0.01 -19.13 0.00 -2,053.25 -511.92 -2,106.21 -850.30	0.00 0.00 0.00 0.00 0.00 0.00 0.00 227.25 96.79 369.40 44.72 226.63 76.11 17.78 18.31 41.29 0.06 18.25 0.00 1.625.46 387.83 1,799.30 720.56	192,300.26 0.91 6,851.57 568,817.35 766,286.70 17.30 28,338.79 12,822.14 19,999.92 11,085.21 11,107.02 12,254.12 10,923.44 10,751.14 25,075.27 14,177.82 12,083.68 1,741.85 9,932.20 66,643.62 19,072.53 49,896.94 20,200.87 52,423.76	2,217.51 192,300.26 0.01 6,951.57 566,817.35 768,286.70 17.30 28,338.79 13,180.99 10,280.59 11,400.55 11,429.30 12,695.53 11,130.68 10,942.40 25,516.23 14,433.94 12,293.06 1,772.86 10,157.74 68,107.00 20,102.69 50,980.02 20,633.42 53,559.56	131,96 102,93 112,53 114,59 124,51 110,06 257,02 144,78 124,96 17,58 439,56 103,96 322,54 112,99 375,48	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmt GIC'S Repo Agmt GIC'S Repo Agmt Repo Agmt Repo Agmt Repo Agmt Repo Agmt GIC'S Repo Agmt Re	1991 A SIF (1980 A Refunding) 1994 A&B SIF (1983 Refunding)	5.29 6.08 4.51 5.29 6.08 6.15 6.15 6.15 6.15 6.15 6.15 6.15 6.15	11/14/96 11/13/06 06/26/02 11/14/96 06/26/02 11/14/96 05/30/96 06/27/96 09/16/96 09/16/96 09/16/96 03/27/97 07/15/97 09/16/96 03/27/97 07/15/97 09/16/96 03/27/97 07/15/96 04/29/96 05/15/96 05/15/96 05/15/96 06/17/96	09/30/29 12/01/06 09/30/29 03/01/34 12/01/06 09/30/29 04/01/26 05/01/26 05/01/26 08/01/26 08/01/26 10/01/26 10/01/26 10/01/26 01/01/27 03/01/27 07/01/27	126,309.23 7,123.95 12,784.62 553,903.06 6.08 9.03 10.64 720.062.62 943.77 0.30 59,232.22 12,943.22 12,993.46 11,259.97 11,178.90 12,437.83 11,014.20 10,932.36 25,584.52 14,563.77 12,222.09 1,817.65 12,554.89 69,771.10 22,373.67 52,740.67 22,578.69 52,674.97 30,846.78 62,789.68	126,309.23 7,123.95 12,794.62 553,803.06 0.08 0.33 10.64 720,062.62 943.77 0.30 59,232.22 13,163.11 10,251.20 11,462.78 11,384.59 12,684.73 11,108.43 11,012.43 25,767.86 14,675.11 12,306.51 1,831.28 12,705.85 70,794.92 22,699.87 53,500.61 22,004.45 53,631.71 31,297.63 63,969.44	6,951.57 12,914.29	(7,123,94) (12,794,62) (0.08) (0.33) (10,64) (37,832,81) (926,47) (0.30)	(114.08) (93.54) (174.76) (69.86) (181.27) (509.25) (385.95) (138.41) (70.00) (2,622.69) (3,127.46) (2,701.14) (2,843.13) (2,376.02) (447.63) (3,395.33) (11.039.96)	0.00	192,300,26	0.00 0.00 0.00 0.00 0.00 0.00 0.00 -201.68 -133.73 -436.19 -117.61 -305.17 -93.75 -22.63 -24.76 -51.18 0.01 -19.13 B.00 -2,053.25 -511.92 -2,106.21 -850.30 -1,746.97 -1,274.48 -2,229.61 -609.88	0.00 0.00 0.00 0.00 0.00 0.00 227.25 96.79 369.40 44.72 228.63 76.11 17.78 18.31 41.29 0.60 18.25 0.90 1.625.46 387.83 1.798.30 720.56 1.425.59 1.099.83 2.381.67 4.95.64	192,300,26 0.01 6,851,57 566,817,35 766,286,70 17,30 28,338,79 12,829,14 9,999,92 11,035,21 11,107,02 12,254,12 10,923,44 10,751,14 25,075,27 14,177,82 12,033,68 1,741,85 9,932,20 96,643,62 19,672,53 49,896,94 20,200,87 52,453,76	2,217.51 192,300.26 0.01 6,951.57 566,817.35 768,285.70 17.30 28,336.79 13,180.99 10,280.59 11,490.30 12,605.53 11,130.68 10,942.40 25,516.23 14,433.94 12,293.06 1,772.06 10,157.76 68,107.00 20,102.69 50,980.02 20,633.42 53,559.50 28,051.60	131,96 102,93 112,53 114,59 124,51 113,01 110,66 257,62 144,78 124,96 17,58 74,58 439,56 103,96 322,54 112,99 375,48 150,30	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmi GIC'S Repo Agmi GIC'S Repo Agmi Repo Agm	1991 A SIF (1980 A Refunding) 1994 A SIF SIF (1983 Refunding)	6.08 5.28 4.51 6.08 6.15 6.15 6.15 6.15 6.15 6.15 6.15 6.15	11/14/96 11/13/06 11/14/96 06/26/02 11/14/96 05/30/96 09/27/96 09/15/96 09/16/96 09/16/96 09/16/96 09/16/96 09/16/96 09/16/96 09/16/96 09/16/96 09/16/96 09/16/96 09/16/96 09/16/96 09/16/96 09/16/96 09/16/96 09/16/96 09/16/96 09/16/96	09/30/29 12/01/06 09/30/29 03/01/34 12/01/06 09/30/29 04/01/26 05/01/26 06/01/26 07/01/26 08/01/26 10/01/26 10/01/26 01/01/27 07/01/27 07/01/27 07/01/27 07/01/27 07/01/26 03/20/26 05/20/26 05/20/26 05/20/28 06/20/28 06/20/28	126,309.23 7,123.95 12,784.62 553,903.06 0.08 0.33 10.64 720,082.62 943.77 0.30 59,232.22 12,943.22 12,943.22 11,176.90 12,437.83 11,1014.20 10,632.36 12,554.52 14,563.77 12,222.09 1,817.85 12,554.89 52,740.07 22,578.08 52,780.07 30,9845.78 82,769.55 19,014.03 76,078.59	126,309.23 7,123.95 12,794.62 553,803.06 0.08 0.33 10,64 720,062.62 943.77 0.30 59,232.22 13,163.11 10,251.20 11,462.78 11,384.59 12,684.73 11,108.43 11,012.94 25,707.86 14,675.11 12,306.51 1,831.28 12,705.85 70,794.92 22,699.87 53,500.61 22,004.45 53,631.71 31,297.63 63,989.44 19,265.83 77,186.52	6,951.57 12,914.29	(7,123,94) (12,794,62) (0.08) (0.33) (10,64) (37,832,81) (926,47) (0.30)	(114.08) (93.54) (174.76) (69.68) (183.71) (90.76) (181.22) (509.25) (385.95) (178.41) (70.00) (2.622.69) (3.127.46) (2,701.14) (2,843.13) (2,378.02) (447.63) (3.969.33) (11.039.96) (151.52) (7.698.49)	0.98	192,300,26 0.01 0,951.57 566,817.35 17.30 28,338.79 12,893.57 10,036.87 11,152.00 11,170.91 12,330.69 10,941.08 10,735.99 12,033.61 1,742.73 9,932.20 67,071.41 19,796.82 50,204.85 52,745.14 27,825.10 72,177.54 19,976.53 68,785.18	0.00 0.00 0.00 0.00 0.00 0.00 -201.68 -133.73 -435.19 -117.61 -305.17 -93.75 -22.63 -24.76 -51.16 0.01 -19.13 0.00 -2,053.25 -511.92 -2,106.21 -650.30 -1,746.97 -1,274.48	0.00 0.00 0.00 0.00 0.00 0.00 227.25 98.78 369.40 44.72 228.63 76.11 17.78 18.31 41.29 0.06 18.25 0.00 1.625.46 387.83 1,799.30 720.55 1,425.59 1,099.83 2,381.57	192,300,26 0,01 6,851,57 566,817,35 766,266,70 17,30 28,338,79 12,829,14 9,999,92 11,085,21 11,107,02 12,254,12 10,923,44 10,751,14 25,075,27 14,177,82 12,083,68 1,741,85 9,932,20 66,643,62 19,072,53 49,896,94 20,200,67 52,423,76 27,450,45	2,217.51 192,300.26 0.01 6,951.57 566,817.35 768,286.70 17.30 28,338.79 13,180.99 10,260.59 11,409.55 11,429.30 12,605.53 11,130.68 10,942.40 25,516.23 14,433.94 12,293.06 1,772.06 10,157.74 68,107.00 20,102.69 50,980.02 20,639.42 53,559.56 28,051.60 73,292.00	131,96 102,93 112,53 114,59 124,51 113,01 110,68 257,02 144,78 124,96 17,58 74,58 439,56 103,96 322,54 112,99 375,48 150,30 362,52	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S REPO Agmil GIC'S REPO Agmil GIC'S REPO Agmil GIC'S REPO Agmil REPO Agmi	1991 A SIF (1980 A Refunding) 1994 A&B SF (1983 Refunding)	6.08 4.51 5.29 6.08 6.15 6.15 6.15 6.15 6.15 6.15 6.15 6.15	11/14/96 11/13/06 06/26/02 11/14/96 06/26/02 11/14/96 05/30/96 06/27/96 07/15/96 07/15/96 03/27/97 07/15/97 07/15/97 05/15/96 05/15/96 05/15/96 05/15/96 05/15/96 05/15/96 05/29/96	09/30/29 12/01/06 09/30/29 03/01/34 12/01/06 09/30/29 04/01/26 05/01/26 06/01/26 08/01/26 08/01/26 10/01/26 10/01/27 03/01/27 07/01/27 07/01/27 07/01/27 07/01/28 04/20/26 05/20/28 05/20/28 05/20/28 06/20/28 06/20/28 06/20/28 06/20/28 06/20/28	126,309.23 7,123,95 12,784.62 553,903.06 0.08 10.64 720,062.02 943,77 0.30 59,232.22 12,943.22 10,093.46 11,259.97 11,176.90 12,437.83 11,014.20 10,632.36 25,564.52 14,563,77 12,222.09 1,817.85 12,554.89 69,771.10 22,373.67 52,740.07 22,578.69 52,671.39 30,846.78 82,769.56 19,014.03 76,078.59 51,396.51	126,309.23 7,123,95 12,794.62 553,803,06 0.08 0.33 10,64 720,062,62 943.77 0.30 59,232.22 13,163.11 10,251.10 11,482.76 11,384.59 12,664.73 11,108.43 11,012.94 25,767.86 14,675.11 12,306.51 1,831.28 12,705.85 70,784.92 22,699.87 53,500.61 22,004.45 53,631.71 31,297.63 63,969.44 19,285.83 77,156.52 51,917.81	6,951.57 12,914.29	(7,123,94) (12,794,62) (0.08) (0.33) (10,64) (37,832,81) (926,47) (0.30)	(114.08) (93.54) (174.76) (09.86) (183.71) (90.76) (181.22) (509.25) (138.41) (76.00) (2,622.69) (3,127.46) (2,701.14) (2,843.13) (2,378.02) (447.63) (3,396.33) (11,039.65) (151.52) (7,698.49) (1,698.49)	0.00	192,300,26	0.00 0.00 0.00 0.00 0.00 0.00 0.00 -201.68 -133.73 -436.19 -117.61 -305.17 -93.75 -22.63 -24.76 -511.80 0.01 -19.13 0.00 -2,053.25 -511.92 -2,106.21 -650.30 -1,746.97 -1,774.48 -2,829.61 -009.86 -2,274.02 -685.24	0.00 0.00 0.00 0.00 0.00 0.00 227:25 96:78 369:40 44:72 228:63 76:11 17:78 18:31 41:29 0.00 18:25 0.00 1:625:46 387:83 1,798:30 720:56 1,425:59 1,099:83 2,381:67 495:84	192,300,26 0,01 6,851,57 568,817,35 768,286,70 17,30 28,338,79 12,829,14 9,999,92 11,085,21 11,107,02 12,254,12 10,923,44 10,751,14 25,075,27 14,177,87 12,033,68 1,741,85 9,932,20 66,643,62 19,072,53 49,898,94 20,200,87 52,423,76 27,450,45 71,729,66 71,729,66 11,682,51	2,217.51 192,300.26 0.01 6,951.57 566,817.35 768,286.70 17.30 28,338.79 13,180.99 10,280.59 11,429.30 12,695.53 11,130.68 10,942.40 25,516.23 14,433.96 17,728.66 10,157.74 68,107.00 20,639.42 53,559.56 28,051.60 73,282.00	131,96 102,93 112,53 114,59 124,51 113,01 110,66 257,62 144,76 124,96 17,58 439,56 103,96 322,54 112,99 375,48 150,30 362,52 135,26	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmi GIC'S Repo Agmi GIC'S Repo Agmi Repo Agm	1991 A SIF (1980 A Refunding) 1994 A SIF (1983 Refunding) 1994 A SIF (1983 Refunding) 1994 A SIF SIF (1983 Refunding) 1994 A SIF (1983 Refunding) 1994 A SIF SIF SIF (1983 Refunding)	5.28 6.08 6.15	11/14/96 11/13/06 11/14/96 06/26/02 11/14/96 05/26/02 11/14/96 05/26/96 09/26/96 09/26/96 09/26/96 09/26/96 09/26/96 05/15/96 05/15/96 05/15/96 05/15/96 05/15/96 05/15/96 05/15/96 05/15/96 05/15/96 05/15/96	09/30/29 12/01/06 09/30/29 03/01/34 12/01/06 09/30/29 04/01/26 05/01/26 06/01/26 08/01/26 08/01/26 08/01/26 01/01/27 07/01/27	126,309.23 7,123.95 12,784.62 553,903.06 0.08 0.33 10.64 720.062.62 843.77 0.30 59,232.22 12,943.22 12,943.22 12,943.22 12,943.22 12,943.22 12,943.22 12,943.22 12,943.22 12,943.22 12,943.22 12,943.22 12,954.22 14,553.77 12,222.09 1,817.65 12,554.89 69,771.10 22,373.67 52,740.07 22,578.89 52,740.07 22,578.89 52,740.07	126,309.23 7,123.95 12,794.62 553,803.06 0.08 0.33 10,64 720,062.62 943.77 0.30 59,232.22 13,163.11 10,251.20 11,462.78 11,384.59 12,664.73 11,108.43 11,108.43 11,012.94 25,767.86 14,675.11 12,306.51 1,831.28 12,705.85 70,784.92 22,698.87 53,500.61 22,804.57 53,500.61 22,804.57 53,630.61 49,265.83 77,156.52 51,917.63	6,951.57 12,914.29	(7,123,94) (12,794,62) (0.08) (0.33) (10,64) (37,832,81) (926,47) (0.30)	0.00 (114.08) (93.54) (174.76) (69.66) (183.71) (90.76) (181.22) (305.95) (138.41) (76.00) (2.622.69) (3,127.46) (2,701.14) (2,843.13) (2,378.02) (447.63) (3,193.33) (11,039.96) (151.52) (7,698.49) (1,099.24) (236.10)	0.06	192,300,26 0.01 0,951.57 566,817.35 17.30 28,338.79 12,893.57 10,036.87 11,152.00 11,170.91 12,330.69 10,941.08 10,735.99 12,033.61 1,742.73 9,932.20 67,071.41 19,796.82 50,204.85 52,745.14 27,825.10 72,177.54 19,976.53 68,785.18	0.00 0.00 0.00 0.00 0.00 0.00 -201.68 -133.73 -435.19 -117.61 -305.17 -93.75 -22.63 -24.76 -51.16 0.00 -2,053.25 -511.92 -2,106.21 -850.30 -1,1746.97 -1,174.48 -2,29.61 -0.09.86 -2,274.02	0.00 0.00 0.00 0.00 0.00 227.25 98.78 369.40 44.72 228.63 76.11 17.78 18.31 41.29 0.06 18.25 0.00 18.25 0.90 1.625.46 387.83 1.798.30 728.56 1.425.59 1.099.83 2.381.87 495.94	192,300.26 0.01 6,851.57 566,817.35 766,266.70 17.30 28,338.79 12,829.14 9,999.92 11,085.21 11,107.02 12,254.12 10,923.44 10,751.14 25,075.27 14,177.82 12,083.68 1,741.85 9,932.20 66,643.62 19,072.53 49,896.48 20,200.87 52,423.78 52,423.78 57,1729.60 16,662.51 68,380.10	2,217.51 192,300.26 0.01 6,951.57 566,817.35 768,285.70 17.30 28,338.79 13,180.99 10,280.59 11,490.30 12,605.53 11,130.68 10,942.40 25,516.23 14,433.94 12,293.06 1,772.86 10,157.74 68,107.00 20,102.69 50,980.02 20,639.42 53,559.56 28,051.60 73,292.00 19,259.57 69,847.23	131,96 102,93 112,53 114,59 124,51 113,01 110,68 257,62 144,76 124,96 17,58 74,58 439,56 103,96 322,54 112,99 375,48 150,30 362,52 135,26 389,20	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S REPO Agmil GIC'S REPO Agmil GIC'S REPO Agmil GIC'S FNIMA FNIMA FNIMA FNIMA FNIMA FNIMA FNIMA GNIMA GNIM	1991 A SIF (1980 A Refunding) 1994 A&B SF (1983 Refunding)	6.08 5.28 4.51 6.08 6.15 6.15 6.15 6.15 6.15 6.15 6.15 6.15	11/14/96 11/30/06 11/14/96 06/26/02 11/14/96 05/30/96 06/27/96 06/27/96 09/16/96 12/23/96 03/27/97 07/15/96 05/15/96 05/15/96 05/15/96 05/15/96 05/15/96 05/15/96 05/15/96 05/15/96 05/15/96 05/15/96 05/15/96 05/15/96	09/30/29 12/01/06 09/30/29 03/01/34 12/01/06 09/30/29 04/01/26 05/01/26 06/01/26 06/01/26 06/01/26 06/01/26 06/01/26 06/01/26 06/01/26 06/01/26 06/01/26 06/01/26 06/01/26 06/01/26 06/01/26 06/01/26 01/01/27 07/01/27 07/01/27 07/01/27 07/01/27 07/01/27 07/20/26 05/20/26 05/20/26 05/20/26 06/20/26 06/20/26 06/20/26 06/20/26 06/20/26 06/20/26 06/20/26 06/20/26 06/20/26 06/20/26 06/20/26 06/20/26 06/20/26 06/20/26 06/20/26 06/20/26 06/20/26	126,309.23 7,123.95 12,784.62 553,903.06 0.08 0.33 10.64 720,062.62 943.77 0.30 59,232.22 12,943.22 10,093.46 11,259.97 11,178.90 12,437.83 11,014.20 10,932.36 25,554.52 14,563.77 12,222.09 1,817.65 12,554.69 69,771.10 22,373.67 52,740.07 52,578.69 52,789.56 19,014.03 76,078.59 51,398.51 23,777.81	126,309.23 7,123.95 12,794.62 553,803.06 0.08 0.33 10,64 720,062.92 943.77 0.30 59,232.22 13,163.11 10,251.20 11,462.78 11,384.59 12,664.73 11,108.43 11,108.43 11,108.43 11,108.43 11,012.94 25,767.86 14,675.11 12,300.51 12,300.51 12,500.61 13,301.71 13,297.85 12,698.87 13,500.61 13,297.85 13,631.71 31,297.85 12,698.87 13,699.44 19,265.83 77,156.52 51,917.81 24,001.74	6,951.57 12,914.29	(7,123,94) (12,794,62) (0.08) (0.33) (10,64) (37,832,81) (926,47) (0.30)	(114.08) (93.54) (174.76) (09.88) (183.71) (90.76) (181.22) (509.25) (385.95) (138.41) (70.00) (2.622.69) (3.127.48) (2,701.14) (2,843.13) (2,378.02) (447.63) (3.396.33) (31.039.96) (151.52) (7.696.49) (1,809.24) (236.10) (259.25)	0.06	192,300,26	0.00 0.00 0.00 0.00 0.00 0.00 0.00 -201.68 -133.73 -436.19 -117.61 -305.17 -93.75 -22.63 -24.76 -511.80 0.01 -19.13 0.00 -2,053.25 -511.92 -2,106.21 -650.30 -1,746.97 -1,774.48 -2,829.61 -009.86 -2,274.02 -685.24	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	192,300,26 0,91 6,851,57 568,817,35 766,286,70 17,30 28,338,79 12,822,14 19,999,92 11,085,21 11,107,02 12,254,12 10,923,44 10,751,14 25,075,27 14,177,82 12,083,68 1,741,85 9,932,20 66,643,62 19,072,53 49,896,94 20,200,87 52,423,76 27,450,45 71,729,60 18,662,51 68,380,10 49,587,27	2,217.51 192,300.26 0.01 6,951.57 566,817.35 768,286.70 17.30 28,338.79 13,180.99 10,260.59 11,400.55 11,429.30 12,605.53 11,130.68 10,942.40 25,516.23 14,433.94 12,293.06 1,772.86 10,157.74 68,107.09 50,980.02 20,639.42 53,559.56 28,051.60 73,262.00 19,269.57 69,847.23 50,452.65	131,96 102,93 112,53 114,59 124,51 113,01 110,06 257,02 124,96 17,58 124,96 17,58 439,56 103,56 103,56 103,56 103,56 103,56 322,54 112,99 375,48 150,30 362,52 135,26 389,20 344,08	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmil GIC'S Repo Agmil GIC'S Repo Agmil Repo	1991 A SIF (1980 A Refunding) 1994 A&B SIF (1983 Refunding)	5.29 6.08 6.15 6.15 6.15 6.15 6.15 6.15 6.15 6.15	11/14/96 11/13/06 11/14/96 06/26/02 11/14/96 05/30/96 06/27/96 07/15/96 07/15/96 07/15/97 07/15/97 07/15/97 07/15/97 07/15/97 07/15/97 07/15/97 07/15/97 07/15/97 07/15/96 09/16/96 09/16/96 09/16/96	09/30/29 12/01/06 09/30/29 03/01/34 12/01/06 09/30/29 04/01/26 05/01/26 05/01/26 08/01/26 08/01/26 08/01/26 01/01/27 03/01/27 07/01/27	126,309.23 7,123.95 12,784.62 553,903.06 0.08 0.03 10.64 720,062.62 943.77 0.30 59,232.22 12,943.22 12,943.22 11,078.90 12,437.83 11,014.20 10,032.36 25,584.52 14,563,77 12,222.09 1,817.85 12,554.89 69,771.10 22,373.67 52,740.07 22,578.69 52,671.39 30,846.78 62,789.56 19,014.03 76,078.59 51,396.51 23,777.81 19,634.91 19,634.91	126,309.23 7,123.95 12,794.62 553,803.06 0.08 0.33 10.64 720,062.62 943.77 0.30 59,232.22 13,163.11 10,251.20 11,462.78 11,384.59 12,684.73 11,108.43 11,012.43 25,767.86 14,675.11 12,306.51 1,831.28 12,705.85 70,794.92 22,699.87 53,500.61 22,004.45 53,631.71 31,297.63 63,969.44 19,228.63 77,156.52 51,917.81 24,001.74	6,951.57 12,914.29	(7,123,94) (12,794,62) (0.08) (0.33) (10,64) (37,832,81) (926,47) (0.30)	(114.08) (93.54) (174.76) (69.86) (183.21) (90.76) (181.22) (509.25) (385.95) (138.41) (70.00) (2,622.69) (3,127.46) (2,701.14) (2,843.13) (2,378.02) (447.63) (1,039.66) (151.52) (7,696.49) (1,039.67) (1,696.49) (1,696.49) (1,696.49) (1,696.49) (1,696.49) (2,596.25) (596.26)	0.00	192,300,26 0.01 0,551.57 566,817.35 17.30 28,338.79 12,893.57 19,036.87 11,152.00 11,179.91 12,330.69 10,745.91 14,187.69 12,083.61 1,742.73 9,932.20 67,071.41 19,796.62 50,204.65 20,324.61 52,745.14 52,745.15 52,745.16 49,685.55 66,785.18 49,685.55	0.00 0.00 0.00 0.00 0.00 0.00 -201.68 -133.73 -430.19 -117.61 -305.17 -93.75 -22.63 -24.76 -51.18 0.01 -19.13 -19.00 -2,053.25 -511.92 -2,106.21 -850.30 -1,746.97 -1,274.48 -2,29.61 -609.86 -2,274.02 -685.24 -245.24	0.00 0.00 0.00 0.00 0.00 227.25 96.78 369.40 44.72 228.63 76.11 17.78 18.31 41.29 0.60 18.25 0.60 1.625.46 387.83 1.798.30 728.55 1.425.59 1.098.83 2.381.67 4.95.64 1.868.94 566.96	192,300,26 0.01 6,851,57 566,817,35 766,286,70 17,30 28,338,79 12,829,14 9,999,92 11,035,21 11,107,02 12,254,12 10,923,44 10,751,14 25,075,27 14,177,82 12,033,68 1,741,85 9,932,20 66,643,62 19,072,53 49,896,94 20,200,87 52,423,76 52,423,76 52,423,76 52,423,76 57,729,60 16,682,51 68,380,10 49,587,27	2,217.51 192,300.26 0.01 6,951.57 566,817.35 768,285.70 17.30 28,338.79 13,180.99 10,260.59 11,400.55 11,429.30 12,605.53 11,130.68 10,942.40 25,516.23 14,433.94 12,293.06 1,772.06 10,157.74 68,107.00 20,639.42 53,559.56 20,051.60 73,262.00 19,269.57 69,047.23 50,452.65 23,035.65 23,035.65	131,96 102,93 112,53 114,59 124,51 113,01 110,68 257,02 144,78 124,96 17,58 74,58 439,56 103,96 322,54 112,99 375,48 150,30 362,52 135,26 389,20 344,08 169,94 139,11	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S REPO Agmil GIC'S REPO Agmil GIC'S REPO Agmil GIC'S FNIMA FNIMA FNIMA FNIMA FNIMA FNIMA FNIMA GNIMA GNIM	1991 A SIF (1980 A Refunding) 1994 A&B SF (1983 Refunding)	6.08 5.28 4.51 6.08 6.15 6.15 6.15 6.15 6.15 6.15 6.15 6.15	11/14/96 11/30/06 11/14/96 06/26/02 11/14/96 05/30/96 06/27/96 06/27/96 09/16/96 12/23/96 03/27/97 07/15/96 05/15/96 05/15/96 05/15/96 05/15/96 05/15/96 05/15/96 05/15/96 05/15/96 05/15/96 05/15/96 05/15/96 05/15/96	09/30/29 12/01/06 09/30/29 03/01/34 12/01/06 09/30/29 04/01/26 05/01/26 06/01/26 06/01/26 06/01/26 06/01/26 06/01/26 06/01/26 06/01/26 06/01/26 06/01/26 06/01/26 06/01/26 06/01/26 06/01/26 06/01/26 01/01/27 07/01/27 07/01/27 07/01/27 07/01/27 07/01/27 07/20/26 05/20/26 05/20/26 05/20/26 06/20/26 06/20/26 06/20/26 06/20/26 06/20/26 06/20/26 06/20/26 06/20/26 06/20/26 06/20/26 06/20/26 06/20/26 06/20/26 06/20/26 06/20/26 06/20/26 06/20/26	126,309.23 7,123.95 12,784.62 553,903.06 0.08 0.33 10.64 720,062.62 943.77 0.30 59,232.22 12,943.22 10,093.46 11,259.97 11,178.90 12,437.83 11,014.20 10,932.36 25,554.52 14,563.77 12,222.09 1,817.65 12,554.69 69,771.10 22,373.67 52,740.07 52,578.69 52,789.56 19,014.03 76,078.59 51,398.51 23,777.81	126,309.23 7,123.95 12,794.62 553,803.06 0.08 0.33 10,64 720,062.92 943.77 0.30 59,232.22 13,163.11 10,251.20 11,462.78 11,384.59 12,664.73 11,108.43 11,108.43 11,108.43 11,108.43 11,012.94 25,767.86 14,675.11 12,300.51 12,300.51 12,500.61 13,301.71 13,297.85 12,698.87 13,500.61 13,297.85 13,631.71 31,297.85 12,698.87 13,699.44 19,265.83 77,156.52 51,917.81 24,001.74	6,951.57 12,914.29	(7,123,94) (12,794,62) (0.08) (0.33) (10,64) (37,832,81) (926,47) (0.30)	(114.08) (93.54) (174.76) (09.88) (183.71) (90.76) (181.22) (509.25) (385.95) (138.41) (70.00) (2.622.69) (3.127.48) (2,701.14) (2,843.13) (2,378.02) (447.63) (3.396.33) (31.039.96) (151.52) (7.696.49) (1,809.24) (236.10) (259.25)	0.00	192,300,26 0.01 0,951.57 566,817.35 17.30 28,338.79 12,893.57 10,036.87 11,152.00 11,179.91 12,330.66 10,941.08 10,755.99 25,081.72 14,187.69 12,083.81 1,742.73 9,932.20 67,071.44 19,786.82 50,204.85 50,204.85 50,204.85 50,204.85 50,204.85 50,204.85 50,204.85 50,204.85 50,204.85 50,204.85 50,204.85 50,204.85 50,204.85 50,204.85 50,204.85 50,204.85 50,204.85 50,204.85 50,204.85 50,765.10 49,885.55 23,571.85	0.00 0.00 0.00 0.00 0.00 0.00 -201.68 -133.73 -436.19 -117.61 -305.17 -93.75 -22.63 -24.76 -51.16 0.01 -19.13 0.00 -2,053.25 -511.92 -2,106.21 -650.30 -1,746.97 -1,274.48 -2,29.61 -609.86 -2,274.02 -685.24 -2,274.02 -685.24 -245.24 -245.24 -245.24	0.00 0.00 0.00 0.00 0.00 0.00 227.25 90.73 369.40 44.72 228.63 76.11 17.78 18.31 41.29 0.06 18.25 0.90 1.625.46 387.83 1,799.30 720.55 1,425.59 1,099.83 2,301.67 495.84 1,868.94 568.96 215.30 165.13	192,300.26 0.01 6,B51.57 566,B17.35 766,266.70 17.30 28,338.79 12,829.14 9,999.92 11,085.21 11,107.02 12,254.12 10,923.44 10,751.14 25,075.27 14,177.82 12,083.08 1,741.85 9,932.20 66,643.62 19,072.53 49,896.94 20,200.87 52,423.76 27,450.45 71,729.60 18,662.51 68,380.10 49,587.27 23,541.71 19,375.66	2,217.51 192,300.26 0.01 6,951.57 566,817.35 768,285.70 17.30 28,336.79 13,180.99 10,280.59 11,490.35 11,490.30 12,605.53 11,130.68 10,942.40 25,516.23 14,433.96 10,157.76 68,107.00 20,102.69 50,980.02 20,630.42 53,559.50 50,980.02 20,630.42 53,559.50 50,980.02 20,630.42 53,559.50 50,980.02 20,630.42 53,559.50 50,980.02 50,9	131.96 102.93 112.53 114.59 124.51 113.01 110.68 257.62 144.78 124.96 17.58 74.58 439.56 103.96 322.54 112.99 375.48 150.30 362.52 135.26 389.20 344.08 169.94	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0

GNMA	1994 A&B SF (1963 Refunding)	6,15	12/23/96	12/20/28	21,418.75	21,615.62		{150.71}	21,290,40	-153.43	131.07	21,268,04	21,619.09	154.18	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.15	01/16/97	12/20/26	44,724.12	45,316.17		(301.87)	44,469,88	-226.90	179.27	44,422.25	45,158.45	142.15	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.15	01/30/97	01/20/27	30,484,55	30.818.08		(259.42)	30,302.53	-287.07	209.67				
GNMA	1994 A&B SF (1983 Refunding)	6.15	02/13/97	02/20/27	25,070.66	25,342.33		(190.13)				30,225.13	30,764,98	208.32	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.15	02/27/97	02/20/27	10,687.52	10,993.47		£	24,943.34	-334.27	271.46	24,880.53	25,323.96	171.76	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.15	03/27/97	03/20/27	30,322.65	30,594.95		(70.63)	10,832.53	-94,07	78.43	10,816.89	10,997.80	74.98	0.00
GNMA	1994 A&B SF (1983 Refunding)							(2,807.57)	27,534.47	-92.74	73.35	27,515,08	27,954.65	167.27	0.00
		6.15	04/29/97	04/20/27	11,270.03	11,363.08		(68.61)	11,201.42	0.00	0.00	11,201.42	11,372.32	77.85	0.00
GNMA	1994 A&B SF (1993 Refunding)	6.15	05/29/97	05/20/27	15,165.65	15,291.87		(183.00)	14,963.65	0.00	0.00	14,983.65	15,212.24	103,37	0.00
GNMA	1994 A&B SF (1983 Refunding)	6,15	06/26/97	06/20/27	14,323,09	14,447.76		(112.23)	14,217.04	-32,97	26.79	14,210.86	14,434.80	98.47	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.15	08/18/97	07/20/27	17,037.83	17,295.32		(393.26)	1 6 ,756.32	-1.201.90	1,090,15	16,644.57	17,012.03	109,97	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.15	09/29/97	08/20/27	32,208.44	32,490.50		(198.35)	32,025.89	-102.01	86.41	32,010.09	32,514,39	222.24	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.15	02/26/98	02/20/28	9,431.51	18,933,11		(51.14)	9,380,37	0.00	0.00	9,380,37	9,522.27	(9,359.70)	0.00
GNMA	1994 A&B SF (1983 Refunding)	6,15	03/26/98	01/20/28	13,186.52	13,297,17		(178.11)	13,010,41	0.00	0.00	13,010.41	13,207.28	88.22	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.15	04/29/98	04/20/28	13,650,45	13,764,93		(221,61)	13,428.84	0.00					
GNMA	1994 A&B SF (1983 Refunding)	8.15	08/25/98	05/20/28	19,593.75	19,758.14					0.00	13,428.84	13,631.98	88.66	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.15	07/16/9B	06/20/28				(126.27)	19,467.48	0.00	0.00	19,467,48	19,762.02	130.15	0.00
GNMA	1994 A&B SF (1983 Refunding)				9,792.69	9,874.90		(108.94)	9,683,75	0.00	0.00	9,683,75	9,830.31	54.35	0.00
		6,15	09/10/98	07/20/28	18,775.60	18,933.11		(141,03)	18,634.57	0.00	0.00	18,634.57	18,916.49	124.41	0.00
GNMA	1994 A&9 SF (1983 Refunding)	6.15	11/19/98	10/20/28	36,977.93	37,288.20		(212.20)	36,765.73	0.00	0.00	36,765.73	37,322.01	246.D1	0.00
Repo Agmt	1994 A&B SF (1983 Refunding)	5.29	11/30/08	12/01/06	19,657.46	19,667.46	262.22		19,929,68	0.00	0.08	19,929,68	19,929.68	· -	0.00
Repo Agmt	1994 A&B SF (1983 Refunding)	5.29	11/30/06	12/01/08	11,913,22	11,913.22	0,00		11,913.22	0.00	0,00	11,913.22	11,913.22		0.00
Repo Agmt	1994 A&B SF (1983 Refunding)	5,29	11/30/08	12/01/06	7.60	7.60	0.00		7.60	0.00	0.00	7.60	7.60	-	0.00
Repo Agml	1994 A&B SF (1983 Refunding)	5.29	11/30/08	12/01/06	10,792.36	10,792.38	143.88		10,936.26	0.00	0.00	10,936,26	10.936.26	_	0.00
Repo Agmi	1994 A&B SF (1983 Refunding)	5.29	11/30/86	12/01/06	413,215.75	413,215,75	175,996.80		589,212.55	0.00	0.00	589,212.55	589,212.55		0.00
FNMA	1994 A&B SF (1983 Refunding)	6.75	02/20/98	01/01/28	4,853.99	4,937.55	,	(39.33)	4,844.66	0.00	0.00	4,844.66	4.945.99	47,77	D.00
FNMA	1994 A&B SF (1983 Refunding)	6,25	03/27/98	03/01/28	5,327.89	5,387.25		(37.09)	5,290.60	0.00	0.00	5,290.80	5,399,95	49.79	0.00
FNMA	1994 A&B SF (1983 Refunding)	6.25	05/29/98	05/01/28	3,588.15	3,628,05		(48.20)							
GNMA	1994 A&B SF (1983 Refunding)	6.75	02/20/98	01/20/28	29,112.16	29,472.87			3,539,95	0.00	0.00	3,539,95	3,612.91	33.06	0,00
FNMA	1994 A&B SF (1983 Refunding)	6.25	11/30/98	09/01/28	5,720,70			(1,413.57)	27,698,59	0.00	0.00	27,698,59	28,226.53	167.23	0.00
GNMA	1994 A&B SF (1983 Refunding)					5,784.44		(33.06)	5,587.64	0.00	0.00	5,667.64	5,804,99	53.81	0.00
GNMA		6.25	03/27/98	03/20/28	50,863.38	51,493.50		(2,014.88)	48,848.50	0.00	0.00	48,848.50	49,779.56	300.66	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.25	05/19/98	05/20/28	36,173.63	38,621.82		(3,603.25)	32,370.38	0.00	0.00	32,370.38	32,987.35	168.78	0.00
	1994 A&B SF (1983 Refunding)	5.45	07/28/00	06/20/30	21,395.03	21,098.16		(1,417.36)	19,978.67	0.00	0.00	19,978.67	19,952.47	271.67	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.25	08/14/98	07/20/28	19,522.28	19,764.17		(178.45)	19,343.83	0.00	0.00	19,343.83	19,712.53	126.81	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.25	08/29/98	08/20/28	8,996.40	9,107.89		(49.55)	8,946,85	0.00	0.00	8,948,85	9,117.40	59.06	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.25	09/18/98	09/20/28	13,834.33	14,005.71		(73.41)	13,780.92	0.00	0.00	13,760.92	14,023.17	90.67	0.00
FNMA	1994 A&B SF (1983 Refunding)	6.25	03/31/09	11/01/28	2,285.39	2,290.63		(37,08)	2,228.31	0.00	0.00	2,228.31	2,274.29	20.74	0.00
GNMA	1994 A&B SF (1983 Refunding)	8.25	11/30/98	11/20/28	13.204.94	13,358,53		(1,016.28)	12,188.66	0.00	0.00	12,188,66	12,420.97	59.72	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.25	11/30/98	11/20/28	8,064.00	8,163.90		(47.45)	6,016.54	0.00	0.00	8,016.54	8,169.33	52.89	
GNMA	1994 A&B SF (1983 Refunding)	6.25	11/30/98	10/20/28	2,708,25	2,741.80		(14.15)	2,694.10	0.00	0.00				0.00
FNMA	1994 A&B SF (1983 Refunding)	6.25	05/27/99	11/01/28	2,302.21	2,327.48						2,694.10	2,745.44	17.79	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.25	02/16/99	02/20/29	18,080.00	18,301.85		(29.90)	2,272.31	0.00	0.00	2,272.31	2,319.86	22.28	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.25	03/31/99	02/20/28				(1,151.56)	16,928.42	0.00	0.00	16,928.42	17,243.47	93,20	0.00
GNMA	1994 A&B SF (1983 Refunding)		05/27/99		1,127.57	1,141.39		(10.86)	1,116.71	0.00	0.00	1,116.71	1,137,49	6.96	0.00
GNMA	1994 A&B SF (1983 Refunding)	6.25		05/20/29	5,862.05	5,954.23		(31.DB)	5,850.97	0.00	0.00	5,850,97	5,959.86	38.71	0.00
		5.45	07/30/99	07/20/29	14,699,75	14,495.61		(1,182.41)	13,517.34	0.00	0.00	13,517,34	13,505.60	191,40	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	08/28/99	08/20/29	13,571,54	13,482.58		(79.15)	13,592.39	0.00	0.00	13,592.39	13,580.54	177.11	0.00
FNMA	1994 A&B SF (1983 Refunding)	5.45	09/20/99	08/01/29	1,763.89	1,735,57		(9.13)	1,754.76	0.00	0.00	1,754.76	1.753.08	26.64	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	09/20/99	09/20/29	6,231.86	6,145.73		(33.37)	6.198.49	0.00	0.00	6,198.49	6,193.11	80.75	0.00
FNMA	1994 A&B SF (1983 Refunding)	5.45	12/20/99	12/01/29	7,341.57	7,225.09		(48.43)	7,293.14	0.00	0.00	7.293.14	7,287.57	110.91	0.00
FNMA	1994 A&B SF (1983 Refunding)	5.45	01/19/00	12/01/29	5,052.48	4,972.36		(33.86)	5,018.60	0.00	0.00	5.018.60	5,014.81	76.31	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	10/28/99	10/20/29	24,920,12	24,575.69		(597.56)	24.322.54	0.00	0.00	24,322.54			
GNMA	1994 A&B SF (1983 Refunding)	5.45	11/18/99	11/20/29	3,097,19	3.054.40		(23.63)	3,073.56	0.00			24,301.35	323.24	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	12/30/99	12/20/29	47,491.18	45.834.80		(1,637.45)	45,853.73	0.00	0.00	3,073.56	3,070.89	40.12	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	01/28/00	01/20/30	12,557.41	12,382.67					0.00	45,853.73	45,813.79	615.44	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	02/22/00	01/20/30	5,304.12	5,230,28		(71.06)	12,488.35	0.00	0.00	12,488.35	12,470.05	158.44	0.00
GNMA	1994 A&B SF (1963 Refunding)	5.45	03/27/00	02/20/30				(28.46)	5,275,66	0.00	0.00	5,275.66	5,209,75	66.93	0.00
ENMA	1994 A&B SF (1983 Refunding)	5.45			8,127,36	8,014.21		(71.36)	8,056.00	0.00	0.00	8,058.00	8,045,42	102.57	0.00
GNMA			04/27/00	03/01/30	5,087.43	5,005,62		(44.49)	5,042.94	0.00	0.00	5,042.94	5,032.45	71.32	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	04/27/00	04/20/30	8,761.43	8,639.46		(51.39)	8,710.04	0.00	B.00	8,710.04	8,698,61	110.54	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	05/30/00	04/20/30	2,389.86	2,358.56		(12.26)	2,377.60	0.00	0.00	2,377,60	2 374 45	30,15	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	06/21/00	05/20/30	12,170.00	12,001.46		(74.27)	12,096.61	0.00	0.00	12,096.61	12,080.76	153.57	0.00
	1994 A&B SF (1983 Refunding)	5.45	09/18/00	09/20/30	19,122.38	18,855.20		(95.07)	19,027.31	0.00	0.00	19,027.31	19,002.36	241.25	0.00
FNMA	1994 A&B SF (1983 Refunding)	5.45	07/24/00	06/01/30	4,801.93	4,724.61		(52.50)	4,749.43	0.00	0.00	4,749.43	4,739.44	67.33	0.00
GNMA	1994 A&9 SF (1983 Refunding)	5.45	07/30/99	07/20/29	122,003.69	120,317.78		(9,813.60)	112,190,29	0.00	0.00	112,190.29	112,092.67	1,588.49	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	08/26/99	08/20/29	113,469.71	111,901,60		(656.94)	112,812.77	0.00	0.00	112,812.77	112,714,67	1,470.01	0.00
FNMA	1994 A&B SF (1983 Refunding)	5.45	09/20/99	08/01/29	14,638.30	14,405.90		(75.77)	14,552.53	0.00	0.00	14,562.53	14,551.23	221.10	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	09/20/99	09/20/29	51,722,70	51,007,87		(276,89)	51,445.B1	0.00	0.00	51,445.81	51,401.03	670.05	0.00
FNMA	1994 A&B SF (1983 Refunding)	5.45	12/20/99	12/01/29	60,932.65	59,966.24		(401.88)	60,530.77	0.00	0.00	60,530,77	60,484.75	920,39	0.00
FNMA	1994 A&B SF (1983 Refunding)	5.45	01/19/00	12/01/29	41,034,30	41,269.19		(281,05)	41,653,25	0.00					
GNMA	1994 A&B SF (1983 Refunding)	5.45	10/28/99	10/20/29	206,029,78	203.971.38		(4,959.76)			0.00	41,653.25	41,621.56	633,42	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	11/18/99	11/20/29	25,705.92	25.350.67		(196 16) (196 16)	201,870.02	0.00	0.00	201,870.02	201,094.38	2,682.76	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	12/30/99	12/30/29	394,163.13	388 715 75			25,509.76	0.00	0.00	25,509.76	25,487.57	333.06	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	01/28/00	01/20/30				(13,590.34)	380,572.79	0.00	0.00	380,572.79	380,241.65	5,116.24	0.00
GNMA	1994 A&B SF (1983 Relunding)	5.45 5.45	02/22/00	01/20/30 01/20/30	104,223.45	102,772.68		(589.79)	103,633.66	0.00	0.00	103,533.66	103,497.93	1,315.D4	0.00
GNMA					44,022.71	43,409.91		(235.20)	43,788.51	00,0	0.00	43,786.51	43,729.15	555.44	0.00
	1994 A&B SF (1983 Refunding)	5.45	03/27/00	02/20/30	18,280.22	18,025.75		(160.52)	18,119.70	0.00	0.00	18,119.70	18,095.95	230,72	0,00
GNMA	1994 A&B SF (1983 Refunding)	5.45	06/22/99	06/20/29	111,403,03	109,883.48		(763.36)	110,639.67	0.00	0.00	110,639.67	110,543.44	1,443,34	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	07/30/99	07/20/29	147,595.47	145,555,70		(912.85)	146,582.52	0.00	0.00	146,682.62	146,555.01	1,912.16	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	08/26/99	08/20/28	92,199.52	90,925.34		(587.79)	91,611.73	0.00	6.00	91,611.73	91,532.05	1,194.50	0.80
GNMA	1994 A&B SF (1983 Refunding)	5.45	08/50/89	09/20/29	69,973.69	69,006.83		(378.12)	69,597.77	0.00	0.00	69,597.77	69,537,19	908.48	0.00
FNMA	1994 A&B SF (1983 Refunding)	5,45	12/21/99	11/01/29	60,921.25	59,955.03		(712.53)	60,208.72	0.00	0.00	60,208.72	60,162.98		
GNMA	1994 A&B SF (1983 Refunding)	5.45	10/29/99	10/20/29	149,892.13	147,820,63		(916.71)	148,973.42	0,00	0.00	148.973.42	148,843.82	920.46	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	11/18/99	11/20/29	194,477.30	191 789 65		(1,197.35)	193,279.95	0.00	0.00	, , - , - , - , - , -		1,941.90	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	12/30/99	12/20/29	202,797.15	199,994.51		(22,890.77)	179,908.38	D.00	0.00	193,279.95	193,111.82	2,519.52	0.00
					,			1-1000.71)	112,000.00	<i>u</i> .00	0.00	179,906.38	179,749.88	2,646.14	0.00

GNMA	1994 A&B SF (1983 Refunding)	5.45	01/28/00	01/20/30	215,628.49	212,626.92			(17,378.43)		198,250.06	0.00	0.00	198,250,06	197,990,33	7744.04	0.55
GNMA	1994 A&B SF (1983 Refunding)	5.45	02/22/00	01/20/30	106,640,94	105,158,49										2,741.84	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	03/27/00	02/20/30	46,603,52	45,954.58			(798.62)		105,842.32	0.00	0.00	105,642.32	105,703,66	1,345.79	0.00
FNMA	1994 A&B SF (1983 Refunding)	5,45	02/23/00	02/20/30					(272.72)		46,330.80	0.00	0.00	46,330.80	48,269,87	588.03	0.00
					25,193.18	24,793.63			(129.15)		25,084,03	0.00	0.00	25,064.03	25,044.99	380.51	0,00
GNMA	1994 A&B SF (1983 Refunding)	5.45	07/28/00	06/20/30	177,580.80	175,108.88			(11,763.68)		165,817.12	0.00	0.00	165,817,12	165,599.90	2,254.70	0.00
GNMA	1994 A&B SF (1963 Refunding)	5.45	03/27/00	02/20/30	49,174.45	40,489.94			(431.83)		48,742,62	0.00	0.00	48,742.62	48,678.77	620.66	0.00
FNMA	1994 A&B SF (1983 Refunding)	5,45	04/27/08	03/01/30	42,224,64	41,545.24			(369.26)		41,855.38	0.00	0.00	41,655,38	41,767.90	591.92	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	04/27/00	04/20/30	72,717.34	71,705,12			(426.58)		72,290.76	0,00	0.00	72,290.76	72,196.06	917.52	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	05/30/00	04/20/30	19,834.89	19,558.77			(101.76)		19,733.13	0.00	0.00	19,733.13			
GNMA	1994 A&B SF (1983 Refunding)	5,45	06/21/00	05/20/30	101,014.92	99,608.75									19,707.26	250.25	0.00
									(616,41)		100,398.51	0.00	0.80	100,398.51	100,258.94	1,274.60	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	09/18/00	09/20/30	158,710.46	156,501.21			(789.12)		157,921.34	0.00	0.00	157,921.34	157,714.46	2,002.37	0.00
FNMA	1994 A&B SF (1983 Refunding)	5.45	07/24/00	06/01/30	39,854.18	39,212.93			(435.79)		39,418.39	0.00	B.00	39,418.39	39,336.Dt	558.87	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	07/24/00	06/20/30	193,573.15	190,878.65			(11,340.61)		182,232,54	0.00	0.00	182,232,54	181,993.85	2,455.81	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	08/28/00	08/20/30	32,367.26	31,916.73			(156,63)		32,210.43	0.00	0.00	32,210.43	32,168.26	408.36	0.00
GNMA	1994 A&B SF (1983 Refunding)	5,45	03/27/00	02/20/30	7,017.08	6,919.61			(41.07)		6,976.01	0.00	0.00	6,976.01	6,967,08	86.54	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	04/27/00	03/20/30	85,455,25	84,265.72			(462.73)		84,992.52	0.00	0.00	84,892.52	84,881.17	1,078.19	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	05/30/00	05/20/30	84,254.69	83,081.69			(863.50)								
GNMA	1994 A&B SF (1983 Refunding)	5.45	08/21/00	08/20/30							83,391.19	0.00	0,00	83,391.19	83,281.98	1,063.59	0.00
FNMA	1994 A&B SF (1983 Refunding)	5.45	05/31/00	05/01/30	159,028.70 37,848.74	156,815.03			(4,851.02)		154,177.68	0.00	0.00	154,177.68	153,975.71	2,011,70	0.00
						37,239.76			(206.20)		37,642.54	0.00	0.00	37,842.54	37,563,88	530.32	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	10/23/00	09/20/30	14,572.39	14,369.55			(8,777.16)		5,795.23	0.00	0.00	5,795.23	5,787.65	195.26	0.00
GNMA	1994 A&B SF (1983 Refunding)	5.45	10/30/00	10/20/30	44,883.79	44,258.95			(272.57)		44,611.22	0.00	0.00	44,611,22	44,552.72	566.33	0.00
FNMA	1994 A&B SF (1983 Refunding)	5.45	07/24/00	06/01/30	75,266.87	74,055,79			(553,67)		74,713.20	0,00	0.00	74,713.20	74,557.02	1,054,90	0.00
GNMA	1994 A&B SF (1963 Refunding)	5.45	12/21/00	05/20/30	15,579.27	15,362,43			(78.81)		15,500,46	0.00	0.00	15,500.46	15,480.17	196.55	0.00
FNMA	1994 A&B SF (1983 Refunding)	5.45	10/06/00	09/01/30	43,253,21	42,557.30			(218.43)		43,034.78	0.00	D.00	43,034,78	42,944,66	605.99	0,00
FNMA	1994 A&B SF (1983 Refunding)	5.45	10/30/00	08/01/30	47.029.66	45,272.95										659.16	
FNMA	1994 A&B SF (1983 Refunding)	5.45	02/12/01	02/01/30	15,161.29	15,904.98			(358.91)		46,670.75	0.00	0.00	46,670.75	48,573.20	,,-	0.00
GNMA	1994 A&B SF (1983 Refunding)	4.49	07/07/05						(84.12)		16,077.17	0,00	0.00	16,077.17	16,064.97	244.11	0.00
				07/20/35	285,338.86	267,123.38			(7,671.69)		280,270.57	-2,860.41	255.01	277,665,17	265,803.01	6,351.32	0.00
GNMA	1994 A&B SF (1983 Refunding)	4,49	09/15/05	09/20/35	21,878.58	20,483.32			(83.96)		22,000.51	-219.12	13.23	21,794.62	20,884.84	485.48	0.00
GNMA	1994 A&B SF (1983 Refunding)	4.49	09/22/05	09/20/35	28,664.10	26,636.28			(125.69)		28,808.17	-266.57	16.81	28,538.41	27,321,10	610.51	0.00
GNMA	1994 A&B SF (1983 Refunding)	4.49	08/11/05	07/20/35	36,214.31	35,871.79			(150.18)		38,422.46	-381.97	23.54	38,064.13	36 535 15	813.54	0.00
GNMA	1994 A&B SF (1983 Refunding)	4.49	08/18/05	08/20/35	105,987,51	99,257.73			(529.58)		106,499.54	-1,061.59	0.00	105,437,95	101,002.04	2,273.67	0.00
GNMA	1994 A&B SF (1983 Refunding)	4.49	08/30/05	09/20/35	185,171.45	176,168.53			(801.11)		189,137.46	-1.885.77	118.65	187,370.34	179,374.18	4.006.76	
GNMA	1994 A&B SF (1983 Refunding)	4.49	09/29/05	07/20/35	15.538.90	14,586,99			(59,71)		15,625.58						0.00
GNMA	1994 A&B SF (1983 Refunding)	4.49	10/13/05	09/20/35	19,792.14	18,530,40						-155,40	9.91	15,479.19	14,858.05	330.77	0.00
GNMA	1994 A&B SF (1983 Refunding)								(76.15)		19,902.72	-197.72	10.99	19,715,99	18,875.34	421.09	0.00
GNMA		4.49	10/27/05	10/20/35	130,628.45	57,819.63			(58D.69)		131,281.15	-1,305.70	72.31	130,047.76	56,680.62	1,621.68	0.00
	1994 A&B SF (1983 Refunding)	4.49	11/01/05	11/20/35	32,430.71	30,445,00			(125.28)		32,611.99	-323,98	17.42	32,305.43	31,010.09	690,37	0.00
FNMA	1994 A&B SF (1983 Refunding)	4.49	09/08/05	08/01/35	23,444.97	21,926,61			(91.76)		23,460.08	-113,75	6.88	23,353.21	22,312.17	477.32	0.00
FNMA	1994 A&B SF (1983 Refunding)	4.49	11/01/05	10/01/35	13,417,91	12,549.22			(51.17)		13,428.23	-64.75	3,26	13,366.74	12,771.18	273.13	0.00
	1994 A&B SF (1983 Refunding) Total			_	7,153,862.94	6,995,089.70	176,402.90	(31,820.20)	(198,125.22)	0.00	,			7,100,320,42	7,017,132.08	74.584.90	0.00
								,	(,					7,700,010.41	,,01,,10200	77,207,20	0.00
Repo Aaml	1995 C SF (1985 A&B Refunding)				20.33	20.33		(20.53)									
Repo Agml	1995 C SF (1985 A&B Refunding)	e ne	11/14/06	ocupenda	20,33	20.33	20.22	(20.33)								-	0.00
GIC's	1995 C SF (1985 A&B Refunding)	6.08	11/14/96	09/30/29	0.62	0.62	20.33				20.95	0.00	0.00	20,95	20.95	•	0.00
GIC's Repo Agmt	1995 C SF (1995 A&B Refunding) 1995 C SF (1985 A&B Refunding)				0.62 0.01	0.62 0.01		(20.33) (0.01)								-	0.00 0.00
GIC's	1995 C SF (1985 A&B Refunding) 1995 C SF (1985 A&B Refunding) 1995 C SF (1985 A&B Refunding)	6.08	11/14/96 11/14/98	09/30/29 09/30/29	0.62 0.01 0.28	0.62 0.01 0.28	0.01	(0,01)	****		20.85 0.29	0,80 0.00	0.00	0.29	0.29	- - -	0.00
GIC's Repo Agmt	1995 C SF (1995 A&B Refunding) 1995 C SF (1985 A&B Refunding)	6.08			0.62 0.01	0.62 0.01			0,00	0.80						8.00	0.00 0.00
GIC's Repo Agmt GIC's	1995 C SF (1995 A&B Refunding) 1995 C SF (1985 A&B Refunding) 1995 C SF (1985 A&B Refunding) 1995 C SF (1985 A&B Refunding) Total	6.08	11/14/98	09/30/29	0.62 0.01 0.28 21,24	0.62 0.01 0.28 21.24	0.01 20.34	(0,01)	0.00	0.00				0.29	0.29	0.00	0.00 0.00 00.0
GIC's Repo Agmt GIC's Repo Agmt	1995 C SF (1965 A&B Refunding) 1995 C SF (1965 A&B Refunding) 1995 C SF (1965 A&B Refunding) 1995 C SF (1985 A&B Refunding) Total 2005A Single Family	6.08 5.29	11/14/96 11/30/06		0.62 0.01 0.28	0.62 0.01 0.28	0.01	(0,01)	0,00	0.80	0.29		D.00	0.29 21.24	0.29 21.24	0.00	0.00 0.00 0.00 0.00
GIC's Repo Agmt GIC's	1995 C SF (1995 A&B Refunding) 1995 C SF (1985 A&B Refunding) 1995 C SF (1985 A&B Refunding) 1995 C SF (1985 A&B Refunding) Total	6.08	11/14/98	09/30/29	0.62 0.01 0.28 21,24	0.62 0.01 0.28 21.24	0.01 20.34	(0.01)	0,00	0.80	0.29 1,028,332.60	0.00	0.00	0.29 21.24 1,028,332.60	0.29 21.24 1,028,332.60	0.00	0.00 0.00 0.00 0.00
GIC's Repo Agmt GIC's Repo Agmt	1995 C SF (1965 A&B Refunding) 1995 C SF (1965 A&B Refunding) 1995 C SF (1965 A&B Refunding) 1995 C SF (1985 A&B Refunding) Total 2005A Single Family	6.08 5.29	11/14/96 11/30/06	09/30/29	0.62 0.01 0.28 21,24 31,051,55 2,328,459,82	0.62 0.01 0.28 21.24 31,051.55 2,328,459.62	0.01 20.34 997,281.05	(0,01)	0,00	0.80	0.29 1,028,332.60 73,679.09	0.00 0.00 0.00	0.00 0.00 0.00	0.29 21.24 1,028,332.60 73,679.09	0.29 21.24 1,028,332.60 73,679.09	g.00	0.00 0.00 0.00 0.00
GIC's Repo Agmt GIC's Repo Agmt Repo Agmt GIC's	1995 C SF (1985 A&B Refunding) 1995 C SF (1985 A&B Refunding) 1995 C SF (1985 A&B Refunding) 1995 C SF (1985 A&B Refunding) Total 2005A Single Family 2005A Single Family	5.29 5.29 3.37	11/14/96 11/30/06 11/30/06 09/22/05	09/30/29	0.62 0.01 0.28 21.24 31,051.55 2,328,459.82 131,857.99	0.62 0.01 0.28 21.24 31,051.55 2,328,459.62 131,867.99	0.01 20.34 997,281.05 1,689,722.41	(0.01)	0,00	0.00	0.29 1,028,332.60 73,679.09 1,821,590.40	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.29 21.24 1,028,332.60 73,679.09 1,821,590.40	0.29 21.24 1,028,332.60 73,679.09 1,821,590.40	0.00	0.00 0.00 0.00 0.00 0.00 0.00
GIC's Repo Agmt GIC's Repo Agmt Repo Agmt	1995 C SF (1965 A&B Refunding) 1995 C SF (1965 A&B Refunding) 1995 C SF (1965 A&B Refunding) 1995 C SF (1985 A&B Refunding) Total 2005A Single Family 2005A Single Family 2005A Single Family 2005A Single Family	5.29 5.29 3.37 5.29	11/34/98 11/30/06 11/30/06 09/22/05 11/30/06	09/30/29	0.62 0.01 0.28 21.24 31,051.55 2,328.459.82 131,867.99 1,015.41	0.62 0.01 0.28 21.24 31,051.55 2,328,459.62 131,867.99 1,015.41	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	0.00	0.80	0.29 1,028,332.60 73,679.09 1,021,590.40 1,029.05	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.29 21.24 1,028,332.60 73,679.09 1,821,590.40 1,029.05	0.29 21.24 1,028,332.60 73,679.09 1,821,590.40 1,029.05	0.00	0.00 08.0 08.0 0.00 0.00 0.00 0.00
GIC's Repo Agmt GIC's Repo Agmt Repo Agmt GIC's Repo Agmt Inv Agmt	1995 C SF (1965 A&B Refunding) 1995 C SF (1965 A&B Refunding) 1995 C SF (1965 A&B Refunding) 1995 C SF (1985 A&B Refunding) 2005A Single Family 2005A Single Family 2005A Single Family 2005A Single Family 2005A Single Family	5.29 5.29 5.29 3.37 5.29 3.50	11/14/98 11/30/06 11/30/06 09/22/05 11/30/06 05/13/05	09/30/29	0.62 0.01 0.28 21.24 31,051.55 2,329,459.82 131,867.99 1,015.41 395,678.80	0.62 0.01 0.28 21.24 31,051.55 2,328,459.82 131,867.99 1,815.41 395,878.80	0.01 20.34 997,281.05 1,689,722.41	(0.01)		0.00	0.29 1,028,332.60 73,679.09 1,821,590.40 1,029.05 395,676.80	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.29 21.24 1,028,332.60 73,679.09 1,021,590.40 1,029.05 395,878.80	0.29 21.24 1,028,332.60 73,679.09 1,821,590.40 1,029.05 395,678.80	- - - - -	0.00 08.0 08.0 0.00 0.00 0.00 0.00
GIC's Repo Agmt GIC's Repo Agmt Repo Agmt GIC's Repo Agmt Inv Agmt GNMA	1995 C SF (1965 A&B Refunding) 1995 C SF (1965 A&B Refunding) 1995 C SF (1965 A&B Refunding) 1995 C SF (1985 A&B Refunding) Total 2005A Single Family 2005A Single Family 2005A Single Family 2005A Single Family 2005A Single Family 2005A Single Family	5.29 5.29 3.37 5.29 3.50 4.49	11/34/98 11/30/06 11/30/06 09/22/05 11/30/06 05/13/05 08/11/05	09/30/29	0.62 0.01 0.28 21.24 31,051.55 2,328,459.82 131,857.99 1,015.41 395,878.80 1,224,048.56	0.62 0.01 0.28 21.24 31,051.55 2,328,459.82 131,867.99 1,015.41 395,878.80 1,147,905.43	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	(4,952.99)	D.00	0.29 1,028,332.60 73,679.09 1,021,590.40 1,029.05 395,878.80 1,232,653.53	0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00	0.28 21.24 1,028,332.60 73,679.09 1,021,590.40 1,029.05 395,878.80 1,219,095.57	0.29 21.24 1,028,332.60 73,679.09 1,821,590.40 1,029.05 395,678.60 1,169,023.97	- - - - - 26,070.53	0.00 0.80 0.80 0.90 0.90 0.00 0.00 0.00
GIC'S Repo Agmt GIC'S Repo Agmt Repo Agmt GIC'S Repo Agmt Inv Agmt GNMA GNMA	1995 C SF (1965 A&B Refunding) 1995 C SF (1965 A&B Refunding) 1995 C SF (1965 A&B Refunding) 1995 C SF (1985 A&B Refunding) Total 2005A Single Family 2005A Single Family 2005A Single Family 2005A Single Family 2005A Single Family 2005A Single Family 2005A Single Family	5.29 5.29 3.37 5.29 3.50 4.49 4.49	11/34/96 11/30/06 11/30/06 09/22/05 11/30/06 05/13/05 08/11/05 08/30/05	12/01/06 12/01/06 12/01/06 09/01/36 12/01/06 09/01/36 87/20/35 08/20/35	0.62 0.01 0.28 21,24 31,051.55 2,328,459.82 131,867.99 1,015.41 395,878.60 1,224,048.56 798,140.50	0.62 0.01 0.28 21,24 31,051.55 2,328,459.82 131,067.99 1,015.41 395,878.60 1,147,906.43 748,507.92	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	(4,852,99) (3,026,04)	0.89	0.29 1,028,332.60 73,679.09 1,821,590.40 1,029.05 395,878.80 1,232,653.53 803,974.26	0.00 0.00 0.00 0.00 0.00 0.00 -14,506.40 -9,428.54	0.00	0.29 21.24 1,028,332.60 73,679.09 1,021,599.40 1,029.05 395,878.60 1,219,095.57 795,114.46	0.29 21.24 1,028,332.60 73,679.09 1,821,590.40 1,029.05 395,678.80	- - - - -	0.00 08.0 08.0 0.00 0.00 0.00 0.00
GIC's Repo Agmt GIC's Repo Agmt Repo Agmt GIC's Repo Agmt Inv Agmt GNMA GNMA GNMA	1995 C SF (1965 A&B Refunding) 2005A Single Family	5.29 5.29 5.29 3.37 5.29 3.50 4.49 4.49	11/14/96 11/30/06 11/30/06 09/22/05 11/30/06 05/13/05 08/11/05 08/30/05 10/27/05	12/01/06 12/01/06 09/01/36 12/01/06 09/01/36 07/20/35 08/20/35 10/20/35	0.62 0.01 0.28 21,24 31,051.55 2,328,459.82 131,687.99 1,015.41 395,978.60 1,224,048.56 788,140.50 1,857,941.46	0.62 0.01 0.28 21.24 31,051.55 2,328,459.82 131,867.99 1.015.41 395,878.80 1,147,906.43 748,507.92 1,742,512.39	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	(4,952.99) (3,026.04) (7,985.07)	D.80	0.29 1,028,332.60 73,679.09 1,821,590.40 1,029.05 395,878.80 1,232,653.53 803,974.26	0.00 0.00 0.00 0.00 0.00 -14,506.40 -9,428.54 -21,933.06	0.00 0.00 0.00 0.00 0.00 0.00 948.44 568.74	0.29 21.24 1,028,332.60 73,679.09 1,021,590.40 1,029.05 395,878.60 3,219,095.57 795,114.46 1,849,956.39	0.29 21.24 1,028,332.60 73,679.09 1,821,590.40 1,029.05 395,678.60 1,169,023.97 782,473.09 1,774,120.68	26,070.53 15,891.21 39,593.36	0.00 0.80 0.80 0.90 0.90 0.00 0.00 0.00
GIC's Repo Agmt GIC's Repo Agmt Repo Agmt GIC's Repo Agmt Inv Agmt GNMA GNMA GNMA GNMA	1995 C SF (1965 A&B Refunding) 1995 C SF (1985 A&B Refunding) Total 2005A Single Family	5.29 5.29 5.29 3.37 5.29 3.50 4.49 4.49 4.49	11/34/96 11/30/06 11/30/06 09/22/05 11/30/06 05/13/05 08/11/05 08/30/05 10/27/05	12/01/06 12/01/06 12/01/06 09/01/36 12/01/06 09/01/36 07/20/35 08/20/35 10/20/35	0.62 0.01 0.28 21,24 31,051.55 2,328,459.82 131,867.99 1,015.41 395,678.80 1,224,048.56 788,140.50 1,857,941.40	0.62 0.01 0.28 21.24 31,051.55 2,328,459.82 131.67.99 1,815.41 395,870.80 1,447,906.43 748,507.92 1,742,512.39 1,166,022.23	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	(4,852.99) (3,026.04) (7,985.07) (4,844.82)	0.80	0.29 1,028,332.60 73,679.09 1,021,590.40 1,029.05 395,876.80 1,232,653.53 803,974.26 1,870,605.40 1,252,204.78	0.00 0.00 0.00 0.00 0.00 0.00 -14,506.40 -9,428.54 -21,833.06	0.00 0.00 0.00 0.00 0.00 948.44 568.74 1,203.99 791.48	0.29 21.24 1,028,332.60 73,679.09 1,021,599.09 1,029.05 395,878.80 3,219.095.57 795,114.46 1,449,955.31	0.29 21,24 1,028,332.60 73,679.09 1,821,590.40 1,029.05 395,678.60 1,169,023.97 782,473.09	- - - 26,870.53 16,891.21	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC's Repo Agmt GIC's Repo Agmt Repo Agmt GIC's Repo Agmt Inv Agmt GNMA GNMA GNMA GNMA GNMA	1995 C SF (1985 A&B Refunding) 2005A Single Family	5.29 5.29 5.29 3.37 5.29 3.50 4.49 4.49 4.49 4.49	11/14/96 11/30/06 11/30/06 09/22/05 11/30/06 05/13/05 08/11/05 08/30/05 10/27/05 09/29/05	09/30/29	0.62 0.01 0.28 21,24 31,051.55 2,328,459.82 131,657.99 1,015.41 395,878.60 1,224,048.56 788,140.50 1,857,941.46 1,243,262.92 6,892.570.25	0.62 0.01 0.28 21.24 31,051.55 2,328,459.82 131,067.99 1,015.41 395,878.80 1,147,906.43 748,507.92 1,742,512.39 1,166,022.23 6,464,156.70	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	(4,852.99) (3,026.04) (7,985.07) (4,844.82) (127,974.39)	0.00	0.29 1,028,332.60 73,679.09 1,021,590.40 1,029.05 395,876.80 1,232,653.53 803,974.26 1,870,605.40 1,252,204.78	0.00 0.00 0.00 0.00 0.00 -14,506.40 -9,428.54 -21,933.06	0.00 0.00 0.00 0.00 0.00 0.00 948.44 568.74	0.29 21.24 1,028,332.60 73,679.09 1,021,590.40 1,029.05 395,878.60 3,219,095.57 795,114.46 1,849,956.39	0.29 21.24 1,028,332.60 73,679.09 1,821,590.40 1,029.05 395,678.60 1,169,023.97 782,473.09 1,774,120.68	26,070.53 15,891.21 39,593.36	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC's Repo Agmt GIC's Repo Agmt Repo Agmt Repo Agmt GIC's Repo Agmt Inv Agmt GNMA GNMA GNMA GNMA GNMA GNMA	1995 C SF (1965 A&B Refunding) 1995 A Single Family	5.29 5.29 3.37 5.29 3.50 4.49 4.49 4.49 4.49	11/14/96 11/30/06 11/30/06 09/22/05 11/30/08 05/13/05 08/11/05 08/30/05 10/27/05 10/27/05 10/27/05	12/01/06 12/01/06 12/01/06 09/01/36 12/01/06 09/01/36 07/20/35 10/20/35 10/20/35 09/20/35	0.62 0.01 0.28 21,24 31,051.55 2,328.459.82 131,687.99 1,015.41 395,878.60 1,224,048.56 798,140.50 1,857,941.40 1,243,282.92 6,892.570.25 2,189.572.52	0.62 0.01 0.28 21.24 31,051.55 2,328,459.82 131,867.99 1,015.41 395,878.80 1,147,905.43 748,507.92 1,742,512.39 1,186,022.23 6,464,156.73	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	(4,852.99) (3,026.04) (7,985.07) (4,844.82)	0.00	0.29 1,028,332.60 73,679.09 1,821,590.40 1,022.05 305,878.80 1,232,653.53 803,974.26 1,870,685.40 1,252,294.76	0.00 0.00 0.00 0.00 0.00 0.00 -14,506.40 -9,428.54 -21,833.06	0.00	0.29 21.24 1,028,332.60 73,679.09 1,021,599.00 1,029.05 395,878.80 1,219,095.57 785,174.46 1,649,956.39 1,238,418.10 6,764,595.86	0.29 21.24 1,028,332.60 73,679.09 1,921,590.40 1,029.05 395,878.60 1,169,023.97 762,473.09 1,774,120.68 1,187,651.32 6,487,096.35	26,070.53 16,091.21 39,593.36 26,473.91 150,914.04	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC's Repo Agmt GIC's Repo Agmt Repo Agmt Repo Agmt Inv Agmt Inv Agmt GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	1995 C SF (1965 A&B Refunding) 1995 C SF (1985 A&B Refunding) Total 2005A Single Family	5.29 5.29 3.37 5.29 3.50 4.49 4.49 4.49 4.49 4.49 4.49	11/14/98 11/30/06 09/22/05 11/30/06 05/13/05 08/11/05 08/30/05 10/27/05 10/27/05 10/26/05 10/20/05	12/01/06 12/01/06 12/01/06 09/01/36 12/01/06 09/01/36 07/20/35 08/20/35 10/20/35 09/20/35 09/20/35	0.62 0.01 0.28 21,24 31,051.55 2,326,459.82 131,687.99 1,015.41 395,676.80 1,224,048.56 798,140.50 1,857,941.46 1,243,262.92 6,892,570.25 2,189,572.52	0.62 0.01 0.28 21.24 31,051.55 2,328,459.82 131,867.99 1,015.41 395,870.80 1,447,906.43 748,507.92 1,742,512.39 1,166,022.23 6,464,156.70 2,053,492.32 1,534,763.05	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	(4,852.99) (3,026.04) (7,985.07) (4,844.82) (127,974.39)	D.80	0.29 1,028,332.60 73,679.09 1,821,590.40 1,029.05 395,878.80 1,232,653.53 803,974.26 1,870,695.46 1,252,204.78 6,540,186.77 2,205,090.95	0.00 0.00 0.00 0.00 0.00 0.00 -14,506.40 -9,428.54 -21,933.06 -14,668.16 -81,444.74	0.00 0.00 0.00 0.00 0.00 948.44 568.74 1,203.99 791.48	0.29 21.24 1,028,332.60 73,679.09 1,021,590.40 1,029.05 395,878.60 3,219,095.57 795,114.46 1,849,956.39 1,238,418.10 6,764.595.06 2,180,704.64	0.29 21.24 1,028,332.60 73,679.09 1,029.05 395,678.60 1,169,023.97 762,473.09 1,774,120.68 1,187,651.32 6,487,096.35 2,091,264,15	26,070.53 16,991.21 39,593.36 26,473.91 150,914.04 40,639.51	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmt GIC'S Repo Agmt Repo Agmt GIC'S Repo Agmt Inv Agmt GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	1995 C SF (1985 A&B Refunding) 2005A Single Family	5.29 5.29 3.37 5.29 3.50 4.49 4.49 4.49 4.49 4.49 4.49	11/14/96 11/30/06 11/30/06 09/22/05 11/30/08 05/13/05 08/11/05 08/30/05 10/27/05 10/27/05 10/27/05	12/01/06 12/01/06 12/01/06 09/01/36 12/01/06 09/01/36 07/20/35 10/20/35 10/20/35 09/20/35	0.62 0.01 0.28 21,24 31,051.55 2,328.459.82 131,687.99 1,015.41 395,878.60 1,224,048.56 798,140.50 1,857,941.40 1,243,282.92 6,892.570.25 2,189.572.52	0.62 0.01 0.28 21.24 31,051.55 2,328,459.82 131,867.99 1,015.41 395,878.80 1,147,905.43 748,507.92 1,742,512.39 1,186,022.23 6,464,156.73	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	(4,952.99) (3,026.04) (7,985.07) (4,844.62) (127,974.39) (8,887.08) (6,982.65)	0.90	0.29 1,028,332,60 73,679,09 1,021,599,00 1,029,05 395,878,80 1,232,653,53 803,974,26 1,870,695,46 1,252,264,78 6,840,186,77 2,205,090,95	0.00 0.00 0.00 0.00 0.00 -14,506.40 -9,428.54 -21,933.00 -14,668.16 -81,444.74 -25,833.85 -19,344.31	0.00	0.20 21.24 1,028,332.60 73,679.09 1,021,599.00 1,029.05 395,878.60 1,219,095.57 785,114.46 1,649,956.39 1,238,418.10 6,764,595.86 2,180,704.84	0.29 21.24 1.028.332.60 73.679.09 1,921,590.40 1,029.05 395,678.60 1,169,023.97 782,473.09 1,774,120.68 1,187,651.32 6,487,096.35 2,091,264.15 1,562,652.85	26,870.53 18,891.21 39,593.36 26,473.91 150,914.04 46,639.51 34,672.45	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmt GIC'S Repo Agmt Repo Agmt Repo Agmt Inv Agmt Inv Agmt GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	1995 C SF (1965 A&B Refunding) 1995 C SF (1985 A&B Refunding) 1995 C SF (1985 A&B Refunding) 1905 A Single Family	5.29 5.29 3.37 5.29 3.50 4.49 4.49 4.49 4.49 4.49 4.49	11/14/98 11/30/06 09/22/05 11/30/06 05/13/05 08/11/05 08/30/05 10/27/05 10/27/05 10/26/05 10/20/05	12/01/06 12/01/06 12/01/06 09/01/36 12/01/06 09/01/36 07/20/35 08/20/35 10/20/35 09/20/35 09/20/35	0.62 0.01 0.28 21,24 31,051.55 2,326,459.82 131,687.99 1,015.41 395,676.80 1,224,048.56 798,140.50 1,857,941.46 1,243,262.92 6,892,570.25 2,189,572.52	0.62 0.01 0.28 21.24 31,051.55 2,328,459.82 131,867.99 1,015.41 395,870.80 1,447,906.43 748,507.92 1,742,512.39 1,166,022.23 6,464,156.70 2,053,492.32 1,534,763.05	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	(4,852.99) (3,026.04) (7,985.07) (4,844.82) (127,974.39) (8,887.89) (6,982.65) (4,329.61)	0.80	0.29 1,028,332.60 73,679.09 1,821,590.40 1,029.05 395,676.80 1,232,653.53 803,974.26 1,870,605.40 1,252,204.76 2,205,090.95 1,647,707.51 1,146,699.50	0.00 0.00 0.00 0.00 0.00 0.00 -14,506.40 -9,428.54 -21,833.06 -14,688.16 -81,444.74 -25,833.85 -19,344.31	0.00	0.29 21.24 1,028,332.60 73,679.09 1,021,599.40 1,029.05 395,878.80 1,219,095.57 785,174.46 1,649,956.39 1,238,418.10 6,764,595.86 2,180,704.64 1,629,460.79 1,133,941.32	0.29 21.24 1,028,332.60 73,679.09 1,921,590.40 1,029.05 395,678.60 1,169,023.70 762,473.09 1,774,120.68 1,187,651.32 6,487,036.35 2,031,264.15 1,562,652.85	26,070.53 16,891.21 39,593.36 26,473.91 150,914.04 46,639.51 34,672.45 24,235.86	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmt GIC'S Repo Agmt Repo Agmt GIC'S Repo Agmt Inv Agmt GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	1995 C SF (1965 A&B Refunding) 1995 C SF (1985 A&B Refunding) 1995 C SF (1985 A&B Refunding) 1905 A Single Family	5.29 5.29 3.37 5.29 3.50 4.49 4.49 4.49 4.49 4.49 4.49	11/14/98 11/30/06 11/30/06 09/22/05 11/30/06 05/13/05 08/11/05 08/30/05 10/27/05 10/27/05 10/20/05 12/08/05 12/08/05 12/08/05	09/30/29	0.62 0.01 0.28 21,24 31,051.55 2,326,459.82 131,687.99 1,015.41 395,076.00 1,224,048.56 708,140.50 1,857,941.48 1,243,262.92 6,892,570.25 2,189,572.52 1,636,443.44 1,138,270.93 1,107.245.58	0.62 0.01 0.28 21.24 31,051.55 2,328,459.62 131,867.99 1.015.41 395,870.80 1,147,906.43 748,507.92 1,742,512.39 1,186,022.23 6,464,156.70 2,053,482.32 1,534,763.05 1,067,600.64	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	(4,952.99) (3,026.04) (7,985.07) (4,844.82) (6,867.69) (6,862.65) (4,329.61) (4,177.08)	D.00	0.29 1,028,332.60 73,679.09 1,021,590.40 1,022.05 395,878.80 1,232,655.53 803,974.26 1,870,695.46 6,840,186.77 2,205,090.95 1,647,707.51 1,146,699.51	0.00 0.00 0.00 0.00 0.00 -14,506.40 -9,428.54 -21,933.06 -14,668.16 -81,444.74 -25,833.85 -19,344.31	0.00	0.28 21.24 1,028,332,60 73,679,09 1,021,590,40 1,029,05 395,878,80 1,219,095,57 795,114,46 1,049,955,39 1,238,418,10 6,764,595,86 2,180,704,84 1,029,460,79 1,133,941,33	0.29 21.24 1.028.332.60 73.679.09 1,821,590.40 1,029.05 395,878.80 1,169,023.97 762,473.09 1,774,120.68 1,187,651.32 6,487,096.35 2,091,264.15 1,562,652.85 1,087,506.89	26,070.53 16,891.21 39,593.36 26,473.91 150,914.04 46,039.51 34,672.45 24,235.86 23,585.55	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmt GIC'S Repo Agmt Repo Agmt Repo Agmt Inv Agmt Inv Agmt GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	1995 C SF (1985 A&B Refunding) 2005A Single Family	5.29 5.29 5.29 3.37 5.29 3.50 4.49 4.49 4.49 4.49 4.49 4.49 4.49 4.4	11/14/98 11/30/06 11/30/06 09/22/05 11/30/06 05/13/05 08/31/05 08/30/05 10/27/05 10/27/05 10/20/05 10/20/05 12/06/05 12/06/05 12/06/05 12/06/05	12/01/06 12/01/06 12/01/06 09/01/36 12/01/06 09/01/36 07/20/35 10/20/35 10/20/35 10/20/35 10/20/35 10/20/35 12/20/35 12/20/35	0.62 0.01 0.28 21,24 31,051,55 2,328,450,82 131,667,99 1,015,41 395,878,60 1,224,048,56 788,140,50 1,857,941,46 1,243,282,92 6,892,570,25 2,189,572,52 1,636,43,44 1,138,270,93 1,107,245,56 392,777,60	0.62 0.01 0.28 21.24 31,051.55 2,328,459.82 131,867.99 1,015.41 395,870.80 1,147,906.43 748,507.92 1,742,512.39 1,166,022.23 6,464,156.70 2,053,482.32 1,534,763.05 1,067,600.64 1,041,286.01 369,369.54	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	(4,052.99) (3,026.04) (7,985.07) (4,844.82) (127,974.39) (6,067.08) (6,982.65) (4,329.61) (4,177.08) (1,567.83)	0.80	0.29 1,028,332.60 73,670.09 1,021,590.60 1,022,053.50 1,022,053.50 1,022,053.50 1,022,053.60 1,070,605.40 1,670,605.40 1,680,186.77 2,205,090.97 1,146,699.50 1,115,407.22 395,590.75	0.00 0.00 0.00 0.00 0.00 0.00 -14,506.40 -9,428.54 -21,833.06 -14,668.16 -81,444.74 -25,833.85 -13,042.99 -4,622.58	0.00	0.29 21.24 1,028,332.60 73,679.09 1,021,599.05 395,878.60 1,219,095.57 785,114.46 1,649,956.39 1,238,418.10 6,764,595.86 2,180,704.64 1,629,460.79 1,133,941.32 1,103,088.50	0.29 21.24 1,028,332,60 73,679,09 1,921,590,40 1,029,05 395,878,60 1,189,023,97 782,473,09 1,774,120,68 1,187,651,32 6,487,096,35 2,091,264,15 1,652,652,85 1,087,506,69 1,080,094,48 376,185,04	26,070.53 16,991.21 39,593.36 26,473.91 150,914.04 46,639.51 34,672.45 24,235.86 23,585.55 8,369.23	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmi GIC'S Repo Agmi Repo Agmi Repo Agmi GIC'S Repo Agmi Inv Agmi GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	1995 C SF (1965 A&B Refunding) 1995 A Single Family	5.29 5.29 5.29 3.37 5.29 3.50 4.49 4.49 4.49 4.49 4.49 4.49 4.49 4.4	11/34/98 11/30/96 11/30/96 09/22/05 11/30/98 05/13/05 08/11/05 08/11/05 08/20/05 10/27/05 10/27/05 10/26/05 10/26/05 12/08/05 12/15/05 11/103/05	12/01/06 12/01/06 12/01/06 09/01/36 12/01/06 09/01/36 87/20/35 08/20/35 10/20/35 10/20/35 10/20/35 12/20/35 12/20/35 11/20/35 11/20/35	0.62 0.01 0.28 21,24 31,051.55 2,328,459.82 131,867.99 1,015.41 395,878.80 1,224,048.56 788,140.50 1,857,941.40 1,243,262.92 6,892.570.25 2,189,572.52 1,636,443.44 1,138,270.93 1,107,245.58 392,777.80 2,122,456.62	0.62 0.01 0.28 21.24 31,051.55 2,328,459,65 1,015.41 395.876.60 1,447,906.43 748,507.20 1,742,512.39 1,166,022.23 6,464,156.70 2,053,492.32 1,534,763.05 1,037,600.64 1,041,266.01 369,363,64	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	(4,852.99) (3,026.04) (7,985.07) (4,844.82) (127,974.39) (8,887.08) (6,982.65) (4,329.61) (4,177.08) (9,851.77)	0.00	0.29 1,028,332.60 73,679.09 1,821,590.40 1,029.05 395,876.80 1,232,653.53 803,974.26 1,870,605.40 1,252,204.78 6,840,186.77 2,205,090.95 1,446,699.50 1,115,487.22 395,596.75 2,136,309.55	0.00 0.00 0.00 0.00 0.00 0.00 -14,565.40 -9,428.54 -21,933.00 -14,668.16 -81,444.74 -25,833.85 -19,344.31 -13,371.38 -13,042.99 -4,622.58	0.00	0.29 21.24 1,028,332.60 73,679.09 1,021,599.40 1,029.05 395,878.80 1,219.095.57 795,114.46 1,849,950.39 1,238,418.10 6,764,595.86 2,180,704.64 1,029,460.79 1,133,941.32 1,103,088.50 391,209.97 2,112,605.05	0.29 21.24 1,028,332.60 73,679.09 1,021,590.40 1,029.05 395,678.60 1,169,023.07 762,473.09 1,774,120.68 1,187,651.32 6,487,098.35 2,091,264.15 1,562,652.85 1,087,506.69 1,060,694.46 376,165.04 2,031,374.01	26,070.53 16,091.21 39,593.36 26,473.91 150,914.04 46,039.51 34,672.45 24,235.06 23,565.55 8,369.23 45,270.22	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmt GIC'S Repo Agmt Repo Agmt Repo Agmt Inv Agmt GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	1995 C SF (1965 A&B Refunding) 1995 C SF (1985 A&B Refunding) 1995 C SF (1985 A&B Refunding) 1905 A Single Family 2005 A Single Family	5.29 5.29 5.29 3.50 4.49 4.49 4.49 4.49 4.49 4.49 4.49 4.4	11/14/98 11/30/06 11/30/06 09/22/05 11/30/08 05/13/05 08/11/05 08/30/05 10/27/05 10/28/05 10/20/05 12/08/05 12/16/05 11/10/05 11/10/05	12/01/06 12/01/06 12/01/06 09/01/36 12/01/06 09/01/36 07/20/35 10/20/35 10/20/35 10/20/35 12/20/35 12/20/35 11/20/35 11/20/35 11/20/35	0.62 0.01 0.28 21,24 31,051.55 2,326,459.82 131,867.99 1,015.41 395,678.80 1,224,048.56 798,140.50 1,243,262.92 6,892,570.25 2,189,572.52 1,836,443.44 1,138,270.93 1,107,245.58 392,777.80 2,122,456.82	0.62 0.01 0.28 21.24 31,051.55 2,328,459.82 131,867.99 1,015.41 395,878.80 1,447,906.43 748,507.92 1,742,512.39 1,166,022.23 6,464,156.70 2,053,496.32 1,534,763.05 1,007,600.64 1,041,266.01 369,363.64	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	(4,052.99) (3,026.04) (7,985.07) (4,644.62) (127,974.39) (6,007.68) (6,907.68) (4,329.01) (4,177.08) (1,507.93) (9,851.77) (5,565.77)	0.80	0.29 1,028,332,60 73,679,09 1,821,590,40 1,029,05 395,878,80 1,232,653,53 803,974,26 1,870,695,40 1,252,294,78 6,840,186,77 2,205,090,95 1,647,707,51 1,146,699,50 1,115,487,22 395,596,75 1,146,798,05	0.00 0.00 0.00 0.00 0.00 0.00 -14,506.40 -9,428.54 -21,933.06 -14,668.16 -81,444.74 -75,833.85 -19,344.31 -13,371.38 -13,371.38 -13,042.99 -4,622.58 -25,023.17	0.00	0.20 21.24 1,028,332.60 73,679.08 1,021,599.00 1,029.05 395,878.60 1,218,095.57 785,114.46 1,649,956.39 1,238,418.10 6,764,595.86 2,180,704.84 1,029,460.79 1,133,941.32 1,103,086.50 391,209.07 2,112,605.05	0.29 21.24 1.028.332.60 73.679.09 1,921,590.40 1,029.05 395,678.60 1,169,023.97 762,473.09 1,774.120.68 1,187,651.32 6,487,096.35 2,091,264.15 1,652,652.85 1,087,506.89 1,086,094.46 376,165.04	26,070.53 16,091.21 39,593.36 26,473.91 150,914.04 40,039.51 34,672.45 24,235.86 23,565.55 8,369.23 45,276.22 29,747.71	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmt GIC'S Repo Agmt Repo Agmt Repo Agmt GIC'S Repo Agmt Inv Agmt GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	1995 C SF (1985 A&B Refunding) 2005A Single Family	5.29 5.29 5.29 3.57 5.29 3.50 4.49 4.49 4.49 4.49 4.49 4.49 4.49 4.4	11/14/98 11/30/06 11/30/06 09/22/05 11/30/06 05/13/05 08/11/05 08/30/05 10/27/05 10/27/05 10/27/05 10/20/05 10/20/05 12/08/05 12/15/05 11/10/05 11/10/05 11/17/05	12/01/06 12/01/06 12/01/06 09/01/36 12/01/06 09/01/36 07/20/35 10/20/35 10/20/35 10/20/35 10/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35	0.62 0.01 0.28 21.24 31,051.55 2,328,459.82 131,687.99 1,015.41 395,678.60 1,224,048.56 708,140.50 1,857,941.40 1,243,282.92 2,189,572.52 1,036,443.44 1,138,270.93 1,107,245.58 392,777.60 2,122,458.82 1,396,744.11 1,082,473.20	0.62 0.01 0.28 21.24 31,051.55 2,328,459.62 131,867.99 1,015.41 395,878.60 1,147,906.43 748,507.93 1,166,022.23 6,464,156.70 2,053,492.32 1,534,763.05 1,007,600.64 1,041,266.01 369,363.64	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	(4,852.99) (3,026.04) (7,985.07) (4,844.82) (127,974.39) (6,807.88) (6,882.65) (4,177.08) (1,567.83) (9,851.77) (110,454.50)	0.00	0.29 1,028,332.60 73,670.09 1,021,590.00 1,022,05 305,878.80 1,232,653.5 803,974.26 1,670,605.46 1,252,294.78 6,840,186.77 2,205,090.95 1,647,707.51 1,146,699.50 1,115,467.22 395,590.75 2,136,309.55 1,406,798.02	0.00 0.00 0.00 0.00 0.00 0.00 -14,506.40 -9,428.54 -21,833.96 -14,668.16 -81,444.74 -25,833.85 -13,042.99 -4,622.58 -25,023.17	0.00	0.29 21.24 1,028,332.60 73,679.09 1,021,599.00 1,022,05 395,878.80 1,219,095.7 785,154.46 1,649,956.39 1,238,418.10 6,764.595.86 2,180,704.84 1,029,460.79 1,133,941.32 1,103,086.50 391,209,97 2,112,605.05 1,991,179.34	0.29 21.24 1,028,332.60 73,679.09 1,921,590.40 1,029.05 395,878.60 1,189,023.97 762,473.09 1,774,120.68 1,187,651.32 6,487,096.35 2,091,264.15 1,562,652.85 1,087,506.89 1,060,094.46 376,165.04 2,031,374.01 1,334,179.13 932,197.95	26,070.53 18,091.21 39,593.36 26,473.91 150,914.04 40,639.51 34,672.45 24,235.86 23,585.55 8,389.23 45,278.22 29,747.71 27,402.77	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmt GIC'S Repo Agmt Repo Agmt Repo Agmt GIC'S Repo Agmt Inv Agmt GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	1995 C SF (1965 A&B Refunding) 1905 A Single Family	5.29 5.29 5.29 3.37 5.29 3.50 4.49 4.49 4.49 4.49 4.49 4.49 4.49 4.4	11/34/98 11/30/06 11/30/06 09/22/05 11/30/06 05/13/05 08/11/05 08/30/05 10/27/05 10/27/05 10/29/05 10/20/05 12/08/05 12/08/05 12/15/05 11/10/05 11/17/05 11/17/05 11/22/05	12/01/06 12/01/06 12/01/06 09/01/36 12/01/06 09/01/36 07/20/35 10/20/35 10/20/35 10/20/35 12/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35	0.62 0.01 0.28 21,24 31,051.55 2,328,459,85 1,015.41 395,878.60 1,224,048.56 798,140.56 1,857,941.40 1,243,282.92 6,892.570.25 2,189,572.52 1,636,443.44 1,138,270.93 1,107,245.58 392,777.60 2,122,456.62 1,396,744.11	0.62 0.01 0.28 21.24 31,051.55 2,328,459.62 131,067.99 1,015.41 395,870.80 1,147,905.43 748,507.92 1,742,512.39 1,166,022.23 6,464,156.70 2,053,469.30 1,067,600.64 1,041,266.01 369,369.36 1,095,947.56 1,309,907.19 1,015,249,68 1,143,359.20	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	(4,852.99) (3,026.04) (7,985.07) (4,844.82) (127,947.49) (6,802.65) (4,329.61) (4,177.08) (1,567.83) (9,851.77) (5,565.77) (110.454.50) (120.462.10)	0.00	0.29 1,028,332.60 73,679.09 1,021,590.40 1,022.05 395,878.80 1,232,655.53 803,974.26 1,870,695.46 6,840,186.77 2,205,090.95 1,647,707.51 1,146,699.52 1,115,487.22 395,596.75 1,406,798.02 982,937.7 1,107,684.96	0.00 0.00 0.00 0.00 0.00 0.00 -14,508,40 -9,428,54 -21,933.06 -14,688,16 -81,444.74 -25,833.85 -19,344.31 -13,371.38 -13,042.99 -4,622.58 -25,023.17 -16,461.02	0.00	0.28 21.24 1,028,332,60 73,679,09 1,021,590,40 1,029,05 395,878,80 1,219,095,57 795,114,46 1,049,955,39 1,238,418,10 6,764,595,86 2,180,704,84 1,029,460,79 1,133,941,39 1,103,068,50 391,209,07 2,112,605,05 1,391,178,34 672,018,70	0.29 21.24 1.028.332.60 73.679.09 1,821,590.40 1,029.05 395,678.60 1,169,023.07 762,473.09 1,774,120.68 1,187,651.32 6,487,096.35 2,091,264.15 1,562,652.65 1,087,506.69 1,060,094.46 376,185.04 2,031,374.01 1,334,179.13 932,197.95	26,070.53 16,091.21 39,593.36 26,473.91 150,914.04 40,639.51 34,672.45 24,235.86 23,585.55 6,369.23 45,270.22 28,747.71 27,402.77 30,350.85	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmi GIC'S Repo Agmi Repo Agmi Repo Agmi GIC'S Repo Agmi Inv Agmi GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	1995 C SF (1985 A&B Refunding) 2005A Single Family	5.29 5.29 3.37 5.29 3.57 5.29 3.50 4.49 4.49 4.49 4.49 4.49 4.49 4.49 4.4	11/14/98 11/30/06 11/30/06 09/22/05 11/30/06 05/13/05 08/11/05 08/30/05 10/27/05 10/27/05 10/20/05 10/20/05 12/16/05 11/10/05	12/01/06 12/01/06 12/01/06 09/01/36 12/01/06 09/01/36 07/20/35 10/20/35 10/20/35 10/20/35 10/20/35 12/20/35 12/20/35 11/20/35 11/20/35 11/20/35 11/20/35	0.62 0.01 0.28 21.24 31,051.55 2,328,459.82 131,687.99 1,015.41 395,878.60 1,224,048.56 7,98,140.50 1,957,941.46 1,243,262.92 2,189,572.52 1,036,443.44 1,138,270.93 1,107,245.59 392,777.80 2,122,456.82 1,396,744.11 1,082,473.20 1,215,604.36 1,643,161.36	0.62 0.01 0.28 21.24 31,051.55 2,328,459.82 131,687.99 1,015.41 395,870.80 1,447,906.43 748,507.92 1,742,512.39 1,166,022.23 6,464,156.70 2,053,496.32 1,034,630.05 1,007,600.64 1,041,266.01 369,363.64 1,995,947.56 1,309,997.19 1,015,249.68 1,143,358.20 1,545,287.76	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	(4,852.99) (3,026.04) (7,985.07) (4,844.82) (127,974.39) (6,807.88) (6,882.65) (4,177.08) (1,567.83) (9,851.77) (110,454.50)	0.80	0.29 1,028,332.60 73,679.09 1,021,590.40 1,029.05 395,878.80 1,232,655.53 803,974.26 1,870,695.40 1,252,204.78 6,840,186.77 2,205,090.95 1,647,707.51 1,146,699.50 1,115,487.22 395,596.75 2,166,309.55 1,406,798.02 82,937.17	0.00 0.00 0.00 0.00 0.00 0.00 -14,506.40 -9,428.54 -21,833.96 -14,668.16 -81,444.74 -25,833.85 -13,042.99 -4,622.58 -25,023.17	0.00	0.29 21.24 1,028,332.60 73,679.09 1,021,599.00 1,022,05 395,878.80 1,219,095.7 785,154.46 1,649,956.39 1,238,418.10 6,764.595.86 2,180,704.84 1,029,460.79 1,133,941.32 1,103,086.50 391,209,97 2,112,605.05 1,991,179.34	0.29 21.24 1.028.332.60 73.679.09 1,821,590.40 1,029.05 395,678.60 1,169,023.07 762,473.09 1,774,120.68 1,187,651.32 6,487,096.35 2,091,264.15 1,562,652.65 1,087,506.69 1,060,094.46 376,185.04 2,031,374.01 1,334,179.13 932,197.95	26,070.53 16,091.21 39,593.36 26,473.91 150,914.04 40,639.51 34,672.45 24,235.86 23,585.55 6,369.23 45,270.22 28,747.71 27,402.77 30,350.85	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmt GIC'S Repo Agmt Repo Agmt Repo Agmt GIC'S Repo Agmt Inv Agmt GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	1995 C SF (1965 A&B Refunding) 1995 C Single Family 2005A Single Family	5.29 5.29 3.37 5.29 3.50 4.49 4.49 4.49 4.49 4.49 4.49 4.49 4.4	11/34/98 11/30/06 11/30/06 09/22/05 11/30/08 05/13/05 08/11/05 08/13/05 10/27/05 10/27/05 10/27/05 10/20/05 12/08/05 12/08/05 11/103/05 11/103/05 11/103/05 11/103/05 11/12/05 11/20/05 11/20/05 11/20/05 11/20/05 11/20/05 11/20/05 11/20/05 11/20/05 11/20/05 11/20/05 11/20/05 11/20/05 11/20/05 11/20/05 11/20/05	12/01/06 12/01/06 12/01/06 09/01/36 12/01/06 09/01/36 07/20/35 08/20/35 10/20/35 09/20/35 10/20/35 12/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35	0.62 0.01 0.28 21,24 31,051.55 2,328,459.82 131,867.99 1,015.41 395,878.80 1,224,048.66 788,140.50 1,857,941.46 1,243,282.92 6,892.570.25 2,189,572.52 1,636,443.41 1,138,270.93 1,107,245.89 392,777.80 2,122,458.62 1,396,744.11 1,082,473.20 1,215,804.36 1,043,161.36 2,735,583.32	0.62 0.01 0.28 21.24 31,051.55 2,328,459.82 131,867.99 1.015.41 395,878.80 1,147,906.43 748,507.92 1,742,512.39 1,186,022.23 6,464,156.70 2,053,492.32 1,534,763.06 1,041,266.01 369,363.64 1,905,947.56 1,305,249.68 1,143,359.20 1,545,249.68	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	(4,852.99) (3,026.04) (7,985.07) (4,844.82) (127,947.49) (6,802.65) (4,329.61) (4,177.08) (1,567.83) (9,851.77) (5,565.77) (110.454.50) (120.462.10)	D.00	0.29 1,028,332.60 73,679.09 1,021,599.01 1,022.05 395,878.80 1,232,653.53 803,974.26 1,872,695.40 1,252,294.78 6,840,186.77 2,205,090.95 1,115,467.22 395,596.75 2,136,309.51 1,406,699.50 1,416,699.50 1,416,798.51 1,406,798.62 1,406,798.62 1,406,798.62 1,406,798.62 1,655,008.14	0.00 0.00 0.00 0.00 0.00 0.00 -14,508,40 -9,428,54 -21,933.06 -14,688,16 -81,444.74 -25,833.85 -19,344.31 -13,371.38 -13,042.99 -4,622.58 -25,023.17 -16,461.02	0.00	0.28 21.24 1,028,332,60 73,679,09 1,021,590,40 1,029,05 395,878,80 1,219,095,57 795,114,46 1,049,955,39 1,238,418,10 6,764,595,86 2,180,704,84 1,029,460,79 1,133,941,39 1,103,068,50 391,209,07 2,112,605,05 1,391,178,34 672,018,70	0.29 21.24 1.028.332.60 73,679.09 1,921,590.40 1,029.05 395,678.60 1,169,023.97 762,473.09 1,774,120.68 1,187,651.32 6,487,096.35 2,091,264.15 1,562,652.95 1,087,506.89 1,060,094.46 370,165.04 2,031,374.01 1,334,179.13 932,197.95 1,053,246,95 1,553,246,95 1,553,274.95	26,070.53 16,991.21 39,593.36 26,473.91 150,914.04 46,639.51 34,672.45 24,235.86 23,585.55 8,369.23 45,270.22 29,747.71 27,402.77 30,350.85 35,016.40	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmt GIC'S Repo Agmt Repo Agmt Repo Agmt GIC'S Repo Agmt Inv Agmt GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	1995 C SF (1965 A&B Refunding) 1995 C SF (1985 A&B Refunding) 1995 C SF (1985 A&B Refunding) 1995 A Single Family	5.29 5.29 5.29 3.57 5.29 3.50 4.49 4.49 4.49 4.49 4.49 4.49 4.49 4.4	11/14/98 11/30/06 11/30/06 09/22/05 11/30/06 05/13/05 08/11/05 08/30/05 10/27/05 10/27/05 10/26/05 11/05/05 11/05/05 11/10/05 11/10/05 11/10/05 11/12/05	12/01/06 12/01/06 12/01/06 09/01/36 12/01/06 09/01/36 08/20/35 10/20/35 10/20/35 10/20/35 12/20/35 12/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35	0.62 0.01 0.28 21,24 31,051.55 2,326,459,82 131,687.99 1,015.41 395,878.60 1,224,048.56 798,140.50 1,857,941.48 1,243,282.92 6,892.570.25 1,836,443.44 1,138,270.93 1,107,245.59 392,777.80 2,122,456.82 1,396,744.11 1,082,473.20 1,215,804.36 1,843,161.36 2,735,583.32 1,759,179.39	0.62 0.01 0.28 21.24 31,051.55 2,328,459.62 131,867.99 1,015.41 395,870.80 1,147,906.43 748,507.92 1,742,512.39 1,186,022.23 6,464,156.70 2,053,482.32 1,534,763.05 1,067,600.6 1,067,600.6 1,067,600.6 1,195,947.5 1,309,097.19 1,015,249.68 1,143,358.20 1,545,287.7 2,565,709.91 1,545,287.7 2,565,709.91	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	(4,952.99) (3,026.04) (7,985.07) (4,844.62) (127,974.39) (6,807.68) (6,902.65) (4,328.61) (4,177.08) (1,507.83) (9,851.77) (1,508.73) (120,452.10) (6,590.02)	0.80	0.29 1,028,332.60 73,679.09 1,821,599.00 1,929.05 395,878.80 1,232,653.53 803,974.26 1,870,685.40 1,252,294.78 6,840,186.77 2,205,090.95 1,446,699.50 1,115,487.22 395,596.75 2,136,309.55 1,406,788.20 982,937.17 1,107,654.96 1,655,008.14 2,755,250.26	0.00 0.00 0.00 0.00 0.00 0.00 -14,508.40 -9,428.54 -21,833.06 -81,444.74 -25,833.85 -14,371.38 -13,371.38 -13,371.38 -15,042.99 -4,622.58 -25,023.17 -16,461.02 -12,768.45	0.00	0.29 21.24 1,028,332.60 73,679.09 1,021,599.00 1,022,05 395,878.80 1,219,095.57 785,174.46 1,649,956.39 1,238,418.10 6,764,595.86 2,180,704.84 1,029,460.79 1,133,941.32 1,103,068.50 391,209,97 2,112,605.05 1,391,178.34 972,018.70 1,095,342.26 1,636,571.34 2,724,537.48	0.29 21.24 1.028,332.60 73,679.09 1,821,590.40 1,029.05 395,678.60 1,169,023.07 762,473.09 1,774.120.68 1,187,051.32 6,487,096.35 2,091,264.15 1,562,652.85 1,087,506.69 1,080,094.48 376,185.04 2,031,374.01 1,334,179.13 932,197.95 1,053,246.95 1,573,714.14	26,070.53 16,091.21 39,593.36 26,473.91 150,914.04 46,639.51 34,672.45 24,235.06 23,595.55 8,369.23 45,278.22 29,747.71 27,402.77 30,350.85 35,016.40 58,270.18	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmi GIC'S Repo Agmi Repo Agmi Repo Agmi GIC'S Repo Agmi Inv Agmi GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	1995 C SF (1985 A&B Refunding) 2005A Single Family	5.29 5.29 3.37 5.29 3.50 4.49 4.49 4.49 4.49 4.49 4.49 4.49 4.4	11/14/98 11/30/06 11/30/06 09/22/05 11/30/06 05/13/05 08/11/05 08/30/05 10/27/05 10/27/05 10/27/05 11/10/05 12/06/05 11/10/05 11/10/05 11/10/05 11/12/05 11/12/05 11/29/05 12/29/05 11/10/95 12/29/05 11/10/96	12/01/06 12/01/06 12/01/06 09/01/36 12/01/06 09/01/36 07/20/35 10/20/35 10/20/35 10/20/35 10/20/35 12/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35	0.62 0.01 0.28 21,24 31,051.55 2,328,459.82 131,867.99 1,015.41 395,878.80 1,224,048.66 788,140.50 1,857,941.46 1,243,282.92 6,892.570.25 2,189,572.52 1,636,443.41 1,138,270.93 1,107,245.89 392,777.80 2,122,458.62 1,396,744.11 1,082,473.20 1,215,804.36 1,043,161.36 2,735,583.32	0.62 0.01 0.28 21.24 31,051.55 2,328,459.82 131,867.99 1.015.41 395,878.80 1,147,906.43 748,507.92 1,742,512.39 1,186,022.23 6,464,156.70 2,053,492.32 1,534,763.06 1,041,266.01 369,363.64 1,905,947.56 1,305,249.68 1,143,359.20 1,545,249.68	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	(4,852,99) (3,028,04) (7,985,07) (4,844,82) (127,974,39) (8,807,89) (8,807,89) (4,177,08) (1,507,83) (9,851,77) (5,565,77) (110,454,50) (120,462,10) (6,590,02) (11,045,84)	0.00	0.29 1,028,332,60 73,679,09 1,021,590,09 1,022,05 395,878,90 1,232,653,53 803,974,26 1,872,694,78 6,840,196,77 2,205,090,95 1,647,707,51 1,146,699,50 1,115,495,70 1,156,309,55 1,406,788,02 982,937,17 1,107,654,96 1,655,008,14 2,755,250,26	0.00 0.00 0.00 0.00 0.00 0.00 -14,506.40 -9,428.54 -21,933.00 -14,668.16 -81,444.74 -25,833.85 -19,344.31 -13,371.38 -13,371.38 -13,042.99 -4,622.58 -12,768.45 -12,172.89 -12,172.89	0.00	0.20 21.24 1,028,332.60 73,679.08 1,021,599.06 1,029.05 395,878.80 1,219.095.57 795,114.46 1,649,956.39 1,239,418.10 6,764,595.86 2,180,704.84 1,029,450.79 1,133,941.32 1,103,086.50 391,209.97 2,112,005.05 1,391,178,34 972,018.70 1,055,342.26 1,636,571.34 2,724,557.48	0.29 21.24 1.028, 332.60 73,679.09 1,921,550.40 1,029.05 395,678.60 1,169,023.97 782,473.09 1,774,120.68 1,187,651.32 6,487,096.35 2,091,264.15 1,562,652.85 1,087,506.89 1,087,506.89 1,087,1984.01 1,334,179.13 932,197.95 1,573,714.14 2,613,024.25	26,070.53 16,091.21 39,593.36 26,473.91 150,914.04 40,039.51 34,672.45 24,235.06 23,565.55 8,369.23 45,276.22 29,747.71 27,402.77 10,350.85 35,016.40 56,270.18	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmt GIC'S Repo Agmt Repo Agmt Repo Agmt GIC'S Repo Agmt Inv Agmt GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	1995 C SF (1965 A&B Refunding) 1995 C SF (1985 A&B Refunding) 1995 C SF (1985 A&B Refunding) 1995 A Single Family	5.29 5.29 5.29 3.57 5.29 3.50 4.49 4.49 4.49 4.49 4.49 4.49 4.49 4.4	11/14/98 11/30/06 11/30/06 09/22/05 11/30/06 05/13/05 08/11/05 08/30/05 10/27/05 10/27/05 10/26/05 11/05/05 11/05/05 11/10/05 11/10/05 11/10/05 11/12/05	12/01/06 12/01/06 12/01/06 09/01/36 12/01/06 09/01/36 08/20/35 10/20/35 10/20/35 10/20/35 12/20/35 12/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35	0.62 0.01 0.28 21,24 31,051.55 2,326,459,82 131,687.99 1,015.41 395,878.60 1,224,048.56 798,140.50 1,857,941.48 1,243,282.92 6,892.570.25 1,836,443.44 1,138,270.93 1,107,245.59 392,777.80 2,122,456.82 1,396,744.11 1,082,473.20 1,215,804.36 1,843,161.36 2,735,583.32 1,759,179.39	0.62 0.01 0.28 21.24 31,051.55 2,328,459.62 131,867.99 1,015.41 395,877.60 1,147,906.43 748,507.92 1,742,512.39 1,166,022.23 6,464,156.70 2,053,492.32 1,534,763.05 1,007,600.64 1,041,286.01 369,369.64 1,995,947.56 1,309,997.19 1,015,249.68 1,143,359.20 1,545,267.76 2,585,799.91 1,440,511.46	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	(4,852.99) (3,026.04) (7,985.07) (4,844.82) (127,974.39) (6,867.68) (6,982.65) (4,329.61) (4,177.08) (9,851.77) (5,565.77) (110,454.50) (120,462.10) (6,590.02) (11,045.84) (6,830.84) (7,086.05)	0.80	0.29 1,028,332.60 73,670.09 1,021,590.60 1,022,053.50 305,878.80 1,232,653.53 803,974.26 1,870,605.40 1,252,204.78 6,840,186.77 2,205,090.95 1,154,67.22 395,596.75 2,136,309.55 1,406,798.02 982,937.17 1,107,654.96 1,655,008.14 2,755,250.26 1,772,116.56	0.00 0.00 0.00 0.00 0.00 0.00 0.00 -14,506.40 -9,428.54 -21,833.06 -81,444.74 -25,833.85 -13,042.99 -4,622.58 -25,023.17 -16,461.02 -12,768.45 -14,315.64 -19,333.00 -22,172.89 -22,172.89 -22,172.89 -22,172.89 -22,172.89	0.00	0.29 21.24 1,028,332.60 73,679.09 1,021,599.05 395,878.60 1,219,095.57 785,114.46 1,649,956.39 1,239,418.10 6,764,595.86 2,180,704.84 1,029,460.79 1,133,941.32 1,103,088.50 391,209,97 2,112,605.05 1,391,179.34 972,018.70 1,995,342.26 1,836,571.34 2,724,537.48 1,752,348.55 1,867,884.11	0.29 21.24 1,028,332,60 73,679,09 1,921,590,40 1,029,05 395,878,60 1,169,023,97 782,473,09 1,774,120,68 1,187,651,32 8,487,096,35 2,091,264,15 1,652,652,85 1,087,506,89 1,080,694,48 376,185,04 2,031,374,01 1,334,179,13 932,197,95 1,053,246,95 1,573,714,14 2,613,024,25 1,680,533,55 1,796,125,95	26,070.53 16,991.21 39,599.36 26,473.91 150,914.04 46,639.51 34,672.45 24,235.86 23,585.55 8,369.23 45,270.22 29,747.71 27,402.77 30,350.85 30,016.40 59,270.18 37,652.91	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmi GIC'S Repo Agmi Repo Agmi Repo Agmi Repo Agmi Repo Agmi GIC'S Repo Agmi Inv Agmi GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	1995 C SF (1985 A&B Refunding) 2005A Single Family	5.29 5.29 3.37 5.29 3.50 4.49 4.49 4.49 4.49 4.49 4.49 4.49 4.4	11/14/98 11/30/06 11/30/06 09/22/05 11/30/06 05/13/05 08/11/05 08/30/05 10/27/05 10/27/05 10/27/05 11/10/05 12/06/05 11/10/05 11/10/05 11/10/05 11/12/05 11/12/05 11/29/05 12/29/05 11/10/95 12/29/05 11/10/96	12/01/06 12/01/06 12/01/06 09/01/36 12/01/06 09/01/36 07/20/35 10/20/35 10/20/35 10/20/35 10/20/35 12/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35	0.62 0.01 0.28 21,24 31,051.55 2,328,459.82 131,687.99 1,015.41 395,878.80 1,224,048.56 798,140.56 1,857,941.40 1,243,282.92 6,892,570.25 2,189,572.52 1,636,443.44 1,138,270.93 1,107,245.58 392,777.80 2,122,458.62 1,396,744.11 1,082,473.20 1,215,004.36 1,243,161.36 2,735,533.32 1,759,179.39 1,874,970.16	0.62 0.01 0.28 21.24 31,051.55 2,328,459.62 131,067.99 1,015.41 395,870.60 1,147,905.43 748,507.92 1,742,512.39 1,166,022.23 6,464,156.73 2,053,492.32 1,534,763.05 1,097.600.64 1,041,286.01 369,369.36 1,097.19 1,015,249.68 1,143,359.20 1,545,267.76 2,555,799.91 1,049,511.46 1,762,055.99.91	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	(4,852.99) (3,026.04) (7,985.07) (4,844.82) (127,974.39) (6,867.89) (6,962.65) (4,329.91) (4,177.08) (1,567.83) (9,851.77) (5,565.77) (110,454.50) (120,462.10) (6,590.02) (11,048.84) (6,830.84) (7,086.05) (9,020.15)	0.00	0.29 1,028,332.60 73,679.09 1,021,590.40 1,029.05 395,878.80 1,232,655.53 803,974.26 1,870,695.40 1,252,204.78 6,840,186.77 2,205,090.95 1,647,707.51 1,146,699.50 1,115,487.22 395,596.75 2,168,309.55 1,406,798.02 82,937.17 1,107,654.96 1,655,088.18 2,755,250.26 1,772,118.51 1,888,968.78	0.00 0.00 0.00 0.00 0.00 0.00 -14,506,40 -9,428,54 -21,933.06 -14,686,16 -81,444.74 -25,833.85 -19,344.31 -13,371.38 -13,042.99 -4,622.58 -12,768.45 -12,178.45 -12,172.89 -20,054.53 -22,177.89 -20,054.53	0.00	0.28 21.24 1,028,332,60 73,679,09 1,021,590,40 1,029,05 395,878,80 1,219,095,57 795,114,46 1,449,953,39 1,238,418,10 6,764,595,86 2,180,704,84 1,029,460,79 1,133,941,39 1,103,088,50 391,209,07 2,112,605,05 1,391,178,34 972,018,70 1,095,342,26 1,636,571,34 1,752,348,55 1,867,884,11 1,503,320,67	0.29 21.24 1.028.332.60 73.679.09 1,821,590.40 1,029.05 395,678.60 1,169,023.07 762,473.09 1,774,120.68 1,187,651.32 6,487,096.35 2,091,264.15 1,562,652.85 1,087,506.89 1,060,094.46 376,185.04 2,031,374.01 1,334,179.13 932,197.95 1,573,714.14 2,643,024.25 1,673,714.14 2,643,024.25 1,680,533.53 1,796,125.95 1,441,600,13	26,070.53 16,891.21 39,593.36 26,473.91 150,914.04 46,059.51 34,672.45 24,235.86 23,585.55 8,369.23 45,277.22 29,747.71 27,402.77 27,402	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmt GIC'S Repo Agmt Repo Agmt Repo Agmt GIC'S Repo Agmt Inv Agmt GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	1995 C SF (1965 A&B Refunding) 1995 C Single Family	5.29 5.29 3.37 5.50 4.49 4.49 4.49 4.49 4.49 4.49 4.49 4.4	11/34/98 11/30/06 11/30/06 09/22/05 11/30/06 05/13/05 08/11/05 08/30/05 10/27/05 10/27/05 10/20/05 10/20/05 11/03/05 11/17/05 11/17/05 11/17/05 11/22/05 11/22/05 11/22/05 01/05/06 01/12/06 01/12/06 01/12/06	12/01/06 12/01/06 12/01/06 09/01/36 12/01/06 09/01/36 07/20/35 10/20/35 10/20/35 10/20/35 10/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 12/20/35 09/20/36	0.62 0.01 0.28 21.24 31,051.55 2,328.459.82 131,687.99 1,015.41 395,878.60 1,224,048.56 788,140.50 1,057,941.46 1,243,282.92 6,892.570.25 2,189,572.52 1,036,443.44 1,138,270.93 1,107,245.56 392,777.80 2,122,456.92 1,396,744.11 1,082,473.20 1,215,604.36 1,643,161.36 2,735,593.22 1,759,179.39 1,674,970.16 1,509,340.02	0.62 0.01 0.28 21.24 31,051.55 2,328,459.82 131,867.99 1,015.41 395,877.80 1,147,906.43 748,507.92 1,742,512.39 1,186,022.23 6,464,156.70 2,053,482.32 1,534,763.05 1,697,600.64 1,041,286.01 369,363.64 1,995,947.56 1,109,907.19 1,015,249.68 1,143,359.20 1,545,267.76 2,655,769.91 1,649,511.46 1,762,855.98 1,145,340.98	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	(4,952.99) (3,026.04) (7,985.07) (4,844.82) (127,974.39) (6,807.88) (6,902.65) (4,328.61) (4,177.08) (1,567.83) (9,851.77) (110,454.50) (120,462.10) (6,590.02) (11,045.84) (6,830.84) (7,086.05) (0,020.15)	0.00	0.29 1,028,332.60 73,679.09 1,021,590.01 1,029.05 305,876.80 1,232,653.53 803,974.26 1,872,695.46 1,252,294.78 6,840,186.77 2,205,090.95 1,146,699.50 1,115,467.22 395,596.75 2,136,309.51 1,406,798.02 882,937.17 1,107,654.96 1,655,008.14 2,755,250.26 1,772,118.51 1,868,968.78 1,520,379.33	0.00 0.00 0.00 0.00 0.00 0.00 -14,506.40 -9,428.54 -21,833.06 -81,444.74 -25,833.85 -14,668.16 -81,444.74 -25,833.85 -13,371.36 -13,371.36 -14,622.58 -25,023.17 -16,461.02 -12,768.45 -19,333.00 -22,172.89 -22,026.45 -20,654.53 -22,017.37 -17,679.13 -21,670.50	0.00	0.20 21.24 1,028,332.60 73,679.09 1,021,599.00 1,022,05 395,878.60 1,219,095.57 785,114.46 1,649,956.39 1,238,418.10 6,764,595.86 2,180,704.86 1,103,086.50 391,209.97 2,112,605.05 1,391,178.34 972,018.70 1,035,342.26 1,635,571.34 2,724,537.48 1,752,348.55 1,867,884.11 1,500,320.67	0.29 21.24 1.028.332.60 73.679.09 1,921,590.40 1,029.05 395,678.60 1,169,023.97 782,473.09 1,774,120.68 1,187,651.32 6,487,096.35 2,091,264.15 1,562,652.85 1,087,506.89 1,060,094.46 376,165.04 2,031,374.01 1,334,179.13 932,187.95 1,053,246.95 1,573,714.14 2,613,024.25 1,680,533.53 1,796,125.95 1,444,600.13 1,767,485.79	26,070.53 16,991.21 39,593.36 26,473.91 150,914.04 46,639.51 34,672.45 24,235.86 23,585.55 6,369.23 45,270.22 29,747.71 27,402.77 30,350.85 35,016.40 59,270.18 37,655.91 40,356.82 32,485.32 39,609.96	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmi GIC'S Repo Agmi Repo Agmi Repo Agmi GIC'S Repo Agmi GIC'S Repo Agmi Inv Agmi GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	1995 C SF (1965 A&B Refunding) 1995 C Single Family 2005A Single Family	5.28 5.28 3.37 3.57 3.50 4.49 4.49 4.49 4.49 4.49 4.49 4.49 4.4	11/34/98 11/30/06 11/30/06 09/22/05 11/30/08 05/13/05 08/11/05 08/30/05 10/27/05 10/27/05 10/27/05 10/26/05 11/03/05 11/13/05 11/13/05 11/13/05 11/13/05 11/13/05 11/13/05 11/13/05 11/13/05 11/13/05 11/13/05 11/13/05 11/13/05 11/13/05 01/05/06 01/12/06 03/03/08 03/03/08 03/03/08	12/01/06 12/01/06 12/01/06 09/01/36 12/01/06 09/01/36 12/01/06 09/01/36 10/20/35 10/20/35 10/20/35 10/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 01/20/36 01/20/36 01/20/36	0.62 0.01 0.28 21,24 31,051.55 2,328,459.82 131,867.99 1,015.41 395,878.80 1,224,048.56 788,140.50 1,857,941.46 1,243,282.92 6,892.570.25 2,189,572.52 1,336,443.41 1,138,270.93 1,107,245.58 392,777.80 2,122,458.62 1,396,744.11 1,082,473.20 1,215,804.36 1,082,473.20 1,215,804.36 1,643,161.38 2,735,583.32 1,759,179.39 1,874,970.16 1,509,340.82 1,509,340.82	0.62 0.01 0.28 21.24 31,051.55 2,328,459.82 131,867.99 1,015.41 395,878.80 1,147,906.43 748,507.92 1,742,512.39 1,186,022.23 6,464,156.70 2,053,492.32 1,534,763.06 1,041,266.01 369,363.64 1,905,947.56 1,309,997.19 1,115,249.68 1,143,359.20 1,545,287.76 2,555,799.91 1,649,511.46 1,762,855.98 1,415,340.96 1,734,842.66 1,734,842.66 1,734,842.66 1,734,842.66 1,734,842.66 1,734,842.66	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	(4,852.99) (3,026.04) (7,985.07) (4,844.62) (8,807.68) (6,807.68) (6,802.65) (4,326.61) (4,177.08) (1,507.83) (9,851.77) (5,505.77) (110,454.50) (120,462.10) (6,830.84) (7,086.05) (6,020.15) (7,106.85) (7,106.85) (3,839.43)	0.00	0.29 1,028,332,60 73,670.09 1,021,590.40 1,029.05 395,878.80 1,032,655.53 803,974.26 1,870,605.40 1,252,204.78 6,840,188.77 2,205,090.95 1,647,707,51 1,146,699.50 1,115,467.22 395,596.75 1,406,788.02 882,937,17 1,107,654.96 1,655,008.16 1,868,966.78 1,868,966.78	0.00 0.00 0.00 0.00 0.00 0.00 0.00 -14,506,40 -9,428,54 -21,933.00 -14,658.16 -81,444.74 -25,833.85 -13,371.38 -13,042.99 -4,622.58 -25,023.17 -16,461.02 -12,768.45 -14,315.64 -19,333.00 -20,654.53 -22,172.89 -20,654.53 -21,7679.50 -17,679.50	0.00	0.29 21.24 1,028,332.60 73,679.09 1,021,599.00 1,022,05 395,878.80 1,219,095.57 785,114.46 1,649,956.39 1,238,418.10 6,764,595.86 2,180,704.64 1,629,606.79 1,133,941.32 1,103,088.09 1,133,941.32 1,103,088.09 1,133,941.32 1,103,088.09 1,133,941.32 1,103,088.09 1,133,941.32 1,103,088.09 1,133,941.32 1,103,088.61 1,626,571.34 2,724,537.48 1,752,348.55 1,667,684.41 1,503,326.67 1,042,908.49 983,835.29	0.29 21.24 1.028,332.60 73,679.09 1,821,590.40 1,029.05 395,678.60 1,169,023.07 762,473.09 1,774,120.68 1,187,051.32 6,487,096.35 1,087,506.89 1,082,506.89 1,082,374.01 1,334,179.13 032,197.95 1,053,240.95 1,573,714.14 2,613,024.25 1,680,533.53 1,796,125.95 1,441,800.13 1,767,485.79 943,529.97	26,070.53 18,991.21 39,593.36 26,473.91 150,914.04 46,639.51 34,672.45 24,235.86 23,585.55 8,389.23 45,278.22 29,747.71 27,402.77 30,350.85 35,016.40 58,270.18 37,652.91 40,356.02 32,485.32 39,609.96 21,252.60	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmt GIC'S Repo Agmt Repo Agmt Repo Agmt GIC'S Repo Agmt Inv Agmt GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	1995 C SF (1965 A&B Refunding) 1995 A Single Family	5.29 5.29 3.37 3.529 3.529 3.529 4.49 4.49 4.49 4.49 4.49 4.49 4.49 4.	11/14/98 11/30/06 11/30/06 09/22/05 11/30/06 05/13/05 08/11/05 08/30/05 10/27/05 10/27/05 10/27/05 10/26/06 11/10/05	12/01/06 12/01/06 12/01/08 09/01/36 12/01/06 09/01/36 07/20/35 10/20/35 10/20/35 10/20/35 11/20/36 01/20/36 01/20/36	0.62 0.01 0.28 21,24 31,051.55 2,326,459,42 131,687.99 1,015.41 395,878.60 1,224,048.56 798,140.50 1,857,941.48 1,243,282.92 2,189,572.52 1,636,443.44 1,138,270.93 1,107,245.56 392,777.80 2,122,456.82 1,396,744.11 1,082,473.20 1,215,604.96 1,243,613.61 1,247,4970.16 1,509,340.02 1,597,4970.10 1,509,340.02 1,850,075.34 987,074.72	0.62 0.01 0.28 21.24 31,051.55 2,328,459.62 131,867.99 1,015.41 395,870.80 1,147,905.43 748,507.93 1,742,512.39 1,166,022.23 6,464,156.70 2,053,469.30 1,534,763.05 1,087,600.64 1,041,286.01 369,363.64 1,041,286.01 369,363.64 1,143,368.20 1,545,267.66 1,309,997.19 1,015,249.68 1,143,368.20 1,545,267.76 2,585,789.91 1,040,511.46 1,762,855.98 1,415,340.96 1,734,842.68 920,115.88	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	(4,852.99) (3,026.04) (7,985.07) (4,844.82) (127,974.39) (6,807.83) (6,82.65) (4,326.61) (4,177.08) (1,507.83) (9,851.77) (5,565.77) (110,454.50) (120,462.10) (6,590.02) (11,045.84) (7,086.05) (7,166.85) (7,166.85) (3,639.43) (5,013.11)	0.00	0.29 1,028,332,60 73,679,09 1,021,590,00 1,022,05 395,878,90 1,232,653,53 803,974,26 1,872,694,78 6,840,196,77 2,205,090,95 1,252,204,78 6,840,196,77 2,205,090,95 1,145,496 1,145,496 1,655,008,14 2,755,250,20 1,772,116,51 1,868,968,78 1,520,370,33 1,683,807,37 994,947,67	0.00 0.00 0.00 0.00 0.00 0.00 -14,506.40 -9,428.54 -21,933.06 -14,668.16 -81,444.74 -25,833.85 -19,344.31 -13,371.38 -19,344.31 -13,371.38 -16,401.02 -12,768.45 -14,315.64 -19,333.00 -22,172.89 -22,073.77 -17,679.13 -21,670.50 -11,603.06 -11,603.06	0.00	0.20 21.24 1,028,332,60 73,679,08 1,021,599,09 1,022,05 395,878,80 1,219,095,57 795,114,46 1,649,956,36 2,180,704,84 1,239,445,10 1,103,088,50 391,209,97 2,112,605,05 1,391,178,34 972,018,70 1,055,342,26 1,636,571,34 2,724,537,48 1,752,348,55 1,667,884,11 1,503,326,67	0.29 21.24 1.028, 332.60 73,679.09 1,021,550.40 1,029.05 395,678.60 1,169,023.97 782,473.09 1,774,120.68 1,187,651.32 6,487,096.35 2,091,264.15 1,562,652.85 1,087,506.89 1,087,506.89 1,087,506.89 1,087,140.14 1,334,179.13 932,197.95 1,573,714.14 2,613,024.25 1,680,533.53 1,796,125.95 1,441,000.13 1,767,485.79 943,528.97 1,283,994.81	26,070.53 16,091.21 39,593.36 26,473.91 150,914.04 40,039.51 34,672.45 24,235.06 23,565.55 8,369.23 45,276.22 29,747.71 27,402.77 10,350.85 35,016.40 50,270.18 37,052.01 40,356.02 32,465.32 39,809.06 21,252.60	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmt GIC'S Repo Agmt Repo Agmt Repo Agmt GIC'S Repo Agmt GIMA GIMA GIMA GIMA GIMA GIMA GIMA GIMA	1995 C SF (1985 A&B Refunding) 1905 A Single Family 2005 A Single Family	5.29 5.29 3.50 4.49 4.49 4.49 4.49 4.49 4.49 4.49 4.4	11/14/98 11/30/06 11/30/06 09/22/05 11/30/06 05/13/05 08/11/05 08/31/05 10/27/05 10/27/05 10/20/05 11/10/05 12/15/05 11/10/05 01/10/06 01/10/06 01/10/06 01/10/06 01/10/06 01/10/06 01/10/06 01/10/06	12/01/06 12/01/06 12/01/06 09/01/36 07/20/35 08/20/35 10/20/35 10/20/35 10/20/35 10/20/35 12/20/35 12/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 09/20/36 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36	0.62 0.01 0.28 21.24 31,051.55 2,328,459.82 131.687.99 1,015.41 395,678.60 1,224,048.56 708,140.50 1,857,941.40 1,243,282.92 2,189,572.52 1,036,443.44 1,138,270.93 1,107,245.86 392,777.80 2,122,458.82 1,396,744.11 1,082,473.20 1,215,804.36 1,643,161.36 2,735,583.32 1,759,179.33 1,874,970.16 1,850,075.34 987,674.72	0.62 0.01 0.28 21.24 31,051.55 2,328,459.62 131,867.99 1,015.41 395,878.60 1,147,906.43 748,507.93 1,166,022.23 6,464,156.70 2,053,492.32 1,534,763.06 1,041,266.01 369,369.46 1,041,266.01 369,369.46 1,041,266.01 1,041,266.01 1,041,266.01 1,041,266.01 1,041,266.01 1,041,266.01 1,041,266.01 1,041,266.01 1,041,266.01 1,041,266.01 1,041,266.01 1,041,266.01 1,041,266.01 1,041,266.01 1,041,266.01 1,041,266.01 1,041,266.01 1,041,266.01 1,042,266.01 1	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	(4,952.99) (3,026.04) (7,985.07) (4,844.82) (127,974.39) (6,807.08) (6,982.65) (4,329.61) (4,177.08) (1,567.83) (9,851.77) (5,565.77) (110,454.50) (120,462.10) (6,590.02) (11,045.84) (6,830.84) (7,066.05) (0,020.15) (3,839.43) (5,013.11) (30,764.91)	0.80	0.29 1,028,332.60 73,679.09 1,021,590.40 1,021,590.40 1,022,05 395,878.90 1,232,053.53 803,974.26 1,870,695.46 1,252,204.78 6,840,198.77 2,205,090.95 1,115,467.22 395,596.75 2,136,309.55 1,406,798.95 1,406,798.95 1,647,707.11 1,107,684.96 1,772,116.51 1,888,968.78 1,520,379.33 1,863,807.37 994,947.87 1,353,010.82 2,829,341.44	0.00 0.00 0.00 0.00 0.00 0.00 -14,508.40 -9,428.54 -21,833.06 -81,444.74 -25,833.85 -14,315.84 -13,371.38 -13,371.38 -15,233.17 -16,461.02 -12,768.45 -14,315.64 -19,333.00 -22,172.89 -22,172.89 -22,172.89 -17,679.13 -22,175.50 -11,603.96 -11,603.96 -11,603.96 -11,603.96 -11,675.57 -15,756.78	0.00	0.20 21.24 1,028,332.60 73,679.09 1,021,599.06 1,021,599.07 1,029.05 395,878.60 1,219,095.57 795,114.46 1,649,956.39 1,239,418.10 6,764,595.86 2,180,704.84 1,629,460.79 1,133,941.32 1,103,068.50 391,209,97 2,112,605.05 1,381,178.34 972,018.70 1,095,342.67 1,381,718.34 1,752,348.55 1,687,884.11 1,503,320.67 1,842,908.49 983,835.29 1,337,896.12 2,797,695.25	0.29 21.24 1.028.332.60 73,679.09 1,921,590.40 1,029.05 395,678.60 1,169,023.97 762,473.09 1,774,120.68 1,187,651.32 6,487,096.35 2,091,264.15 1,562,652.85 1,087,506.89 1,060,094.46 370,165.04 2,031,374.01 1,334,173.13 032,197.95 1,053,246,95 1,573,714.14 2,613,024.25 1,680,533.53 1,766,125.95 1,441,800.13 1,767,485.79 943,528.97 1,283,094.81 2,683,121.08	26,070.53 16,991.21 39,599.36 26,473.91 150,914.04 46,639.51 34,672.45 24,235.86 23,585.55 8,369.23 45,270.22 29,747.71 27,402.77 30,350.85 350,016.40 59,270.18 37,652.91 40,355.02 32,495.32 39,809.96 21,252.60 28,889.43 60,430.35	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmt GIC'S Repo Agmt Repo Agmt Repo Agmt Repo Agmt GIC'S Repo Agmt Inv Agmt GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	1995 C SF (1965 A&B Refunding) 1995 C Single Family	5.29 5.29 3.57 3.50 4.49 4.49 4.49 4.49 4.49 4.49 4.49 4.4	11/34/98 11/30/06 11/30/06 09/22/05 11/30/06 05/13/05 08/31/05 08/31/05 10/27/05 10/27/05 10/26/05 11/03/05 12/03/05 12/03/05 11/13/05 11/13/05 11/13/05 11/13/05 11/13/05 11/13/05 11/13/05 11/13/05 11/13/05 01/05/06 01/13/06 01/13/06 03/03/06	12/01/06 12/01/06 12/01/06 09/01/36 12/01/06 09/01/36 07/20/35 10/20/35 10/20/35 10/20/35 10/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36	0.62 0.01 0.28 21,24 31,051.55 2,328,459.82 131,687.99 1,015.41 395,878.80 1,224,048.66 788,140.50 1,857,941.48 1,243,262.92 6,892.570.25 2,189.572.52 1,636,443.44 1,138,270.93 1,107,245.58 392,777.80 2,122,456.62 1,396,744.11 1,082,473.20 1,215,804.36 1,643,161.36 2,735,530.32 1,759,179.39 1,874,970.16 1,509,340.62 1,509,340.62 1,509,340.62 1,509,340.62 1,509,340.62 1,509,340.62 1,509,340.62 1,509,340.62 1,342,909.23 2,000,480.16	0.62 0.01 0.28 0.01 0.28 0.01 0.28 0.01 0.28 0.01 0.28 0.01 0.28 0.01 0.28 0.01 0.01 0.01 0.01 0.01 0.01 0.01 0.0	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	(4,852.99) (3,026.04) (7,985.07) (4,844.82) (127,974.39) (8,897.89) (6,982.65) (4,329.61) (4,177.08) (1,567.83) (9,851.77) (5,595.77) (110,454.50) (120,462.10) (6,590.02) (11,045.84) (6,130.84) (7,086.05) (7,166.85) (7,166.85) (3,833.43) (5,013.11) (10,764.91) (8,539.57)	D.00	0.29 1,028,332,60 73,679,09 1,021,590,40 1,022,05 395,878,80 1,232,655,53 803,974,26 1,870,695,40 1,252,204,78 6,840,186,77 2,205,090,95 1,647,707,51 1,146,699,50 1,415,487,22 395,596,75 1,406,798,02 822,937,17 1,107,654,96 1,655,088,15 1,868,968,737 1,157,854,96 1,655,088,150 1,772,118,51 1,868,968,737 1,353,018,82 2,029,341,44 1,313,130,30	0.00 0.00 0.00 0.00 0.00 0.00 -14,508,40 -9,428,54 -21,933.06 -81,444.74 -25,833.85 -19,344.31 -13,371.38 -13,042.99 -4,622.58 -12,768.45 -12,768.45 -12,768.45 -17,679.13 -21,670.50 -17,679.13 -21,670.50 -15,756.78 -32,034.23	0.00	0.20 21.24 1,028,332,60 73,679,08 1,021,599,09 1,022,05 395,878,80 1,219,095,57 795,114,46 1,649,956,36 2,180,704,84 1,239,445,10 1,103,088,50 391,209,97 2,112,605,05 1,391,178,34 972,018,70 1,055,342,26 1,636,571,34 2,724,537,48 1,752,348,55 1,667,884,11 1,503,326,67	0.29 21.24 1.028, 332.60 73,679.09 1,021,550.40 1,029.05 395,678.60 1,169,023.97 782,473.09 1,774,120.68 1,187,651.32 6,487,096.35 2,091,264.15 1,562,652.85 1,087,506.89 1,087,506.89 1,087,506.89 1,087,140.14 1,334,179.13 932,197.95 1,573,714.14 2,613,024.25 1,680,533.53 1,796,125.95 1,441,000.13 1,767,485.79 943,528.97 1,283,994.81	26,070.53 16,091.21 39,593.36 26,473.91 150,914.04 40,039.51 34,672.45 24,235.06 23,565.55 8,369.23 45,276.22 29,747.71 27,402.77 10,350.85 35,016.40 50,270.18 37,052.01 40,356.02 32,465.32 39,809.06 21,252.60	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmi GIC'S Repo Agmi Repo Agmi Repo Agmi Repo Agmi Repo Agmi GIC'S Repo Agmi Inv Agmi GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	1995 C SF (1985 A&B Refunding) 1905 A Single Family 2005 A Single Family	5.29 5.29 3.57 3.529 3.529 3.529 3.529 4.49 4.49 4.49 4.49 4.49 4.49 4.49 4.	11/14/98 11/30/06 11/30/06 09/22/05 11/30/06 09/22/05 11/30/06 08/13/05 08/11/05 08/30/05 10/27/05 10/26/05 10/26/05 11/10/05 11/10/05 11/10/05 11/10/05 11/10/05 11/10/05 11/10/05 11/10/05 11/10/05 11/10/05 11/10/05 11/10/05 01/10/06	12/01/06 12/01/06 12/01/06 09/01/36 12/01/06 09/01/36 07/20/35 10/20/35 10/20/35 10/20/35 11/20/35 12/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36 02/20/36	0.62 0.81 0.28 21.24 31,051.55 2,328.459.82 131.687.99 1,015.41 395.878.80 1,224.048.56 788,140.50 1,857,941.46 1,243,282.92 6,892.570.25 2,189.572.52 1,036,443.44 1,138,270.93 1,107.245.56 392,777.80 2,122.456.82 1,396,744.11 1,082,473.20 1,215,604.36 1,643,161.36 2,735,593.32 1,759,179.39 1,874,970.16 1,509,340.02 1,850,075.34 987,474.72 1,342,909.23 2,008,480.16 1,009,673.31 1,309,673.31	0.62 0.01 0.28 21.24 31.051.55 2,328,459.82 131.867.99 1.015.41 395,872.80 1.147,906.43 748,507.92 1.742,512.39 1.186,022.23 6,454,156.70 2,053,482.32 1,534,763.05 1,097,600.64 1,041,286.01 369,363.64 1,985,947.56 1,309,907.19 1,015,249.68 1,143,359.20 1,545,267.76 2,555,709.91 1,449.511.46 1,762,855.98 1,415,340.98 1,259,218.49 26,313,475.04 1,225,540.71 1,580,413.39	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	(4,952.99) (3,026.04) (7,985.07) (4,844.82) (127,974.39) (6,807.08) (6,982.65) (4,329.61) (4,177.08) (1,567.83) (9,851.77) (5,565.77) (110,454.50) (120,462.10) (6,590.02) (11,045.84) (6,830.84) (7,066.05) (0,020.15) (3,839.43) (5,013.11) (30,764.91)	0.80	0.29 1,028,332,60 73,679,09 1,021,590,40 1,022,05 395,878,80 1,232,655,53 803,974,26 1,870,695,40 1,252,204,78 6,840,186,77 2,205,090,95 1,647,707,51 1,146,699,50 1,415,487,22 395,596,75 1,406,798,02 822,937,17 1,107,654,96 1,655,088,15 1,868,968,737 1,157,854,96 1,655,088,150 1,772,118,51 1,868,968,737 1,353,018,82 2,029,341,44 1,313,130,30	0.00 0.00 0.00 0.00 0.00 0.00 -14,508.40 -9,428.54 -21,833.06 -81,444.74 -25,833.85 -14,315.84 -13,371.38 -13,371.38 -15,233.17 -16,461.02 -12,768.45 -14,315.64 -19,333.00 -22,172.89 -22,172.89 -22,172.89 -17,679.13 -22,175.50 -11,603.96 -11,603.96 -11,603.96 -11,603.96 -11,675.57 -15,756.78	0.00	0.20 21.24 1,028,332.60 73,679.09 1,021,599.06 1,021,599.07 1,029.05 395,878.60 1,219,095.57 795,114.46 1,649,956.39 1,239,418.10 6,764,595.86 2,180,704.84 1,629,460.79 1,133,941.32 1,103,068.50 391,209,97 2,112,605.05 1,381,178.34 972,018.70 1,095,342.67 1,381,718.34 1,752,348.55 1,687,884.11 1,503,320.67 1,842,908.49 983,835.29 1,337,896.12 2,797,695.25	0.29 21,24 1,028,332,60 73,679,09 1,821,590,40 1,029,05 395,878,80 1,89,023,97 762,473,09 1,774,120,68 1,187,651,32 6,487,096,35 2,091,264,15 1,562,652,85 1,087,506,08 1,680,094,48 376,185,06 376,185,04 2,031,374,01 1,334,179,13 932,197,95 1,573,714,14 2,613,024,25 1,680,533,53 1,796,125,95 1,441,090,13 1,707,485,79 943,528,97 1,283,094,81 2,083,121,08	26,070.53 18,091.21 39,593.36 26,473.91 150,914.04 40,639.51 34,072.45 24,235.06 23,565.55 8,369.23 45,270.22 29,747.71 27,402.77 30,350.85 35,016.40 59,270.18 37,652.91 40,356.02 32,485.32 39,609.96 21,252.60 28,888.43 60,430.35	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmi GIC'S Repo Agmi Repo Agmi Repo Agmi Repo Agmi GIC'S Repo Agmi Inv Ag	1995 C SF (1965 A&B Refunding) 1995 C Single Family	5.29 5.29 3.57 3.50 4.49 4.49 4.49 4.49 4.49 4.49 4.49 4.4	11/34/98 11/30/06 11/30/06 09/22/05 11/30/08 05/13/05 08/11/05 08/11/05 08/20/05 10/27/05 10/27/05 10/27/05 10/26/06 12/08/05 11/10/05 11/10/05 11/10/05 11/10/05 11/10/05 11/10/05 11/10/05 11/10/06 01/10/06	12/01/06 12/01/06 12/01/06 09/01/36 12/01/06 09/01/36 12/01/06 09/01/36 10/20/35 10/20/35 10/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36	0.62 0.01 0.28 21.24 31,051.55 2.329,459.82 131,687.99 1,015.41 395,978.80 1,224,048.56 798,140.50 1,857,941.46 1,243,282.92 6,892.570.25 2,189,572.52 1,336,443.41 1,138,270.93 1,107,245.58 392,777.80 2,122,458.82 1,396,744.11 1,082,473.20 1,215,864.36 1,043,161.38 2,735,583.32 1,759,179.39 1,874,970.16 1,509,340.82 1,559,179.39 1,874,970.16 1,509,340.82 1,859,075.34 987,674.72 1,342,909.23 2,009,480.16 1,306,973.31 1,085,414.01 1,306,973.31 1,085,414.01 1,306,973.90	0.62 0.01 0.28 21.24 31,051.55 2,328,459,82 131,867.99 1.015.41 395,878.80 1,147,906.43 748,507.92 1,742,512.39 1,186,022.23 6,464,1459.70 2,053,492.32 1,534,763.05 1,007,600.64 1,041,266.01 369,363.64 1,955,947.56 1,309,997.19 1,045,249.68 1,143,359.20 1,545,287.76 2,555,799.91 1,049,511.46 1,762,955.98 1,734,842.68 926,115.80	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	(4,852.99) (3,026.04) (7,985.07) (4,844.82) (127,974.39) (8,897.89) (6,982.65) (4,329.61) (4,177.08) (1,567.83) (9,851.77) (5,595.77) (110,454.50) (120,462.10) (6,590.02) (11,045.84) (6,130.84) (7,086.05) (7,166.85) (7,166.85) (3,833.43) (5,013.11) (10,764.91) (8,539.57)	D.00	0.29 1,028,332,60 73,679,09 1,821,590,09 1,821,590,09 1,232,653,53 803,974,26 1,870,695,46 1,252,294,78 6,840,186,77 2,205,090,95 1,647,707,51 1,146,699,50 1,115,487,22 395,596,75 2,136,309,55 1,406,798,02 982,937,17 1,107,654,96 1,655,008,14 2,755,250,26 1,772,118,51 1,868,968,78 1,520,370,33 1,863,867,37 994,947,67 1,353,018,62 2,829,341,44 1,313,130,30	0.00 0.00 0.00 0.00 0.00 0.00 -14,508,40 -9,428,54 -21,933.06 -81,444.74 -25,833.85 -19,344.31 -13,371.38 -13,042.99 -4,622.58 -12,768.45 -12,768.45 -12,768.45 -17,679.13 -21,670.50 -17,679.13 -21,670.50 -15,756.78 -32,034.23	0.00	0.20 21.24 1,028,332.60 73,679.08 1,021,599.06 1,029.05 395,878.60 1,219,095.57 785,114.46 1,649,956.39 1,238,418.10 6,764,595.86 2,180,704.86 1,029,460.79 1,133,941.32 1,103,086.50 391,209.07 2,112,605.05 1,391,178.34 972,018.70 1,095,342.26 1,630,571.34 2,724,537.48 1,752,348.55 1,867,884.11 1,603,320.67 1,442,008.49 083,835.29 1,337,866.12 2,797,695.25 1,298,433.74	0.29 21.24 1.028.332.60 73.679.09 1,921,550.40 1,029.05 395,678.60 1,169,023.97 782,473.09 1,774,120.68 1,187,651.32 6,487,096.35 2,091,264.15 1,652,652.85 1,087,506.89 1,086,094.46 376,165.04 2,031,374.01 1,334,179.13 932,187.95 1,053,246.95 1,573,714.14 2,613,024.25 1,680,533.53 1,796,125.95 1,441,800.13 1,767,485.79 943,528.97 1,283,994.81 2,083,121.08 1,245,287.73	26,070.53 16,991.21 39,593.36 26,473.91 150,914.04 40,639.51 34,672.45 24,235.86 23,585.55 8,389.23 45,270.22 29,747.71 27,402.77 30,356.85 35,016.40 55,270.18 40,356.82 32,485.32 39,809.96 21,252.60 28,886.43 80,430.35 28,266.59 30,331.41	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmt GIC'S Repo Agmt Repo Agmt Repo Agmt Repo Agmt GIC'S Repo Agmt Inv Agmt GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	1995 C SF (1965 A&B Refunding) 2005A Single Family	5.29 5.29 3.57 3.529 3.529 3.529 3.529 4.49 4.49 4.49 4.49 4.49 4.49 4.49 4.	11/14/98 11/30/06 11/30/06 09/22/05 11/30/06 09/22/05 11/30/06 08/13/05 08/11/05 08/30/05 10/27/05 10/26/05 10/26/05 11/10/05 11/10/05 11/10/05 11/10/05 11/10/05 11/10/05 11/10/05 11/10/05 11/10/05 11/10/05 11/10/05 11/10/05 01/10/06	12/01/06 12/01/06 12/01/06 09/01/36 12/01/06 09/01/36 07/20/35 10/20/35 10/20/35 10/20/35 11/20/35 12/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36 02/20/36	0.62 0.81 0.28 21.24 31,051.55 2,328.459.82 131.687.99 1,015.41 395.878.80 1,224.048.56 788,140.50 1,857,941.46 1,243,282.92 6,892.570.25 2,189.572.52 1,036,443.44 1,138,270.93 1,107.245.56 392,777.80 2,122.456.82 1,396,744.11 1,082,473.20 1,215,604.36 1,643,161.36 2,735,593.32 1,759,179.39 1,874,970.16 1,509,340.02 1,850,075.34 987,474.72 1,342,909.23 2,008,480.16 1,009,673.31 1,309,673.31	0.62 0.01 0.28 21.24 31.051.55 2,328,459.82 131.867.99 1.015.41 395,872.80 1.147,906.43 748,507.92 1.742,512.39 1.186,022.23 6,454,156.70 2,053,482.32 1,534,763.05 1,097,600.64 1,041,286.01 369,363.64 1,985,947.56 1,309,907.19 1,015,249.68 1,143,359.20 1,545,267.76 2,555,709.91 1,449.511.46 1,762,855.98 1,415,340.98 1,259,218.49 26,313,475.04 1,225,540.71 1,580,413.39	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	(4,852.99) (3,026.04) (7,985.07) (4,844.82) (6,807.89) (6,807.89) (6,826.65) (4,177.08) (1,567.83) (9,851.77) (5,585.77) (110,454.50) (120,462.10) (6,590.02) (11,045.84) (6,830.84) (7,086.05) (0,020.15) (7,106.85) (3,639.43) (5,013.11) (30,764.91) (8,539.57) (8,078.96)	0.80	0.29 1,028,332,60 73,670.09 1,021,590.40 1,029.05 395,878.80 1,232,655.53 803,974.26 1,870,605.40 1,252,294.78 6,840,188.77 2,205,099.95 1,647,707,51 1,146,699.50 1,115,467.22 395,596.75 1,406,788.02 882,937,17 1,107,654.96 1,655,008.1 1,868,966.78 1,520,379.33 1,663,807.37 1,185,108.96 1,853,018.30 1,868,367.87 1,353,018.68 1,353,018.68 1,353,018.68 1,353,018.68 1,353,018.68 1,353,018.68 1,353,018.68 1,353,018.68 1,353,018.68 1,353,018.68 1,353,018.68 1,353,018.68 1,353,018.68 1,353,018.68	0.00 0.00 0.00 0.00 0.00 0.00 0.00 -14,506,40 -9,428,54 -21,933.00 -14,658.16 -81,444.74 -25,833.85 -13,371.38 -13,042.99 -4,622.58 -13,371.38 -13,042.99 -4,622.58 -14,315.64 -19,333.00 -20,654.53 -21,728.95 -17,679.50 -17,679.50 -15,756.78 -15,756.78 -15,356.78 -15,328.94 -19,332.99 -15,328.94 -19,332.99 -15,328.94	0.00	0.28 21.24 1,028,332,60 73,679,09 1,021,590,40 1,029,05 395,878,00 1,219,095,57 795,114,46 1,649,956,39 1,238,418,10 6,764,595,60 2,180,704,84 1,629,460,79 1,133,941,32 1,103,068,50 391,209,07 2,112,605,05 1,381,178,34 722,018,70 1,095,342,26 1,636,571,381,178,34 1,772,248,55 1,867,864,11 1,503,320,67 1,442,608,49 983,835,29 1,337,866,12 2,797,695,25 1,298,433,74 1,677,335,05	0.29 21,24 1,028,332,60 73,679,09 1,821,590,40 1,029,05 395,678,60 1,169,023,97 762,473,09 1,774,120,68 1,167,651,32 6,467,096,32 2,091,264,15 1,562,652,85 1,087,506,69 1,080,094,48 376,185,04 2,031,374,01 1,334,179,13 032,197,95 1,053,246,95 1,573,714,14 2,613,024,25 1,680,533,53 1,796,125,95 1,441,600,13 1,767,485,79 943,528,97 1,283,094,81 2,883,121,08 1,245,267,73 1,600,605,84	26,070.53 18,991.21 39,593.36 26,473.91 150,914.04 46,639.51 34,672.45 24,235.86 23,595.55 8,369.23 45,270.22 29,747.71 27,402.77 30,350.85 35,016.40 58,270.18 37,652.91 40,356.02 32,485.32 39,809.98 21,252.80 28,889.43 60,430.35 28,266.59 36,331.41 39,528.16	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmi GIC'S Repo Agmi Repo Agmi Repo Agmi Repo Agmi GIC'S Repo Agmi GIMA GIMA GIMA GIMA GIMA GIMA GIMA GIMA	1995 C SF (1965 A&B Refunding) 1995 C Single Family	5.29 5.29 3.57 3.50 4.49 4.49 4.49 4.49 4.49 4.49 4.49 4.4	11/34/98 11/30/06 11/30/06 09/22/05 11/30/08 05/13/05 08/11/05 08/11/05 08/20/05 10/27/05 10/27/05 10/27/05 10/26/06 12/08/05 11/10/05 11/10/05 11/10/05 11/10/05 11/10/05 11/10/05 11/10/05 11/10/06 01/10/06	12/01/06 12/01/06 12/01/06 09/01/36 12/01/06 09/01/36 12/01/06 09/01/36 10/20/35 10/20/35 10/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36 01/20/36	0.62 0.01 0.28 21.24 31,051.55 2.329,459.82 131,687.99 1,015.41 395,978.80 1,224,048.56 798,140.50 1,857,941.46 1,243,282.92 6,892.570.25 2,189,572.52 1,336,443.41 1,138,270.93 1,107,245.58 392,777.80 2,122,458.82 1,396,744.11 1,082,473.20 1,215,864.36 1,043,161.38 2,735,583.32 1,759,179.39 1,874,970.16 1,509,340.82 1,559,179.39 1,874,970.16 1,509,340.82 1,859,075.34 987,674.72 1,342,909.23 2,009,480.16 1,306,973.31 1,085,414.01 1,306,973.31 1,085,414.01 1,306,973.90	0.62	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	(4,852.99) (3,026.04) (7,985.07) (4,844.82) (127,974.39) (6,807.83) (6,82.65) (4,326.61) (4,177.08) (1,507.83) (9,851.77) (5,565.77) (110,454.50) (120,462.10) (6,590.02) (11,045.84) (7,086.05) (7,166.85) (3,639.43) (5,013.11) (40,764.91) (8,530.57) (8,076.96) (6,777.54) (3,386.99)	0.00	0.29 1,028,332,60 73,679,09 1,021,590,09 1,021,590,09 1,022,05 395,878,90 1,232,655,53 803,974,26 1,870,695,46 1,252,294,78 6,840,196,77 2,205,090,95 1,647,707,51 1,146,699,50 1,1415,496,50 1,252,205,206 1,145,496 1,655,086,14 2,755,250,26 1,772,116,51 1,888,968,78 1,520,379,33 1,863,807,37 994,947,87 1,353,018,82 2,629,341,44 1,313,130,30 1,596,332,28 1,651,610,69 693,817,70	0.00 0.00 0.00 0.00 0.00 0.00 14,506.40 -9,428.54 -21,933.05 -14,688.16 -81,444.74 -25,833.85 -19,344.31 -13,371.38 -13,371.38 -13,371.38 -13,042.99 -4,622.58 -12,768.45 -14,315.64 -19,333.00 -20,054.53 -22,017.37 -17,679.13 -21,670.50 -11,603.06 -15,735.78 -15,328.94 -18,807.21 -15,532.94 -18,807.21 -15,532.94 -18,807.21 -15,532.94 -18,807.21	0.00	0.20 21.24 1,028,332,60 73,679,08 1,021,599,09 1,021,599,09 1,029,578,80 1,219,095,57 795,114,46 1,649,955,39 1,239,451,30 1,239,451,30 1,239,460,79 1,133,941,32 1,103,085,00 391,209,97 2,112,605,05 1,991,78,34 972,018,70 1,095,342,26 1,636,571,34 1,752,348,55 1,867,884,11 1,503,320,67 1,042,908,49 1,837,886,12 2,797,695,25 1,298,433,74 1,677,335,05 1,109,661,12	0.29 21.24 1.028, 332.60 73.679.09 1,021,590.40 1,029.05 395,678.60 1,169,023.97 762,473.09 1,774,120.68 1,187,651.32 6,487,096.35 2,091,264.15 1,562,652.85 1,087,506.89 1,080,094.46 376,185.04 2,031,374.01 1,334,179.13 932,197.95 1,573,714.14 2,613,024.25 1,680,533.53 1,796,125.95 1,441,600.13 1,767,485.79 943,529.97 1,283,094.81 2,683,121.08 1,245,267,73 1,608,665.64 1,755,919.44 847,025.19	26,070.53 16,091.21 39,593.36 26,473.91 150,914,04 40,639.51 34,672.45 24,235.06 23,565.55 6,369.23 45,270.22 29,747.71 27,402.77 27,402.77 27,402.77 27,402.77 20,350.05 35,016.40 56,270.18 37,652.01 40,356.02 32,485.32 39,809.09 21,252.80 20,898.43 60,430.35 26,266.59 30,331.41 39,520.16	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
GIC'S Repo Agmt GIC'S Repo Agmt Repo Agmt Repo Agmt Repo Agmt GIC'S Repo Agmt Inv Agmt GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	1995 C SF (1965 A&B Refunding) 2005A Single Family	5.29 5.29 3.529 3.529 3.529 3.529 4.49 4.49 4.49 4.49 4.49 4.49 4.49 4.	11/14/98 11/30/06 11/30/06 09/22/05 11/30/06 09/22/05 11/30/06 05/13/05 08/11/05 08/30/05 10/27/05 10/27/05 10/26/05 12/08/05 12/08/05 11/10/05 11/10/05 11/10/05 11/10/05 11/10/05 11/10/05 11/10/05 11/10/05 11/10/05 01/12/06 01/12/06 01/12/06 01/19/06 01/19/06 01/19/06 02/02/06 02/16/06 02/02/06 02/16/06 02/02/06	12/01/06 12/01/06 12/01/08 09/01/36 12/01/06 09/01/36 07/20/35 10/20/35 10/20/35 10/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/35 11/20/36 01/20/36 02/20/38 02/20/38 02/20/38 02/20/38 02/20/38 02/20/38 02/20/38 02/20/38 02/20/38 02/20/38 02/20/38	0.62 0.01 0.28 21,24 31,051.55 2,328,459,82 131,687.99 1,015.41 395,878.80 1,224,048.55 798,140.50 1,857,941.40 1,243,282.92 2,89,572.52 1,89,572.52 1,89,572.52 1,396,443.44 1,138,270.93 1,107,245.50 392,777.80 2,122,458.62 1,396,744.11 1,082,473.20 1,215,504.36 1,643,161.36 2,735,533.32 1,759,179.39 1,579,179.39 1,579,179.39 1,579,179.39 1,599,340.02 1,342,909.23 2,808,480.10 1,308,673.31 1,308,673.31 1,876,390.83	0.62 0.01 0.28 21.24 31,051.55 2,328,459,82 131,867.99 1.015.41 395,878.80 1,147,906.43 748,507.92 1,742,512.39 1,186,022.23 6,464,1459.70 2,053,492.32 1,534,763.05 1,007,600.64 1,041,266.01 369,363.64 1,955,947.56 1,309,997.19 1,045,249.68 1,143,359.20 1,545,287.76 2,555,799.91 1,049,511.46 1,762,955.98 1,734,842.68 926,115.80	0.01 20.34 997,281.05 1,689,722.41 13.64	(0.01)	(4,852.99) (3,026.04) (7,985.07) (4,844.82) (6,807.89) (6,807.89) (6,826.65) (4,177.08) (1,567.83) (9,851.77) (5,585.77) (110,454.50) (120,462.10) (6,590.02) (11,045.84) (6,830.84) (7,086.05) (0,020.15) (7,106.85) (3,639.43) (5,013.11) (30,764.91) (8,539.57) (8,078.96)	0.80	0.29 1,028,332.60 73,679.09 1,021,590.01 1,020.05 305,876.80 1,232,653.53 803,974.26 1,870,605.46 1,252,264.78 6,840,186.77 2,205,090.95 1,647,707.51 1,466,699.50 1,115,467.22 395,596.75 2,136,309.55 1,406,769.02 882,937.17 1,107,654.96 1,752,118.51 1,868,968.78 1,520,379.33 1,863,967.37 994,947.87 1,353,018.82 2,029,341.44 1,313,120.32 1,656,307.37 994,947.87 1,353,018.82 2,029,341.44 1,313,120.32 1,656,303.22 1,651,610.69 693,817.70 405,676.48	0.00 0.00 0.00 0.00 0.00 0.00 0.00 -14,506,40 -9,428,54 -21,933.00 -14,658.16 -81,444.74 -25,833.85 -13,371.38 -13,042.99 -4,622.58 -13,371.38 -13,042.99 -4,622.58 -14,315.64 -19,333.00 -20,654.53 -21,728.95 -17,679.50 -17,679.50 -15,756.78 -15,756.78 -15,356.78 -15,328.94 -19,332.99 -15,328.94 -19,332.99 -15,328.94	0.00	0.28 21.24 1,028,332,60 73,679,09 1,021,590,40 1,029,05 395,878,00 1,219,095,57 795,114,46 1,649,956,39 1,238,418,10 6,764,595,60 2,180,704,84 1,629,460,79 1,133,941,32 1,103,068,50 391,209,07 2,112,605,05 1,381,178,34 722,018,70 1,095,342,26 1,636,571,381,178,34 1,772,248,55 1,867,864,11 1,503,320,67 1,442,608,49 983,835,29 1,337,866,12 2,797,695,25 1,298,433,74 1,677,335,05	0.29 21,24 1,028,332,60 73,679,09 1,821,590,40 1,029,05 395,678,60 1,169,023,97 762,473,09 1,774,120,68 1,167,651,32 6,467,096,32 2,091,264,15 1,562,652,85 1,087,506,69 1,080,094,48 376,185,04 2,031,374,01 1,334,179,13 032,197,95 1,053,246,95 1,573,714,14 2,613,024,25 1,680,533,53 1,796,125,95 1,441,600,13 1,767,485,79 943,528,97 1,283,094,81 2,883,121,08 1,245,267,73 1,600,605,84	26,070.53 18,991.21 39,593.36 26,473.91 150,914.04 46,639.51 34,672.45 24,235.86 23,595.55 8,369.23 45,270.22 29,747.71 27,402.77 30,350.85 35,016.40 58,270.18 37,652.91 40,356.02 32,485.32 39,809.98 21,252.80 28,889.43 60,430.35 28,266.59 36,331.41 39,528.16	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0

GNMA	2005A Single Family	4.49	05/18/06	05/20/38	435,701.32	409,703.18			(2,024.33)		438,630,89	-5.088.32	134.42	433,676,99	417,072,18	9.393.33	0.00
GNMA	2005A Single Family	4.49	03/16/06	03/20/36	869,156.12	817,239.33			(3,582.37)		875,402.78		351,51	865.573.75	832,376.73	18,719,77	0.00
GNMA	2005A Single Family	4.49	03/23/86	03/20/36	2,239,236.16	2,099,811.20			(9,119.31)		2,255,456.91		896,56	2,230,116.85	2,138,894.89	48.203.00	0.00
GNMA	2005A Single Family	4.49	03/30/06	03/20/36	1,227,156.26	1,150,756,11			(5,151,67)		1,235,899.82		515.97	1,222,004.59	1,172,028.51	26,424.07	0.00
GNMA	2005A Single Family	4.49	04/06/06	03/20/36	1,841,768.90	1,727,116.51			(7,840.00)		1,854,997,63		682.05	1,834,128,90	1,759,131.38	39,654.65	0,00
GNMA	2005A Single Family	4.49	04/13/06	03/20/38	1,098,699.01	1,030,311.98			(4,469.51)		1,106,667.49		394.77	1,094,229,50	1,049,493.88	23,651,41	0.00
GNMA	2005A Single Family	4.49	04/20/06	04/20/36	2,090,818.00	1,960,691,75			(8,003,00)		2,106,545,24	-24,478,38	748.12	2,082,815,00	1,997,678,99	44,990,24	0.00
GNMA	2005A Single Family	4.49	04/27/06	04/20/36	877.928.78	823,295,78			(3,632.86)		684,263,32		301.31	874,295,90	838,564,59	18,901,69	0.00
GNMA	2005A Single Family	4,49	05/05/06	04/20/36	1,785,594,54	1,660,218.65			(55,416.17)		1,729,689.27		1,134,08	1,710,178,37	1 644 675.04	39,872.56	0.00
GNMA	2005A Single Family	4.49	05/25/06	05/20/36	1,145,277,11	1,074,038,68			(4,165.31)		1,154,156.08	-13,397,60	353.32	1,141,111.80	1,094,509.29	24,635,92	0.00
GNMA	2005A Single Family	4.49	06/01/06	08/20/36	1,333,470.66	1,253,921.98			(4,810.38)		1,343,858,00		371.11	1,328,680.30	1,277,507.37	28,695,75	0.00
GNMA	2005A Single Family	4.49	06/08/06	06/20/36	1,678,920.74	1,574,512.55			(7,138.91)		1.690.919.98	-19.602.66	456.51	1,671,783,83	1,603,533.24	35,157.60	0.00
GNMA	2005A Single Family	4,49	06/15/06	06/20/36	1,158,687.39	1,087,700,19			(4,471.86)		1,165,412.67		293.64	1.152.215.53	1,108,132.64	24,904.31	0.00
GNMA	2005A Single Family	4.49	06/27/06	06/20/36	1,984,950.25	1.866.597.69			(7,356.73)		2.000.278.88	-23,159,87	484.71	1,977,603.52	1,901,984.99	42,724,03	0.00
GNMA	2005A Single Family	4.49	07/06/06	07/20/36	839,253,95	789,215.69			(3,017.24)		845,833,54	-9.790.37	193.54	838.238.71	804.260.82	18.061.37	0.00
GNMA	2005A Single Family	4,49	07/13/06	08/20/38	1,603,384.08	1,507,799,19			(8,101.98)		1,615,624.29	-18,699.37	357.18	1,597,282.10	1,536,216.36	34,519.15	8.00
GNMA	2005A Single Family	4.49	07/19/06	06/20/36	1.905,692,34	1,787,259.49			(9,092,24)		1,918,391.11	-22,214,07	423.06	1,896,600.10	1,819,248.56	41,081,41	0.00
GNMA	2005A Single Family	4.49	07/27/06	07/20/38	1,214,928,26	1.142.518.30			(4,418.68)		1,224,430.92		295.88	1,210,511.58	1,164,250.14	26,148.52	0.00
GNMA	2005A Single Family	4.49	08/02/08	08/20/36	871,986.77	829,673.95	5,494,54		(4,410.00)			-10.263.60	158.30	877.4B1.31	843,952.22		
GNMA	2005A Single Family	4.49	08/09/06	08/20/36	1.891.257.17	1,799,497.55	13,480.68				1.926,667.18	-22,260.95	331.62	1,904,737.85	1,831,971,49	8,783.73 18,993,26	0.00 0.00
GNMA	2005A Single Family	4,49	08/16/06	07/20/36	1,082,100.02	1,026,826,33	0,052.39				1,102,710.08		179.22	1,090,152.41			
GNMA	2005A Single Family	4.49	08/23/06	07/20/36	778,274.89	740.528.09	5,578.08				792,888.73		125.03	783,852.97	1,045,722.02 753,910,25	10,843.30 7.814.08	0.00 00.0
GNMA	2005A Single Family	4.49	09/08/08	08/20/36	7 (10, 14, 17, 10, 1	740,520.03	98,081,66				997,463.72		128.78				
GNMA	2005A Single Family	4.49	09/12/06	08/20/36			520,654,46				526,667.43	-6,073.10	50.13	986,081,68 520,654,46	948,438.38	(37,643.28)	0.00
GNMA	2005A Single Family	4.49	09/26/06	09/20/36			609,041.23				616,084.31	-7,117.93	74.85		500,781.72	(19,872.74)	0.00
GNMA	2005A Single Family	4.49	10/17/06	10/20/38			1,208,044.32				1,220,018.42		80.95	609,041.23 1,206,044.32	585,803.76	(23,237.47)	0.00
GNMA	2005A Single Family	4,49	11/14/06	10/20/30			1.032.089.65					-12,006,91	17.75		1,160,054.52	(45,989.80)	0.00
GNMA	2005A Single Family	4.49	11/28/06	10/20/38			221,003.66				223.574.32	-2.571.11	0.45	1,032,089,85 221,003,66	992,762.53	(39,327.32)	0.00
FNMA	2005A Single Family	4.49	10/20/05	10/01/35	259,315.82	242,585,47	221,000,000		(1,489,29)		259,073.72				212,585.64	(8,418.02)	0.00
FNMA	2005A Single Family	4.49	11/10/05	11/01/35	250,527.08	234,366,11			(1,180.59)		250,555,17	-1,322.16 -1,278.86	74.97 70.18	257,828.53	246,397.24	5,301.06	0.00
FNMA	2005A Single Family	4,49	12/15/05	12/01/35	245,275.07	229,456.58					245,543.30			249,346.49	238,295,50	5,109.98	0.00
FNMA	2005A Single Family	4.49	01/05/06	12/01/35	352,719.01	329,974.14			(920.20) (1,588.87)		352.841.07	-1,244.57 -1,790.09	56.14 79.16	244,354,87	233,528.88	4,992.40	0.00
FNMA	2005A Single Family	4.49	02/09/06	02/01/36	212,588.88	198,789.42			(954.87)		212,668.86	-1,780.09	91.65	351,130.14 211.634.01	335,576.55	7,191.28	0.00
FNMA	2005A Single Family	4.49	02/23/06	01/01/36	248.035.88	231,936,89			(923.76)		248,321.95	-1,120.50 -1,255.51	45.68		202,203.43	4,368.86	0.00
FNMA	2005A Single Family	4.49	03/16/06	03/01/36	393,054,89	367.547.02			(1,903.32)		393,070.54	-1,969.98	71.00	247,112,12 391,151,56	236,102,02 373,727,55	5,088.89 6.083.85	0.00
FNMA	2005A Single Family	4.49	04/06/06	03/01/36	268,619,90	251,189.95			(991.06)		268,944,25	-1,356,43	41.02				0.00
FNMA	2005A Single Family	4.49	04/20/06	04/01/36	380,639,21	355.942.79			(2,740.95)		379,758.32	-1,923.44	93,38	267,628.84 377,898,26	255,709.51 361.070.42	5,510.62 7.868.58	0.00
FNMA	2005A Single Family	4.49	05/11/08	04/01/36	445,209.04	416,327.43			(1,893.27)		445,501,85	-2.245.65	59.57				0.00
FNMA	2005A Single Family	4.49	05/08/06	04/01/36	279,718,57	261,575,61			(1,325.7B)		279,769,34	-1,410.85	34.38	443,315,77 278,392,87	423,578.72	9,144.56	0.00
FNMA	2005A Single Family	4.49	06/27/06	06/01/36	287,635,56	268,981.73			(1,058,59)		287,996.51	-1,410.89	29,35	286.576.97	266,001.88 273.824.20	5,751.77 5.901.06	00,0 00.0
FNMA	2005A Single Family	4.49	07/13/08	06/01/36	355,063,09	332,039,10			(1,373.95)		355,443,61	-1,788.36	31.89	353,689,14	273,624.20	7,287,08	
FNMA	2005A Single Family	4.49	07/19/08	07/01/36	540,337,75	505,300,67			(2,530.11)		540,477.06	-2,718.82	49.40	537,807,64	513,860,18		0.00 0.00
FNMA	2005A Single Family	4.49	08/02/06	07/01/36	484,372,71	455,255,44	642.16		(2,330.11)		487.425.19	-2,710.02	35.97	485,014.87		11,109.62	
FNMA	2005A Single Family	4.49	08/09/06	07/01/36	383,555.71	341,702.19	510.32				365,876.39	-1,836,12	25.76	384,D66.D3	463,438.99	7,541.39 5,659.11	0.00
FNMA	2005A Single Family	4,49	09/12/06	08/01/36	200,220.71	041,752.15	282,120,02				283.527.46	-1,421.08	13.54		347,871.62		0.00
FNMA	2005A Single Family	4,49	10/17/06	09/01/36			268.427.19				267,760,64	-1,421.00	6.98	282,120.02	269,575.07	(12,544.95)	0.00
FNMA	2005A Single Family	4.49	11/14/06	10/01/35			398,689,13				400,669.68	-1,340.43 -2,003,35	2.80	266,427.19 398,669.13	254,584.14	(11,B43.05)	00.0 00.0
FNMA	2005A Single Family	4.49	11/21/08	10/01/36			284,219,30				285,646.39	-1.428.23	1.14		380,952.73	(17,716.40)	
Repo Agmt	2005A Single Family	5.29	11/30/06	12/01/06			8,518,D46,54				8.518.046.54	-1,420.23 0.00	1.14 0.00	284,219,30 8,518,046.54	271,589.73	(12,629.57)	00.00 00.00
Inv Agmt	2005A Single Family			.22.,00	15,329,198.42	15,329,198,42	0,010,010.04	(15,329,198.42)			0,010,040.04	0.00	0.80	0,010,040.54	8,518,046.54	-	
-	2005A Single Family Total			-	101,681,204,28	96,572,200.78	17,045,172.63	(17.583.979.15)	(689,265,94)	0.00			-	100,433,131.82	96,856,947,90	1,512,811,58	0.00 0.00
						2010121200110	, 5-15 , 1 , 2 . 0 5	(11,000,010,10)	(002,203.04)	0.00				100,433,131.62	04,144,000,04	1,012,011.00	0.00
	Total Single Family Investment Summary					826,803,243,74	265,064,380.97	(144,779,327.03)	(9,027,888.53)	0,00				957,767,244.93	945,573,731,59	7,513,322.44	0.00

Texas Department of Housing and Community Affairs Residential Mortgage Revenue Bonds Investment Summary For Period Ending November 30, 2006

Type Repo Agmt Repo Agmt Repo Agmt	Issue 1989 A&B RMRB 1989 A&B RMRB 1989 A&B RMRB	Current Interest Rate 5.29 5.29	Current Purchase Date #1/30/06 11/30/06	Current Maturity Date 12/01/06 12/01/06	Beginning Carrying Value 08/31/06 67,027.55 470,005.53 21,034.57	Beginning Market Value 08/31/06 67,027.55 470,005.53 21,034.57	Accretions/ Purchases 7,247.47 21,272.22	Amortizations/ Sales (21,034,57)	Maturities	Transfers	Par Value 74,275.02 491,277.75	Prem/Disc 0.00 0.00	Amortization 0.00 0.00	Ending Carrying Value 11/30/06 74,275.02 491,277.75	Ending Market Value 11/30/06 74,275.02 491,277.75	Change in in Market Value	Recognized Gain 0.00 0.00 0.00
	1989 A&B RMRB Total				558,067.65	558,067.65	28,519.69	(21,034.57)	0.00	0.00				565,552.77	585,552.77	0.00	0.00
Repo Agmit GIC's GIC's GNMA	1998 A/B RMRB 1998 A/B RMRB 1998 A/B RMRB 1998 A/B RMRB	5.29 5.04 5.04 5.35	11/30/06 12/03/98 12/03/98 07/28/00	12/01/06 01/01/31 01/01/31 07/20/30	79,590.45 2,841,674.11 1,243,049.58 1,619,637.21	79,598.45 2,841,874.11 1,243,049.58 1,589,108.88	30,420,27 2,938,068,26 0.00		(156,971.23)		119,019.72 5,779,942.37 1,243,049.58 1,482,885,98	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	110,010.72 5,779,942.37 1,243,049.58 1,462,865.98	110,010.72 5,778,942.37 1,243,049.58 1,453,788.42	- - 21,570.77	0.00 0.80 0.00 0.00
GNMA FNMA	1998 A/B RMRB 1998 A/B RMRB	5.35 5.35	08/28/00 05/25/99	07/20/30 04/01/29	2,639,678.99 343,876.13	2,589,604.32 336,706.31			(14,284.10) (150,418.35)		2,625,394.89 193,457.78	0.00 0.00	00.0	2,625,394.69 193,457,78	2,608,959,96 192,368,61	33,639.74 6,080.65	0.00
GNMA	1998 A/B RMRB	5.35	04/16/99	04/20/29	968,801.22	948,625.34			(88,863.86)		877,937.34	0.00	0.00	877,937,34	872,854.87	13,092.61	0.00 0.00
FNMA	1998 A/B RMRB	5.35	06/22/99	05/01/29	218,581.91	214,004.85			(2,006,52)		216,555.39	0.00	0.00	216,555.39	215,336.13	3,337.60	0.00
GNMA GNMA	1998 A/B RMRB 1998 A/B RMRB	5.35 5.35	05/25/99 06/22/99	05/20/29 06/20/29	3,225,505,21 4,552,019,36	3,164,665.70 4,465,441.33			(101,552.01) (45,886.30)		3,123,953.20 4,506,133.06	00,0 00.0	0.00 0.00	3,123,953.20 4,506,133.06	3,105,865.50	42,551.81	0.00
FNMA	1998 A/B RMRB	5.35	07/30/99	07/01/29	74,332.90	72,783.04			(436.16)		73,896,74	0.00	0.00	4,506,133.06 73,896.74	4,480,042,48 73,480,68	59,487.45 1,133.60	0.00 0.00
FNMA	1998 A/B RMRB	5.35	08/24/99	08/01/29	141,172.16	138,228.72			(1,156,88)		140,015.28	0.00	00,0	140,015.28	139,226.99	2,155.15	0.00
GNMA GNMA	1998 A/B RMRB 1998 A/B RMRB	5.35 5,35	07/30/99 08/26/99	07/20/29 08/20/29	3,545,396.14 2,712,438.24	3,478,742.65 2.661,444.45			(25,388.24)		3,520,007.90	0.00	0.00	3,520,007.90	3,499,627,02	46,272.61	0.00
FNMA	1998 A/B RMRB	5.35	09/30/99	08/01/29	182,159.55	178,381.52			(15,458.78) (971.83)		2,695,981.46 181,187.72	0.00 0.00	0.00 0.00	2,695,981,46 181,187,72	2,680,371.78 180,167.63	35,384.11 2,777.94	0.00 0.00
GNMA	1996 A/B RMRB	5.35	09/20/99	09/20/29	2,440,282.81	2,394,405,50			(121,757.97)		2,318,524.84	0.00	0.00	2,318,524.84	2,305,100.58	32,453.05	0.00
FNMA FNMA	1998 A/B RMRB 1998 A/B RMRB	5.35	10/29/99	10/01/29	460,293.14	450,696.05			(6,753.08)		453,540.06	0.00	0.00	453,540.06	450,968.66	7,043.69	0.00
FNMA	1998 A/B RMRB	5,35 5.35	11/16/99 12/21/99	10/01/29 11/01/29	356,664,62 551,920,45	349,228.16 540,412.89			(4,408.56) (4,449,36)		352,256.06 547,471.09	0.00 0.00	0.00 0.00	352,256.06 547,471.09	350,272.86 544,388.80	5,453.26 8,425.27	0.00 0.00
GNMA	1998 A/B RMRB	5.35	10/29/99	10/20/29	3,517,979.74	3,451,841,72			(331,901,44)		3,186,078,30	0.00	0.00	3,186,078.30	3,167,630.91	47,690,63	0.00
GNMA	1998 A/B RMRB	5.35	11/18/99	11/20/29	3,340,604.78	3,277,801.44			(83,143.27)		3,257,461.51	0.00	0.00	3,257,461.51	3,238,600.83	43,942.66	0.00
GNMA GNMA	1998 A/B RMRB 1898 A/B RMRB	5.35 5.35	12/30/99 01/28/88	12/20/29 01/20/30	5,869,467,22 2,526,553,03	5,778,745.21 2,478,624.30			(281,139.14)		5,608,328.08	0.00	0.00	5,608,328.08	5,575,855.83	78,249.76	0.00
GNMA	1998 A/B RMRB	5,35	02/22/00	01/20/30	3,002,596,03	2,945,638,77			(17,322.06) (19,648.57)		2,509,230.97 2,982,947.48	0.00 0.00	0.00 0.00	2,509,230,97 2,982,947.46	2,493,523.16 2,964,274.20	32,220.92 38,286.00	0.00 0.00
GNMA	1998 A/B RMRB	5.35	03/27/00	03/20/30	1,702,733.96	1,670,433,09			(10,281.37)		1,692,452.59	0.00	0.00	1 692 452 59	1,681,857,83	21,706.11	0.00
FNMA FNMA	1998 A/B RMRB 1998 A/B RMRB	5.35	02/23/00 03/27/00	01/01/30	532,058.39	520,964.96			(25,716.94)		506,341.45	0.00	0.00	508,341.45	503,490,73	8,242.71	0.00
FNMA	1998 A/B RMRB	5.35 5.35	03/27/00	02/01/30 04/01/30	287,569.94 310,610.65	281,487.63 304,041.24			(3,038.20) (1,731.35)		284,531.74 306,879.30	0.00 0.00	0.00 0.00	284,531,74 306,879,30	282,554.24 386,732,59	4,104.61 4,422.70	0.00 0.00
GNMA	1998 A/B RMRB	5.35	04/24/00	04/20/30	2,121,460.92	2,081,216,63			(24,131.28)		2,097,329.64	0.00	0.00	2,097,329.64	2,084,200,38	27.114.83	0.80 0.00
GNMA GNMA	1998 A/B RMRB	5.35	05/30/00	05/20/30	1,766,369.71	1,734,823,70			(16,182.54)		1,752,187.17	0.00	0.00	1,752,167.17	1,741,218.45	22,577.29	0.00
ENMA FNMA	1998 A/B RMRB 1898 A/B RMRB	5.35 5.35	08/21/00 05/30/00	06/20/30 05/01/30	1,288,262.87 429,121.86	1,263,824.55 420,045.94			(9,731.29)		1,278,531.58	0.00	0.00	1,278,531.58	1,270,528.00	16,434.74	0.00
FNMA	1998 A/B RMRB	5,35	06/21/00	08/01/30	272,823.53	287,053.31			(6,538.01) (67,874.26)		422,583.85 204,949.27	0.00 0.00	0.00 0.00	422,563.85 204,849.27	419,648.80 203,524.87	6,138.97 4,345.82	0.00 0.00
GNMA	1998 A/B RMRB	5.35	10/23/00	09/20/30	1,876,127.03	1,840,536.90			(10,101.56)		1,866,025.37	0.00	0.00	1,866,025.37	1,854,344.05	23,908.81	0.00
GNMA FNMA	1998 A/B RMRB 1998 A/B RMRB	5.35	10/25/00	10/20/30	472,399,36	463,437.95			(3,879.77)		468,519.59	0.00	0.00	468,519.59	465,588.66	6,028,48	0.00
FNMA	1998 A/B RMRB	5.35 5.35	07/24/00 08/25/00	96/01/30 97/01/30	408,728.09 207,571.16	398,125.79 203.181.03			(2,401,36) (1,707,04)		404,326.73 205,884.12	0.00 0.00	0.00	404,326.73	401,516,66	5,792.23	0.00
GNMA	1998 A/B RMRB	5,35	01/08/01	12/20/30	339,066.06	332,633,97			(4,346.31)		334,719,75	0.00	0.00 0.00	205,884.12 334,719,75	204,433,36 332,624,40	2,959.37 4,338.74	0.00 0.00
GNMA	1998 A/B RMRB	5.35	01/16/01	12/20/30	208,835.83	204,874.22			(1,475.42)		207,360.41	0.00	0.00	207,380,41	206.052.33	2,663.53	0.00
GNMA GNMA	1998 A/B RMRB 1998 A/B RMRB	5.35 5.35	01/31/01 11/16/00	08/20/38 11/20/30	114,079,45 332,570,52	111,915.31 326,261.65			(569.50) (3.900.07)		113,509.95	0.00 0.00	0,00	113,509.95	112,789.32	1,453,51	0.00
GNMA	1998 A/B RMRB	5.35	11/29/00	11/20/30	759,821.48	745,407.63			(3,900.07)		328,670.45 755,513.49	0.00	0.00 0.00	328,670.45 755,513.49	326,612.96 750,783.94	4,251.38 9,684.30	0.00 0.00
GNMA	1998 A/B RMR8	5.35	12/21/00	11/20/30	155,976.30	153,017.43			(4,223.54)		151,752.76	0.00	0.00	151,752.76	150,802.79	2,008.90	B.00
GNMA FNMA	1998 A/B RMRB 1998 A/B RMRB	5.35	12/27/00	12/20/30	297,070.55	291,435.12			(1,455.10)		295,615.45	0.00	0.00	295,615.45	293,764,90	3,784.00	0.00
FNMA	1998 A/B RMRB	5.35 5,35	10/06/00 01/12/01	09/01/30 12/01/30	438,123.93 467,392.94	426,899.89 457,567,55			(3,388.54) (2,905.03)		432,735,39	0.00 0.00	0.00 0.00	432,735,39	129,727.86	6,218.51	0.00
Repo Agml	1998 A/B RMRB	5.29	11/30/08	12/01/06	1,143,023.83	1,143,023.63	857.59		(2,803.03)		464,487.91 1,143,881,42	0.00	0.00	464,487.91 1,143,881.42	481,259.89 1,143,881.42	6,657.17	0.00 0.00
Repo Agmil	1998 A/B RMRB				33,887.37	33,667.37		(33,887.37)						7,1 72,0011.12	7,1 70,007.12		0.00
GNMA GNMA	1998 A/B RMRB 1998 A/B RMRB	5.49 5.49	01/12/0 0 03/09/06	01/20/36 03/20/36	27,260,98 33,740,12	27,162.31 33,619.66			(83.48)		27,437.17	-270.28	10.61	27,177.50	27,194.80	115.97	0.00
GNMA	1998 A/B RMRB	5.49	03/02/06	03/20/36	19,116.70	19,048.33			(102.96) (58.35)		33,980,24 19,241,28	-334.27 -189.22	11.17 6.29	33,537,14 19,058,35	33,660.35 19,071.37	143,67	0.00
GNMA	1998 A/B RMRB	5.49	02/23/06	02/20/38	39,420.34	39,279.14			(135.03)		39,662.15	-398.67	21.83	39,285,31	39,306.96	81,39 162,85	0.00 0.00
GNMA	1998 A/B RMRB	5.49	03/16/06	03/20/36	29,916.28	29,809.69			(92.26)		30,110.68	-296.02	9.36	29,824.02	29,844.47	127.04	0.00
GNMA GNMA	1998 A/B RMRB 1998 A/B RMRB	5.49 5.49	03/20/06 04/08/06	03/20/35 04/20/38	41,920,89 37,126,14	41,693.30 39,994,53			(130,27)		42,192.81	-417.43	15.24	41,790.62	41,740.21	177.18	0.00
FNMA	1998 A/B RMRB	5.49	04/27/08	03/01/36	26,221,29	25.840.73			(112.05) (87.92)		37,370.54 26,255.59	-367.17 -125.88	10.69 3.66	37,014.06 26,133.37	37,040.98 25,907.64	(2,841.47)	0.00
FNMA	1998 A/B RMRB	5.49	04/27/06	10/01/35	8,738.18	8,615.57			(27.60)		8,751.31	-123.00 -41.89	1.16	20,133.37 8,710.58	25,907.64 8,638.20	154.83 50.29	0.00 0.00
	1998 A/B RMRB Total			-	62,699,801.63	61,611,923.64	2,989,346.12	(33,887.37)	(1,685,632.27)	0.00				63,949,628.11	63,616,005.14	754,255.02	0.00
Repe Agmt	2000 BCDE RMRB	5.29	11/30/08	12/01/06	183,926.26	183,926.26	2,451.35				186,377.61	0.08	0.00	186,377.61	186,377,61	-	0,00
Repo Agmt Repo Agmt	2000 BCDE RMRB 2000 BCDE RMRB	5.29 5.29	11/30/08 11/30/08	12/01/06 12/01/06	587,264.64	587,264.64	7,826.91	1045 4			595,091.55	0.00	0.00	595,091,55	595,091.55	-	0.00
Inv Agmt	2000 BCDE RMRB	5.29 5.22	10/26/00	12/31/32	49,985.96 2,795,799.08	49,985.98 2,795,799.08	3,242,452.36	(215.41)			49,770.57 6,038,251,44	0.00 0.00	0.00 0.00	49,770.57 6,038,251.44	49,770.57	-	0.00
Repa Agmt	2000 BCDE RMRB				46.50	46.50		(46.50)			P#.1 E3,0co,o	0.00	บ,บบ	0,036,231.44	6,038,251.44		0.00 0.00
Repo Agmt GNMA	2000 BCDE RMRB 2000 BCDE RMRB	5.29	11/30/06	12/01/06	1,228,19	1,228.19	0.00				1,228.19	0.80	0.00	1,228,19	1,228.19	-	0.00
GNMA	2000 BCDE RMRB	6.10 6.10	02/22/01 02/14/01	02/20/31 02/20/31	1,126,061.06 227,880.89	1,135,947.94 229,881.09			(65,496.48) (1,239.49)		1,064,648.58	-11,887.44	7,803.44	1,060,564.58	1,077,073,06	6,621.60	0.00
	•				22.,252.55	6.2.0 ₁ 0.00 t .000			(up.sca,t)		227,513.79	-3,860.95	2,988.66	226,641.50	230,168,86	1,527.26	0,00

GNMA	2000 BCDE RMRB	8.10	02/14/01	01/20/31	118,332.78	119,371,15	(491.03)	118,294.94	-608.10	154 91	117,841.75	119,675.44	795.32	0.00
GNMA	2000 BCDE RMRB	6.10	03/07/01	02/20/31	245,669,82	247,827.82	(1,010.62)	245,602.56	-3.845.65	2,902.29	244,659.20	248,468.75	1,851,55	0.00 0.00
GNMA	2000 BCDE RMRB	6.10	03/07/01	02/20/31	1,303,871,77	1,315,325,12	(9,805,42)	1,300,059.88	-12,475.48					
GNMA	2000 BCOF RMRB	8.10	03/07/01	02/20/31	96,398.66	97,245,44	(430,45)	95,33B.25	-12,475.46	7,481.93 264.84	1,295,086.35	1,315,231.61	8,711.91	0.00
GNMA	2000 BCDE RMRB	6.10	03/15/01	03/20/31	358,650.18	361.802.77	(1,660.08)	358,368,39	-3,291,17		95,968.21	97,462.52	647.53	0.00
GNMA	2000 BCDE RMRB	6.10	03/15/01	03/20/31	798,193.12	805,209.35	(3,745.60)			1,912.88	358,990.10	362,550.54	2,407.85	0.00
GNMA	2000 BCDE RMRB	6.10	03/29/01	03/20/31	72,505.31	73,143.02		797,514.77	-12,713.12	9,645.87	794,447.52	806,821.75	5,358.00	0.00
GNMA	2000 BCDE RMRB	6.10	03/29/01	03/20/31	324,084.07	326,934,50	(343.82)	72,440.46	-828.09	549.12	72,161.49	73,285.84	486.64	0.00
GNMA	2000 BCDE RMRB	6.1D	04/16/01	03/20/31	183,218.21		(65,292,90)	259,791.63	-3,578.81	2,576.35	258,791.17	262,823,43	1,181.63	0.00
GNMA	2000 BCDE RMRB	6.10	04/16/01			184,830.80	(771.57)	183,153.07	-3,200.07	2,493.54	182,448.64	185,290.49	1,231.26	0.00
GNMA				04/20/31	761,631.51	768,336,44	(4,242.45)	760,323.92	-13,276.09	10,341,23	757,389.06	769,196.94	5,102.95	0.00
	2000 BCDE RMRB	6.10	04/30/01	04/20/31	553,911,00	558,790.04	(77,134.39)	478,626.51	-4,555.88	2,705.96	476,778.61	484,212.04	2,556.39	0.00
GNMA	2000 BCDE RMRB	8.10	04/30/01	04/20/31	975,318.74	983,907.73	(4,257.27)	974,827.18	-8,114.91	4,347.20	971,059.47	986,203.44	6,552.98	0.00
GNMA	2000 BCDE RMRB	6.10	04/30/01	04/20/31	96,949.22	97,803.20	(394.69)	96,929.17	-2,373.16	1,998.52	96,554,53	98,060.34	651.83	0.00
GNMA	2000 BCDE RMRB	6.10	05/10/01	05/20/31	172,405,74	173,925.41	(757.45)	172,315.33	-3,735.67	3,068.63	171,648,29	174,328.24	1,158.28	0,00
GNMA	2000 BCDE RMRB	6.10	05/10/01	05/20/31	453,869,24	457,869.88	(2,037.26)	453,587.82	-6,189,06	4,432.22	451,831.9B	458,B81.21	3,048.59	0.00
GNMA	2000 BCDE RMRB	6.10	05/22/01	04/20/31	113,841.86	114,845.55	(948.71)	113,633.26	-2,251.35	1,811.24	113,193.15	114,959,36	762.52	0.00
GNMA	2000 BCDE RMRB	6.10	05/22/01	04/20/31	1,261,396.94	1,272,518.03	(8,146,50)	1,260,130.93	-9,189.27	4,308,78	1,255,250.44	1,274,835.66	8,465.13	0.00
GNMA	2000 BCDE RMRB	6,10	05/22/Dt	05/20/31	115,964,91	116,987.56	(479.34)	115,934.82	-1,605,57	1,159.32	115,485.57	117,287.78	779,56	0.00
GNMA	2000 BCDE RMRB	6.10	05/30/01	05/20/31	90,283.00	91,079.43	(375.17)	90,257.85	-3,429.36	3,079.34	89,907.83	91,311.16	606.90	0.00
GNMA	2000 ECDE RMRB	6.10	05/30/01	05/20/31	432,297.99	436,111.54	(57,194.74)	376,563.57	-7,821.34	6,381.02	375,103,25	380,958.06	2,041.25	0.00
GNMA	2000 BCDE RMRB	6.10	05/30/01	05/20/31	48,354.21	48,780.77	(215.84)	48,325.78	-1,394.53	1,207.12	48,138.37	48,889.74	324.81	0.00
GNMA	2000 BCDE RMRB	B.10	06/18/01	05/20/31	203,834.29	205,633.83	(2,990.28)	201,627.34	-B,554,60	5,771.27	200,844.01	203,980.30	1,338,75	0.00
GNMA	2000 BCDE RMRB	6.10	06/18/01	05/20/31	1,401,444.85	1,413,817.73	(89,386.03)	1,318,179.95	-14,238.31	9,117.18	1,313,058.82	1,333,563,12	8,131.42	0.00
GNMA	2000 BCDE RMR8	6.10	06/18/01	05/20/31	43,564.83	43,949.46	(189.01)	43,545.00	-2,339.96	2,170.78	43,375.82	44,053.17	292.72	0.00
GNMA	2000 BCDE RMRB	5.10	08/29/01	06/20/31	249,082.18	252,089.84	(1,146.93)	249,706.86	-3,252.13	2,280,52	248,735.25	252,620.95	1,578.04	0.00
GNMA	2000 BCDE RMRB	6.10	08/29/01	06/20/31	1,190,812.27	1,201,332.76	(5,794.03)	1,189,847.16	-12,121.73	7,492.81	1,185,018.24	1,203,530.34	7,991,61	0.00
GNMA	2000 BCDE RMRB	6.10	06/29/01	06/20/31	265,959,84	268,309.53	(1,411,47)	265,581,75	-2,815.07	1,781.69	264,548.37	268 681 10	1,783.04	0.00
GNMA	2000 BCDE RMRB	6.10	07/25/01	08/20/31	428,960,55	432,754.67	(121,959.16)	305,203.39	-4,023.58	2,821.50	307,001,39	311 800 15	1,004.64	0.00
GNMA	2000 BCDE RMRB	6.10	07/25/01	07/20/31	678,691.67	684,695.98	(3,253.43)		-13,4BB.00	10,841.43	675,438.24	685,998.06	4,555.51	0.00
GNMA	2000 ECDE RMRB	6.18	07/25/01	06/20/31	145,041.23	146,324,10	(2,897.70)	142,700.07	-1.904.11	1,347.57	142,143.53	144,385.38	938.98	0.00
GNMA	2000 BCDE RMRB	6.10	08/08/01	07/20/31	229,611.83	231,644.34	(1,667.31)	228,838.83	-3,235,42	2,341.11	227 944.52	231,509,38	1,532.35	0.00
GNMA	2000 BCDE RMRB	6.10	08/08/01	08/20/31	1,255,367,83	1,256,482.84	(129,048.50)	1,130,740.53	-15,083.81	10,662.61	1,126,319,33	1,143,936.30	6,501.96	0.00
GNMA	2000 BCDE RMRB	6,10	08/08/01	07/20/31	226,946.77	228,955.09	(1,583.13)	226,267.90	-2,448,15	1,563.89	225.383.64	228,908.45	1,515.89	0.00
GNMA	2000 BCDE RMRB	6.10	08/31/01	08/20/31	331,017.09	333,950.93	(1,835.48)	330,476.42	-4,843.21	3,648,40	329,181.61	334,333.09	2,217.64	0.00
GNMA	2000 BCDE RMRB	6.10	08/31/01	08/20/31	982,394.18	991,101.22	(95,332.15)		-11,431,79	7,942.61	887,082.03	900,943,94	5,174.87	0.00
GNMA	2000 BCDE RMRB	6.10	08/31/01	08/20/31	230,298.21	232,337.35	(1,145.91)	230,051,65	-2.286.69	1.385.34	229,150,30	232,736,35	1,544.91	0.00
FNMA	2000 BCDE RMRB	6.10	02/14/01	02/01/31	295,273.40	297,408.25	(2,565.97)	293,833.40	-2,970.54	1,844.57	292,707.43	297,803.12	2,960.84	0.00
GNMA	2000 BCDE RMRB	6.10	11/29/01	10/20/31	232,297.11	234,364.69	(976.31)	232,239.31	-2,945.02	2,028.51	231,320.00	234,949.55	1,561.17	0.00
GNMA	2000 ECDE RMRB	6.10	11/29/01	10/20/31	272,840.71	275,269.16	(1,470.23)	272,448.02	-2,669,43	1,591.89	271,370,48	275,627,49	1.828.56	0.00
GNMA	2000 ECDE RMRB	6.10	11/29/01	11/20/31	260,885.32	263,207,88	(1,053.66)	260,663.66	-1,754.44	722.20	259,831.64	263,908,16	1,753.96	0.00
GNMA	2000 ECDE RMRB	6.10	09/25/01	08/20/31	325,298.54	328,182.84	(1,321.30)	325,252.51	-2,255.73	978.46	323 975.24	329,048.20	2,186.86	0.00
GNMA	2000 BCDE RMRB	6.10	09/25/01	09/20/31	1,183,788,32	1.194,273.33	(5,353.14)	1,183,063.44	-11,252.52	6,804,26	1,178,415.18	1,195,869.77	7,949.58	0.00
GNMA	2000 BCDE RMRB	6.10	09/25/01	08/20/31	198,612,19	200,374.31	(4,201.60)	195,177.08	-2,738.46	1,971.99	194,410.59	197,454.77	1,282.06	0.00
GNMA	2000 BCDE RMRB	6,10	10/17/01	09/20/31	194,645.53	196,374.42	(21,278.44)	174,052.34	+3,299,76	2,614.51	173,367.09	176 083 51	987.53	0.00
GNMA	2000 BCDE RMRB	6.10	10/17/01	09/20/31	892,277.39	900,202.86	(107,698.77)	787,679.72	-7,713.23	4,512.13	784,578,62	796,871.92	4,367.83	0.00
GNMA	2000 BCDE RMRB	5.10	10/17/01	09/20/31	201,177.39	202,964.32	(978.86)	200,989.83	-2,111.25	1,319.95	200,196.53	203,335.38	1,349.92	0.00
GNMA	2000 BCDE RMRB	6.10	11/15/01	08/20/31	95,151.34	95,997.28	(373.72)	95,153.10	-1,184,96	809.48	94 777.62	95,263.54	639.98	0.00
GNMA	2000 BCDE RMRB	6,10	11/15/01	10/20/31	207.944.31	209,794.08	(837.60)	207,928.03	-1,848,15	1,020.83	207,106.71	210,354,55	1,398.07	0.00
FNMA	2000 BCDE RMRB	6.10	03/15/01	02/01/31	276,326.43	278,327.06	(1,197.52)	276,190.04	-2,380.18	1,319.05	275,128.91	279,921.37	2,791.83	0.00
GNMA	2000 BCDE RMRB	6.10	01/22/02	12/20/31	204,763.50	206,590.99	(991.58)	204,585.97	-2,689.54	1,874,49	203,771.92	208.973.49	1,374.08	0.00
FNMA	2000 BCDE RMRB	6.10	05/10/01	04/01/31	373,479.28	376.192.38	(1,798.11)	373,126.05	-2,110.47	667.59	371,683.17	378,186.9B	3,770.71	0.00
GNMA	2000 BCDE RMRB	6.10	02/25/02	02/20/32	390,395.28	393.674.15	(2.512.95)	389,438,53	-3.871.03	2,114.83	387,882.33	393,846,96	2,685.76	0.00
FNMA	2000 BCDE RMRB	6.10	05/30/01	04/01/31	225,641.13	227,282,10	(1,070.44)	225,444,07	-1,599,83	726.45	224.570.69	228.489.82	2,278.16	0.00
FNMA	2000 BCDE RMRB	6.10	07/12/01	D5/01/31	310,402.51	312,665.24	(1,305.12)	310,305,10	-2,694.50	1,488,79	309,097,39	314,497.32	3,137.20	0.00
GNMA	2000 BCDE RMRB	6.10	05/15/02	05/20/32	525,330.36	529,761.16	(2,800.24)	524,644.97	-4.822.55	2,707.70				
GNMA	2000 BCDE RMRB	5.10	05/24/02	05/20/32	111,938.49	112.861.05	(434.23)	111,953.89	-2,214.24	1.762.61	522,530.12 111.502.26	530,583,93 113,221.21	3,623,01 774,38	0.00 0.00
GNMA	2000 BCDE RMRB	6.10	03/21/02	02/20/32	297,464,00	299,965.08	(4,045.68)	294,598.19	-3,024.42	1,844.55				
GNMA	2000 BCDE RMRB	6.10	04/17/02	04/20/32	264,035.37	268,259,11	(1,014,15)	264,082.31	-2,712,73		293,418.32	297,933.04	2,013.64	0.00
GNMA	2000 BCDE RMRB	6.1D	04/29/02	04/20/32	419,122.99	422,654.59	(69,886.97)	350,668.76	-2,712.73 -4,700.22	1,651.64 3,289.48	263,021.22 349,256.02	267,071,70 354,636,27	1,826.74 1,848.85	0.00 B.00
GNMA	2000 BCDE RMRB	6.10	05/15/02	05/20/32	76,634.39	77,280.73	(286.58)	76,656.84	-4,700.22 -2,976.06	3,289.48 2,667.05	76,347,83	77,524.57	1,848.65 530.40	
GNMA	2000 BCDE RMRB	6.10	05/15/02	02/20/32	44,816.39	45,194,17	(171.27)	44,825.55	-225.97	2,007.05 45.54	44,645.12		310.08	0.00
GNMA	2000 BCDE RMRB	6.10	08/29/02	08/20/32	1,182,298,54	1,192,324.31	(87,079.20)					45,332.98		0.00
GNMA	2000 BCDE RMRB	6.10	06/03/02	05/20/32	536,100.02	540,625,46	(2,515.65)	1,099,701.73 535,747.72	-8,507.41 -4,012.42	4,025.02 1,849.07	1,095,219.34 533,584.37	1,112,150.34	6,905,23	0.00
GNMA	2000 BCDE RMRB	6.10	06/10/02	06/20/32	540,311.65	544,875.37	(2,080.35)	540.415.67	-3,795.54			541,812.38	3,702.57	0.00
GNMA	2000 BCDE RMRB	6.10	06/19/02	06/20/32	656,109.39	661,653.23	(2,887.05)	655,876.02	-3,795.54 -4,082.83	1,611.17	538,231.30	546,533,16	3,738.14	0.00
GNMA	2000 BCDE RMRB	6.10	06/25/02	06/20/32	448,276.34	452,064,99	(2,106.06)			1,429.15	653,222.34	863,300.58	4,534.38	0.00
GNMA	2000 BCDE RMRB	6.10	07/05/02	06/20/32	936,116.62	944,032.06	(2,100.00)	447,983.72 905,335.67	-3,565.63	1,752.19	446,170.28	453,054,01	3,095.98	0.00
GNMA	2000 BCDE RMRB	6.10	07/22/02	07/20/32	726.421.0B	732.569.27	(34,448.38) (2,972.01)	905,336.67 726,398.25	-7,704,35 5,303,40	4,035.92	901,666,24	915,585.08	6,001.40	0.00
GNMA	2000 BCDE RMRB	6.10	07/29/02	07/20/32	255,280.73	258,450,61	(2,972.01) (83,540.64)		-5,293.49	2,344.31	723,449.07	734,621.06	5,023.80	0.00
GNMA	2000 BCDE RMRB	6.10	08/01/02	07/20/32	198,387.47	198,050.44		173,444.63	-3,051,34	2,346.80	172,740.09	175,408.03	498.05	0.00
GNMA	2000 BCDE RMRB	6.10	08/12/02	08/20/32	1,487,077,71	1.499.678.92	(764.64)	196,420,69	-2,882.20	2,084.14	195,622.63	198,544.18	1,358.58	0.00
GNMA	2000 BCDE RMRB	6.10	08/23/02	08/20/32	1,256,234,77	1,266,884,97	(80,061.45)		-10,781.81	5,031.85	1,407,016.26	1,428,758.71	9,141.24	0.00
GNMA	2000 BCDE RMRB	6.10	11/12/02	10/20/32	485,920.31	489,886,38	(5,564.53)		-10,459.73	5,343.65	1,250,670.24	1,270,001.81	8,661.37	0.00
GNMA	2000 BCDE RMRB	6.10	09/12/02	08/20/32	902,939.03	910.601.34	(2,085.36)	465,748.25	-3,765.02	1,851.72	463,834,95	471,020.55	3,219.53	0.00
GNMA	2000 BCDE RMRB	6.10	09/19/02	09/20/32	404,116.96	407.547.95	(3,965.78)	902,657,00	-5,909.53	2,225.78	898,973.25	912,875.07	6,239.51	0.00
GNMA	2000 BCDE RMRB	6.10	09/26/02	09/20/32	1,376,434,48	,	(110,851.07)	294,469.10	-4,921.95	3,718.74	293,265.89	297,802.51	1,105.63	0.00
GNMA	2000 BCDE RMRB	6.10	10/10/02	10/20/32	1,144,139,13	1,388,124,69 1,153,864,50	(5,392.51)		-10,003.02	4,379.29	1,370,041.97	1,391,238.30	9,506.12	0.00
GNMA	2000 BCDE RMRB	6.10	10/21/02	10/20/32	849,888.62	1,353,864.50 857,116.25	(56,214.03)		-10,659.39	6,166.01	1,087,925.10	1,104,784.45	7,113.98	0.00
GNMA	2000 BCDE RMRB	6.10	10/29/02	11/20/32	568,169,76		(3,495.14)	849,677.13	-8,199.24	4,715.59	846,393.48	859,497.74	5,670.63	0.00
FNMA	2000 BCDE RMRB	6.10	08/31/01	06/01/31	596,704.23	570,988.87	(35,780.81)	532,574.64	-5,074,24	2,068.55	530,388.95	536,603.39	3,397.33	0.00
	ESS DODE MIND	5.10	2012 (10)	30/01/31	290,704.23	601,066,72	(2,869.18)	596,169.27	-3,743.21	1,410.99	593,836.05	604,222.55	8,024,01	0.00

GNMA	2000 BCDE RMR8	6.10	11/05/02	10/20/32	472,634.84	476,656.58	(34,439.37)	440,001.68	-3,498.54	1,692.33	438,195,47	444,982.47	2,765,26	0.00
GNMA	2000 BCDE RMRB	6,10	11/19/02	11/20/32	31,056,58	31,321.08	(129,94)	31,054.34	-1,468,67	1,340.97	30,926,64	31,405.88	214.74	0.00
GNMA	2000 BCDE RMRB	6.10	11/26/02	11/20/32	176,573.88	178,078,20	(1,073.76)	176,225,29	-2,590.49	1,865.32	175.500.12	178,220,17	1,215,73	0.00
GNMA	2000 BCDE RMRB	6.10	11/26/02	11/20/32	158,193,41	159,541.13	(1,248.21)	157,593,70	-1,407.21	758.71	156,945.20	159,377.66	1,084.74	0.00
GNMA	2000 BCDE RMRB	6.10	12/12/02	11/20/32	120,520.97	121,548.48	(41,816.39)	79,030.27	-861.38	535.67	78.704.58	79,924,89	192.80	
GNMA	2000 BCDE RMRB	6,10	12/19/02	06/20/32	84,557.86	65,107.86	(250.53)	64,572.99	-328.07	60.41	64,307.33			0.00
GNMA	2000 BCDE RMRB	6,10	12/30/02	09/20/32	88,350.97	87,087.50	(878.15)	85,826,76	-484 68	130.73		65,303.96	446.53	0.00
GNMA	2000 BCDE RMRB	6.10	12/30/02	11/20/32	34,761.40	35,050.01	(134.50)	34,770.30	-176.30		85,472.81	86,798.32	588.98	0.00
GNMA	2000 BCDE RMRB	6.10	01/07/03	12/20/32	125,235.22	126,304,44	(1,471.06)			32.80	34,626.80	35,163.90	240,49	0.00
GNMA	2000 BCDE RMRB	6.10	01/23/03	01/20/33	21,298.75	21,471,34		124,277.68	-659.74	146.22	123,764.16	125,684.50	851.12	0.00
GNMA	2000 BCDE RMRB	6,10	01/23/03	01/20/33	334,668.50		(857.34)	20,727.23	-701.0 6	615.24	20,641.41	26,948.60	134.60	0.00
GNMA	2000 BCDE RMRB	6.10	02/12/03	02/20/33		337,400.44	(1,407.36)	334,666.66	-2,440.36	1,054.84	333,281,14	338,240.90	2,247.52	0.00
FNMA	2000 BCDE RMRB				178,043.91	179,488.38	(1,138,00)	177,644.96	-1,204.71	467.66	176,907.91	179,542.21	1,189,83	0.00
GNMA	. 2000 BCDE RMRB	6.10 6.10	10/17/01 02/20/03	09/01/31 02/20/33	336,332.01 259,056.37	339,150.25	(2,993.38)	334,855.84	2,262.12	944.91	333,338.63	339,414.65	3,257.78	0.00
GNMA	2000 BCDE RMRB					261,158.88	(1,005.84)	259,126.43	-2,516.02	1,441.02	258,050,53	261,893.90	1,740.68	0.00
GNMA	2000 BCDE RMRB	6.10 6.10	02/27/03	02/20/33	103,487,53	104,327.65	(360.82)	103,556.99	-515.45	85,17	103,126.71	104,562.98	696,15	0.00
			03/24/03	03/20/33	191,133.16	192,686.92	(692.08)	191,237.78	-1,200.49	403.79	190,441.08	193,280.20	1,285.36	0.00
GNMA GNMA	2000 BCDE RMRB	6.10	04/02/03	03/20/33	149,994.39	151,214.33	(523.31)	150,096.84	-746.55	120.79	149,471,08	151,699.87	1,008.65	0.00
GNMA	2000 BCDE RMRB	5.10	04/10/03	04/20/33	40,180.20	40,507.16	(149.52)	40,198.37	-435.06	267.27	40,030.58	40,627.69	270.15	0.00
	2000 BCDE RMRB	6,10	04/17/03	04/20/33	145,197,09	149,403.47	(721.46)	148,094.20	-1,001.14	382.55	147,475.61	149,675.85	993.66	0.00
GNMA	2000 BCDE RMRB	6.10	04/24/03	04/20/33	27,346.23	27,568.93	(95.62)	27,384.97	-387,01	252.65	27,250.61	27,657,23	183.92	0.00
GNMA	2000 BCDE RMRB	6.10	04/29/03	04/20/33	336,684.11	339,426.53	(1,178.10)	336,914.66	-2,643.27	1,234.62	335,506.01	340,512.91	2,264,48	0.00
GNMA	2000 BCDE RMRB	6.1D	05/08/03	04/20/33	83,028.15	83,704.70	(308.B1)	89,066,98	-911.56	563.92	82,719.34	83,954.13	558.24	0.60
GNMA	2000 BCDE RMRB	6.10	05/15/03	04/20/33	72,310,14	72,899.58	(247.86)	72,365.28	-358.81	55,81	72,062.28	73,138.14	488.42	0.00
GNMA	2000 BCDE RMRB	6.10	05/22/03	05/20/33	148,062.95	149,270.51	(702.07)	147,981.25	-967,61	347.27	147,360.91	149,561.69	993.25	0.00
GNMA	2000 BCDE RMRB	6.10	05/29/03	04/20/33	61,704.79	62,208.09	(217.39)	81,748.31	-727.B4	468.93	61,487.40	62,405.76	415.06	0.00
GNMA	2000 BCDE RMRB	6.10	08/10/03	05/20/33	135,143.41	136,246.54	(475.63)	135,235.64	-932.42	364.56	134,667.78	136 579.98	909.05	0.00
GNMA	2000 BCDE RMRB	6.10	06/19/03	06/20/33	196,171.42	197,773.69	(862.14)	196,133.83	-1,626,48	801.93	195,309,28	198,228.54	1.316.99	0.00
GNMA	2000 BCDE RMRB	6,10	06/19/03	06/20/33	60,740.20	61,235.31	(214.22)	60,781.51	-625.74	370.21	60,525,98	61,430.66	408.57	0.00
GNMA	2000 BCDE RMRB	6.10	06/26/03	06/20/33	99,236.92	100,047.76	(336.31)	99,318,45	-785.25	377.41	98,900,61	100,379.17	667.72	0.00
GNMA	2000 BCDE RMRB	6.1D	07/03/03	07/20/33	72,816.19	73 411 44	(255.77)	72,867.27	-591.01	284.16	72,560,42	73,645,49	489.82	0.00
GNMA	2000 BCDE RMRB	6.10	07/10/03	07/20/33	483,632.73	467,567.79	(1,707.24)	483,964.44	-2,918.43	879,48	481,925.49	489,133.19	3,252.64	0.00
GNMA	2000 BCDE RMRB	6.10	07/17/03	07/20/33	239,597,95	241,558.06	(918,74)	239,689.75	-1,448.62	438.08	238,679.21	242,249.64	1,610.32	0.00
GNMA	2000 BCDE RMRB	6,10	07/24/03	07/20/33	49,188,46	49.590.97	(165.28)	49,230,89	-243.48	35.77	49,023.18	49,756.68	330.99	0.00
GNMA	2000 BCDE RMRB	6,10	07/30/03	07/20/33	220,777.61	222 584.87	(769.24)	220,940,97	-2,155.25	1,222.65	220,008.37	223,300.62	1,484.99	0.00
GNMA	2000 BCDE RMRB	6,10	08/07/03	08/20/33	227,829.02	229.694.93	(57,113.39)	171,440.14	-1,128.23	403.72	170,715.63	173,271.12	689.58	0.00
GNMA	2000 BCDE RMRB	5.10	08/14/03	08/20/33	235,991,48	237 924 95	(791.05)	236,199.08	-1,187.36	168.71	235,200.43	238,721.69	1,587.79	0.00
FNMA	2000 BCDE RMRB	6.10	12/27/01	10/01/31	227,521,72	229,197.07	(1,051.73)	227,371.29	-1,630,01	728.71	225,459.99	230,443.07	2 297 73	0.00
GNMA	2000 BCDE RMRB	6,10	08/21/03	08/20/33	209,368,84	211.084.83	(3,809.21)	206,433.05	-1,037.45	154.03	205,559.63	208,637,76	1.362.14	0.00
GNMA	2000 BCDE RMRB	6.10	08/28/03	08/20/33	342,602.39	345,411,08	(1,240.89)	342,812.98	-1,705.78	254,30	341,361.50	348,474.22	2,304,05	0.00
GNMA	2000 BCDE RMRB	6.1D	09/04/03	08/20/33	158,714.77	160.016.40	(092.28)	158,694.73	-1,006.66	334,42				
GNMA	2000 BCDE RMRB	6.10	09/18/03	09/20/33	444,530.63	448.179.41	(57,629.73)	388,549.52	-2,485.72		158,022.49	160,369,59	1.065.47	0.00
GNMA	2000 BCDE RMRB	6.10	09/18/03	08/20/33	81,836.69	82,508.25				837.10	386,900,90	392,699.23	2,149.55	0.00
GNMA	2000 BCDE RMRB	6.10	09/29/03	09/20/33	363,823,81	365.B11.61	(275.00)	81,909.15	-404.44	56.98	81,561.69	82,783.04	550,69	0.00
GNMA	2000 BCDE RMRB	6.10	10/09/03	09/20/33	289,284.26	291,661.09	(1,237.86)	364,132.79	-2,124.69	577.85	362,585.95	368,021,73	2,447.98	0.00
GNMA	2000 BCDE RMRB	8.10	10/16/03	09/20/33	88,913.85	89,644.67	(52,830,25)	237,463.71	-1,611.53	601.83	238,454,01	239,999.82	1,169.98	00,0
GNMA	2000 BCDE RMRB	5.40	10/23/03	10/20/33	237,121,31	234 141 64	(295.95)	88,995.49	-438,81	60.21	89,617,89	89,946.97	598.26	0.00
GNMA	2000 BCDE RMRB	6.10	10/23/03	10/20/33			(953.37)	237,177.85	-1,797.88	787.97	236,167.94	236,037.02	2,848.75	0.00
GNMA	2000 BCDE RMRB	5.40	10/23/03	10/20/33	244,257.37	246,265,98	(813.99)	244,484.40	-1,208.71	165,69	243,443.38	247,095.49	1,643.50	0.00
GNMA	2000 BCDE RMRB	6.10	10/30/03		152,207.51	150,295.36	(565.63)	152,290.80	-817.14	168,22	151,541.88	151,558,32	1,828.59	0.06
GNMA	2000 BCDE RMRB			08/20/33	58,540.28	59,021.68	(213,12)	58,576.58	-293.33	43.91	58,327.16	59,202.18	393.62	0,00
GNMA	2000 BCDE RMRB	5.40	11/13/03	11/20/33	530,689.69	524,025.75	(2,199.14)	530,755.82	-2,865.20	599.93	528,490,55	528,202.87	6,376.26	0.00
GNMA		6.10	11/13/03	11/20/33	138,300.83	139,439.39	(582.69)	138,308.45	-683,58	93.25	137,71B.14	139,785.58	928.66	0.00
GNMA	2000 BCDE RMRB	5.40	11/20/03	11/20/33	500,848.25	494,560.56	(1,964.17)	501,023.96	-2,487.91	348,03	498,884.08	498,614,04	6,017.65	0.00
GNMA	2000 BCDE RMRB	6.10	11/20/03	10/20/33	47,644.41	48,038.74	(157.22)	47,690.79	-234.93	31.33	47,487.19	48,200.13	320.61	0.00
	2000 BCDE RMRB	5.40	11/26/03	11/20/33	327,108.22	323,002.32	(1,231.41)	327,275.26	-1,625.47	227.02	325,878.81	325,701.05	3,930.14	0,00
GNMA GNMA	2000 BCDE RMRB	5.40	12/04/03	11/20/33	410,186.98	405,039.90	(1,472.84)	410,489.29	-2,038.13	282.96	408,714.12	409,494.96	4,927.90	0.00
	2000 BCDE RMRB	5.40	12/11/03	12/20/33	357,451.04	352,966.70	(1,594.58)	357,386.08	-1,770.79	241.17	355,856,46	355,667,07	4,294.89	0.00
GNMA	2000 BCDE RMRB	5.40	12/18/03	12/20/33	989,429.55	957,270.78	(5,940.48)	967,633.45	-5,298.91	1,154.53	963,409.07	962,979,14	11,848.84	0.00
GNMA	2000 BCDE RMRB	5.40	12/23/03	12/20/33	863,113.00	852,289.39	(3,489.76)	863,322.56	-5,14B.94	1,449.60	859,623,22	859,170.00	10,370.39	0.00
GNMA GNMA	2000 BCDE RMRB 2000 BCDE RMRB	5.40	01/08/04	01/20/34	131,525.27	129,850.52	(509,01)	\$31,5B1.01	-981.32	416.57	131,016.26	130,878.34	1,536,83	0.00
		5.40	01/15/04	01/20/34	1,208,096.01	1,192,715.53	(7,856.56)	1,205,416.72	-6,757.21	1,579,94	1,200,239.45	1,198,979,81	14,120.84	0.00
GNMA GNMA	2000 BCDE RMRB	5.40	01/22/04	01/20/34	290,968.60	286,721.57	(1,071.82)	291,148.14	-1,769.74	518.38	289,896.78	289,051.91	3,402.16	0.00
	2000 BCDE RMRB	5.40	01/29/04	01/20/34	49,998.04	49,361.60	(216.27)	49,995.81	-255.94	40.90	49,781.77	49,729.83	584.30	0.00
GNMA	2000 BCDE RMRB	5.10	02/02/04	12/20/33	44,645.03	45,014,07	(172.64)	44,664.50	-563.73	371.62	44,472.39	45,141,52	300.09	0.00
GNMA	2009 BCDE RMRB	5.75	03/25/04	03/20/34	39,650.04	39,686.07	(134.42)	39,687,27	-194.95	23.30	39,515.62	39,831.76	280.11	0.00
GNMA	2000 BCDE RMRB	5.75	03/30/04	03/20/34	162,876.91	163,025.10	(603.67)	162,978.45	-801,93	96.72	162,273.24	163,571.67	1,150,24	0.00
GNMA	2000 BCDE RMRB	5.75	07/08/04	07/20/34	741,904,31	742,612.25	(2,856,22)	742,292.66	-3,846.79	602.22	739,048.09	744,994.60	5,238.57	0.00
GNMA	2000 BCDE RMRB	5.75	07/08/04	07/20/34	250,954.80	251,194.28	(2,157.37)		-1.25B.4B	156.21	248,797.43	250,799.30	1,762.39	0.00
GNMA	2000 BCDE RMRB	5.75	04/08/04	04/20/34	164,105.99	164,258.17	(571.59)	164,245.92	-1,056.32	344.80	163,534.40	164,843,78	1,159,21	0.00
GNMA	2000 BCDE RMRB	5.75	04/15/04	04/20/34	209,720.73	209,913.27	(1,241.51)		-1,420.73	513.24	208,479.22	210,148.88	1,477.12	0.00
GNMA	2000 BCDE RMRB	5.75	04/22/04	04/20/34	66,160.73	66,221.67	(222.73)	58,225.22	+635.65	348.43	65,938.00	66,468.27		
GNMA	2000 BCDE RMRB	5.75	04/29/04	04/20/34	259,524.70	259,764.27	(1.049.42)		-1,278.05	151.37	258,475.28	260,546,93	467.33 1.832.08	0.00 0.00
GNMA	2000 BCDE RMRB	5.75	05/06/04	05/20/34	188,951.98	189,127.16	(55,684.96)		-1,053.79	472.35	133,267,02			
GNMA	2000 BCDE RMRB	5.75	05/13/04	05/20/34	301,698.35	301,978.98	(1,108.70)		-1,033.70	472.35 476.48	133,267,02 300,589,65	134,335.67 303.000.94	893,47	0.00
GNMA	2000 BCDE RMRB	5.75	05/20/04	05/20/34	553,320.80	553,837,11	(49,784.62)		-1,700.05 -2,975.09	476.48 775.64			2,130.68	0.00
GNMA	2000 BCDE RMRB	5.75	05/27/04	05/20/34	248,960.59	249,193.65	(850.15)		-2,975.09		503,536,18	507,576.50	3,524.01	0.00
GNMA	2000 BCDE RMRB	5.75	06/03/04	08/20/34	404,26B.26	404,646.34	(1,395.48)	404,635.3B	-1,225.72 -2,599.45	141.22	248,110.44	250,102.01	1,758.51	D.00
GNMA	2000 BCDE RMRB	5.75	08/10/04	06/20/34	428,735.51	429,139.46	(20.174.92)	404,035.38 410,349,31		836.85	402,872.78	406,106.25	2,855.39	0.00
GNMA	2000 BCDE RMRB	5.75	06/17/04	08/20/34	126,210,77	128.330.05	(20,174.92) (459,44)		-2,107.22	318,50	408,560.59	411,843.00	2,878,46	0.00
GNMA	2000 BCDE RMRB	5.75	06/24/04	06/20/34	482,990.12	483,448.08			-1,589.51	1,038.67	125,751.33	126,762.00	891.39	0.00
GNMA	2000 BCDE RMRB	5.75	09/02/04	08/20/34	105,767.46	105,870.96	(1,858.89)		-2,377.92	269.06	481,131,23	484,999.DB	3,409.09	0.00
		3.10		30-20-0-1	100,101.70	140,010,00	(356.49)	105,676.30	-517.73	52.40	105,410.97	106,261.70	747.23	0.00

GNMA	2000 BCDE RMRB	5.75	09/09/04	08/20/34	105,348.41	105,451,79			(348.34)	405 150 55						
GNMA	2000 BCDE RMRB	5.75	09/16/04	09/20/34	94,687.31	94.760.62				105,463.80	-515.28	51.55	105,000.07	105,847.68	744.23	B.00
GNMA	2000 ECDE RMRB	5.75	09/23/04	08/20/34	98,431.21	96,526.44			(310.95)	94,773.46	-462.95	45.85	94,356.36	95,118.45	688.78	0.00
GNMA	2000 BCDE RMRB	5.75	89/29/04	09/20/34					(324.37)	96,531.87	-1,057.65	632.62	96,108.84	96,883.26	661.19	0.00
GNMA	2000 BCDE RMRB	5.75			232,093.69	232,323,60			(806.49)	232,310.77	-1,397.66	374.29	231,287.20	233,158.42	1,639.31	0.00
GNMA	2000 BCDE RMRB		10/07/04	10/20/34	143,355.14	143,497.70			(589.06)	143,398.62	-708.56	74.02	142,766.08	143,920,58	1,011.94	0.00
GNMA	2000 BCDE RMRB	5.75	07/15/04	07/20/34	555,311.90	555,843.48			(1,963.01)	555,779.88	-2,960.94	529,95	553,348.69	557,802.93	3,922.48	0.00
GNMA		5.75	07/22/04	07/20/34	609,883.21	610,468.86			(2,895,26)	609,656.42	-3,035.33	367.86	606,987.95	611,875.58	4,301,98	0.00
	2000 BCDE RMRB	5.75	07/29/04	07/20/34	383,127.48	383,496.54			(1,265.40)	383,541.61	-2,237.39	557.86	381,862.08	384,937.71	2,706.57	0.00
GNMA	2000 BCDE RMRB	5.75	08/05/04	08/20/34	434,790.44	435,211.01			(3,477.88)	433,211.33	-2,459.82	551,05	431,312.56	434,788.21	3,055,0B	0.00
GNMA	2000 BCDE RMRB	5.75	08/12/04	08/20/34	659,906.27	680,546.57			(84,095.52)	578,347.39	-3,543.93	1,007.29	575,810,75	580,452.57	4.001.52	0.00
GNMA	2000 BCDE RMRB	5.75	08/19/04	08/20/34	243,605,27	243,480.00			(1,123.84)	243,550.38	-1,367,74	318.79	242,481,43	244,076.45	1,720.30	0.00
GNMA	2000 BCDE RMRB	5,75	08/26/04	08/20/34	76,807.98	78,882.89			(274.48)	76,871.12	-730.82	393.20	76,533.50	77,150,92	542.51	0.00
GNMA	2000 BCDE RMRB	5,75	12/02/04	11/20/34	88.894.47	88,985.06			(301.70)	88,987,34	-436.47	41.90	88,592.77			
GNMA	2000 BCDE RMRB	5.75	12/17/04	12/20/34	191,689.31	191.885.74			(621.81)	191,919.82	-935.01	82.69	191,067,50	89,311.28	627.92	0.00
GNMA	2000 BCDE RMRB	5.75	10/14/04	10/20/34	58,198,89	58,256,93			(189.42)	58,266,61				192,618.43	1,354.50	0.00
GNMA	2000 BCDE RMRB	5.75	10/28/04	10/20/34	117,208.27	117,325.79			, ,		-284.16	27.02	58,009.47	58,478.70	411.19	0.00
GNMA	2000 BCDE RMRB	5.75	11/04/04	10/20/34	62,454.92	62.517.71			(381.08)	117,345.75	-852.27	333,71	118,827.19	117,772.91	628.20	0.00
GNMA	2000 BCDE RMRB	5.75	11/23/04	11/20/34	60,904.73	60,986.52			(207.69)	62,523.51	-305.82	29.34	62,247,03	62,751.08	441.26	0.00
GNMA	2000 BCDE RMRB	5.75	12/23/04	12/20/34	300,190.53				(195.10)	60,978.77	-296.83	26.59	60,708.63	81,200.73	430.31	0.00
GNMA	2000 BCDE RMR8	5,75	02/17/05	02/20/35	52,547.40	300,499.01			(1,070,97)	300,454.48	-1,470.49	135.57	299,119.56	301,548,13	2,120.09	0.00
GNMA	2000 BCDE RMRB	5,75	05/05/05	04/20/35		52,559.92			(167.67)	52,614.82	-255.29	20,20	52,379.73	52,769.51	377.26	0.00
FNMA	2000 BCDE RMRB				139,245.87	139,283.68			(437.68)	139,435.80	-674.67	47.06	138,608,19	139,845.79	999,79	0.00
GNMA	2000 BCDE RMRB	6.10	08/10/02	05/01/32	128,330.28	127,270.10			(599.07)	126,241.10	-895,45	385.58	125,731.21	127,946.62	1,275.59	0.00
		5.75	09/08/05	08/20/35	63,227.21	63,556.72			(193.42)	53,628,79	-631.07	38,07	63,033.79	63,815,87	452.57	0.00
GNMA GNMA	2000 BCDE RMRB	5.75	10/27/05	10/20/35	124,100.05	124,752.31			(376,54)	124,896.92	-601.60	-571.81	123,723.51	125,264.12	688.35	0.00
	2000 BCDE RMRB	5.75	09/29/05	09/20/35	137,814.87	138,535.72			(446.24)	138,667.95	-1,373.28	73.96	137,368.63	139.075.64	986.16	0.00
GNMA	2000 BCDE RMRB	5.75	11/22/05	11/20/35	250,037.87	250,127.79			(752.90)	250,433.97	-1,205,15	56.15	249,284.97	251,170.23	1,795.34	0.00
GNMA	2000 BCDE RMRB	5.75	12/29/05	12/20/35	123,073,20	123,119.45			(367.81)	123,272.94	-591.97	24.42	122,705.39	123,635,36	883.72	0,00
FNMA	2000 BCDE RMRB	6.1D	07/29/02	07/01/32	287,442.53	289,327,55			(2,139,18)	286,466.70	-1,875.15	711,80	285,303.35	290,099,10	2.910.73	0.00
GNMA	2000 BCDE RMRB	5.75	02/02/06	01/20/36	159,352.12	159,403.19			(506.64)	159,582.60	-765.00	27.88	158,845,48	160,039.00	1,142.45	0.00
FNMA	2000 BCDE RMRB	6.10	09/12/02	07/01/32	345,499.82	347,771.52			(1,452.71)	345,455.88	-2,095.67	688.90	344,B47.11	349,838.26	3,517.45	0.00
FNMA	2000 BCDE RMRB	6,10	10/29/02	10/01/32	244,325.50	245,937.64			(67,360.38)	177,893.85	-1,674.56	945.83	176,965.12	179,947.01	1.359.75	0.00
FNMA	2000 BCDE RMRB	6.10	04/10/03	03/01/33	193,927,39	195,049,34			(720,97)	194,015,66	-1,316.84	507,40	193,206.42	196,159.53	1,831.16	0.00
FNMA	2000 BCDE RMRB	6.10	07/03/03	05/01/33	266,767.64	268,320,42			(938.77)	266,951.94	-1,322.30	199.23	265,828,87			
FNMA	2000 BCDE RMRB	6.10	08/14/03	08/01/33	248 433 74	249,885.07			(864.53)		-1,236.23			269,901.76	2,520.11	0.00
FNMA	2000 BCDE RMRB	6.10	09/04/03	08/01/33	204.281.38	205,478,44			(2,705.24)	248,620.13 202,433.65		185.31	247,569.21	251,387.38	2,346.84	0.00
FNMA	2000 BCDE RMRB	6.10	12/04/03	10/01/33	148.850.98	147,715,85			(548.22)		-1,311.43	453.92	201,576.14	204,670,54	1,899.34	0.00
FNMA	2000 BCDE RMRB	5.40	12/11/03	11/01/33	251,560,07	247,428.19			(546.22) {\$,111.14}	148,930.75	-735.74	107.75	146,302.76	148,554.33	1,388.70	0.00
FNMA	2000 BCDE RMRB	5.40	01/29/04	01/01/34	230.418.39	226,636.72				251,524.96	-1,255.42	179.39	250,448.93	249,689.91	3,554.86	0.00
FNMA	2000 BCDE RMRB	5.75	05/13/04	05/01/34	258,B37,13	257,629.55			(1,230.77)	230,169.35	-1,160.82	171.09	229,179.62	228,654,83	3,256.88	0.00
FNMA	2000 BCDE RMRB	5.75	06/10/04	06/01/34	275,287,13				(1,272.56)	258,686,84	-1,289.98	165,71	257,564.57	259,138,97	2,781.98	0.00
FNMA	2000 BCDE RMRB	5.75	07/15/04	07/01/34		274,006.38			(1,624,96)	274,659.14	-1,390.33	193.36	273,462.17	275,137.05	2,955,63	0.00
FNMA	2000 BCDE RMRA	5.75	08/19/04	08/01/34	293 193 03	291,833,35			(1,324,37)	293,150.61	-1,484.22	182.27	291,888.66	293,660.68	3,151.70	0.00
FNMA	2000 BCDE RMRB	5.75	09/23/04		236,904.67	237,800,35			(800.22)	239,153.86	-1,170.07	120.68	238,104.45	239,569.99	2,569.86	0.00
FNMA	2000 BCDE RMRB	5.75		08/01/34	74,232.04	73,889.96			(260.B3)	74,298.28	-365.11	38.D4	73,971.21	74,427.57	798.44	0.00
FNMA	2000 BCDE RMRB		11/10/04	10/01/34	46,194.89	45,982.98			(151,74)	48,247.76	-225.70	21.09	46,043,15	46,326.23	496.99	0.00
FNMA	2000 BCDE RMRB	5.75	02/03/05	02/01/35	233,064.63	231,783.06			(746.03)	233,379.95	-1,133.01	91.66	232,335,60	233 566 65	2,529.62	0.00
FNMA		5.75	06/26/05	04/01/35	63,758.25	63,406.11			(198.92)	53,849.06	-308.84	20.11	63,559.33	63,899.15	691,96	0.00
FNMA	2000 BCDE RMRB	5.75	10/27/05	10/01/35	265,689.74	264,236.63			(840.57)	266,066,96	-1,285.68	67.89	264,849.17	266,279,81	2.883.75	0.00
	2000 BCDE RMRB	5.75	01/12/06	12/01/35	218,222.07	217,035.76			(676.53)	218,553.07	-1,048.09	41.46	217,545.54	218,727.92	2,355.69	0.00
Repo Agmi	2000 BCDE RMR8	5.29	11/30/06	12/01/06	371,191.73	371,191.73	0.00			371,191.73	0.00	0.00	371,191.73	371,191.73	.,	0.00
Repo Agmt	2000 BCDE RMRB	5,29	11/30/06	12/01/06	89,989,88	89,389,86		(88,275.79)		1,114.07	0.00	0.00	1,114.07	1,114.07	_	0.00
GNMA	2000 BCDE RMRB	5.40	10/30/03	10/20/33	19,717.43	19,469.74		·	(79.27)	19,722.20	0.00	-84,04	19 638.16	19,627.35	236.88	0.00
GNMA	2000 BCDE RMRB	5.40	10/20/03	10/20/33	12,656.69	12,497.61			(47.02)	12,663.58	0.00	-53.91	12,609.67	12,502.63	152.04	0.00
GNMA	2000 BCDE RMRB	5.40	11/19/03	10/20/33	44,128.75	43,574.69			(182.86)	44,134.30	0.00	-188.41	43,945.89	43,922.03	530.20	0.00
GNMA	2000 BCDE RMRB	5.40	11/20/03	11/20/33	41,647.38	41,124.55			(163.32)	41,662.00	-205.88	28.94	41,484.06	41,461,61	500.38	0.00
GNMA	2000 BCDE RMRB	5.40	11/26/03	11/20/33	27,200.23	26,658,64			(102.41)	27,214.11	-135.16	18.87	27.097.B2	27.083.25	326.62	0.00
GNMA	2000 BCDE RMRB	5.40	12/04/03	11/20/33	34,108,55	33,660.57			(122.47)	34,132,03	-169 48	23.53	33,986.08	33,967,57		
GNMA	2000 BCDE RMRB	5.40	12/11/03	12/20/33	29,723.37	29.350.49			(132.59)	29,717.98	-147.25	20.05	29,590.78	29,575.03	409,77	0.00
GNMA	2000 BCDE RMRB	5.40	12/18/03	12/20/33	80,011.64	79,600.62			(493.97)	80,462.29	-440.62	96.00			357.13	0.00
GNMA	2000 ECDE RMRB	5.40	12/23/03	12/20/33	71,771,04	70.871.03			(290.16)	71.788.48	-440.02 -428.15	120.53	80,117.67	80,075,29	988.64	0.00
GNMA	2000 BCDE RMRB	5.40	01/01/04	01/20/34	10,936,61	10,797.56			(42.34)	10,941.41	-420.15 -81.60	34.66	71,480.86 10.894.47	71,443.17	862.32	0.00
GNMA	2000 BCDE RMRB	5.40	01/15/04	01/20/34	100,457.65	99,178.72			(853.30)					10,093.02	127.80	0.00
GNMA	2000 BCDE RMRB	5.40	01/22/04	01/20/34	24,195.13	23.641.96			(89.12)	100,234.85 24,210,07	-561.89 -147.16	131.38	99,804.35	99,699.62	1,174.20	0.00
GNMA	2000 BCDE RMRB	5.48	01/29/04	01/20/34	4,157.51	4,104.62			(17.97)			43.10	24,106.01	24,035.74	282,90	0.00
GNMA	2000 BCDE RMRB	5.75	03/25/04	03/20/34	1.534.54	1,535.93				4,157.43	-21.28	3,39	4,139.54	4,135.22	48.57	0.00
GNMA	2000 BCDE RMRB	5.75	03/30/04	03/20/34	6,303,66	6,309,41			(5.20)	1,535.99	-7.54	0.69	1,529.34	1,541,57	10.B4	0.00
GNMA	2000 BCDE RMRB	5.75	07/08/04	07/20/34	28,713.23	28,740.61			(23.36)	6,307.60	-31.04	3.74	6,280.30	6,330.56	44.51	0.00
GNMA	2000 BCDE RMRB	5.75	07/08/04	07/20/34	9,712.46	9.721.73			(110.54)	28,728.27	-148.8B	23.30	28,602,69	28,832,81	202.74	0.00
GNMA	2000 BCDE RMRB	4.75	04/08/04	04/20/34	6,351,24				(83.50)	9,671.24	·4B.71	6.43	9,528.96	9,706.45	68.22	0.00
GNMA	2000 BCDE RMRB	5.75	04/15/04	04/20/34	8,116.60	6,357.05 8 124 07			(22.12)	6,356.66	-40.88	13.34	6,329.12	6,379.70	44.80	0.00
GNMA	2000 BCDE RMRH	5.75	04/22/04	04/20/34		8,124.07			(48.06)	8,103.67	-54.99	19.86	8,088.54	8,133,19	57.18	0.00
GNMA	2000 BCDE RMRB	5.75	D4/22/04 D4/29/04	04/20/34	2,560.55	2,562.91			(8.63)	2,563.D4	+24.60	13.48	2,551.92	2,572.38	18.10	0.00
GNMA	2000 BCDE RMRB	5.75	05/06/04	04/20/34	10,044,16	10,053,41			(40.61)	10,047.16	-49.46	5.85	10,003.55	10,083.70	70,90	0.00
GNMA	2000 BCDE RMRB				7,312.81	7,319.61			(2,155.13)	5,180.19	-40.78	18.27	5,157.68	5,199.07	34.59	0.00
GNMA	2000 BCDE RMRB	5.75	05/13/04	05/20/34	11,676.32	11,687.20			(42.91)	11,684.21	-69.23	18.43	11,633.41	11,728.76	82.47	0.00
GNMA	2000 BCDE RMRB	5.75	05/20/04	05/20/34	21,414.64	21,434.62			(1,926.77)	19,573,00	-115.14	30.01	19,487.87	19,644,24	135.39	0.00
GNMA		5.75	05/27/04	05/20/34	9,635.31	9,644,30			(32.91)	9,644.38	-47.44	5.46	9.502.40	9,679.46	68.07	0.00
GNMA	2000 BCDE RMRB	5.75	06/03/04	06/20/34	15,646,00	15,660,72			(54.01)	15,660.21	-100.60	32.38	15.591.99	15,717.22	110.51	0.80
GNMA GNMA	2000 BCDE RMRB	5.75	06/10/04	06/20/34	16,592,94	16,608.57			(780.81)	15,881.36	-81.55	12.32	15,812,13	15,939,16	111.31 111.4B	0.00
	2000 BCDE RMRB	5,75	06/17/04	08/20/34	4,884.83	4,889.23			(17.78)	4,886.18	-61.52	40.19	4.865.85	4,905.95	34.50	0.00
GNMA GNMA	2000 BCDE RMRB	5.75	08/24/04	06/20/34	15,692.71	18,710.43			(71.94)	18,702.39	-92.03	10 41	18.620.77	18,770.46	131.97	0.00
SIMMA	2000 BCDE RMRB	5.75	09/02/04	08/20/34	4,093.42	4,097,42			(13.79)	4.097.64	-20.04	2.03	4,079.63	4,112.54	28.91	0.00 0.00
										.,			.,	7,112,29	EV.01	u.00

GNMA	2009 BCDE RMRB	5,75	09/09/04	08/20/34	4,077.19	4,081.20		(13.47)	4,081,67	-19.94	1.99	1 607 75	1 005 FB		
GNMA	2000 BCDE RMRB	5.75	09/16/04	09/20/34	3,663,83	3,667.43		(12.04)	3,867,94	-17.92	1.77	4,063.72 3,651.79	4,096.52 3.681.28	28.79 25.69	0.00 00:0
GNMA	2000 BCDE RMRB	5.75	09/23/04	0B/20/34	3,732.09	3,735.77		(12.55)	3,735,99	-40.93	24.45	3,719.54	3,749.58	25.69	0.00
GNMA	2000 BCDE RMRB	5.75	09/29/04	09/20/34	8,982.51	8,991.40		(31,22)	8,990.01	-54.10	14.48	8,951.29	9,023.63	63.45	0.00
GNMA	2000 BCDE RMRB	5.75	10/07/04	10/20/34	5,548.13	5,553.66		(22.81)	5,549.81	-27.35	2.86	5,525.32	5,570,02	39.17	0.00
GNMA	2000 BCDE RMRB	5,75	07/15/04	07/20/34	21,491.69	21,512.27		(75.97)	21,509,81	-114.59	20,50	21,415.72	21,588.11	151.61	0.00
GNMA	2000 BCDE RMRB	5.75	07/22/64	07/20/34	23,603.72	23,626.39		(112.06)	23,594.94	-117.51	14.23	23,491,66	23.680.63	166.50	0.00
GNMA	2000 BCDE RMRB	5.75	07/29/04	07/20/34	14,627.83	14,642.10		(48.98)	14,843.86	-85,59	21.5B	14,778,85	14,697.67	104.75	0.00
GNMA GNMA	2000 BCDE RMRB	5.75	08/05/04	08/20/34	16,027.27	16,843.55		(134.60)	16,766.16	-95.20	21.71	16,692.67	18,827,19	118.24	0.00
	2000 BCDE RMRB	5.75	9B/12/04	08/20/34	25,539.72	25,584.50		(3,254.67)	22,383.23	+137.16	38.98	22,285.05	22,464.70	154.87	0.00
GNMA	2000 BCDE RMRB	5.75	08/19/04	08/20/34	9,428,02	9,423.17		(43.49)	9,425.91	-53.71	12.33	9,384.53	9,446,26	66.58	0.00
GNMA GNMA	2000 BCDE RMRB	5,75	08/26/04	08/20/34	2,972.61	2,975.53		(10.52)	2,975.08	-28.28	15.21	2,961,99	2,985.90	20.99	0.00
GNMA	2000 BCDE RMRB 2000 BCDE RMRB	5.75 5.75	12/02/04 12/17/04	11/20/34	3,440.43	3,443.90		(11.69)	3,444.02	-16,89	1.61	3,428.74	3,458.52	24.31	0.00
GNMA	2000 BCDE RMRB	5.75	10/14/04	12/20/34 10/20/34	7,418,78 2,252,40	7,426.37		(24.06)	7,427.71	-36.19	3,20	7,394.72	7,454.73	52.42	0.00
GNMA	2000 BCDE RMRB	5.75	10/14/04	10/20/34		2,254.66		(7.33)	2,255.03	-11.0D	1.04	2,245.07	2,263.24	15.91	0.00
GNMA	2000 BCDE RMRB	5.75	11/04/04	10/20/34	4,536.23	4,540.75		(14.74)	4,541.58	•32.DB	12.91	4,521.49	4,558.05	32.04	0.00
GNMA	2000 BCDE RMRB	5.75	11/23/04	11/20/34	2,417.11 2,357.13	2,419.56 2,359.53		(8.05)	2,419.77	-11.84	1.13	2,409.06	2,428.59	17.08	0.00
GNMA	2000 BCDE RMRB	5.75	12/23/04	12/20/34	11,617.9B	11,629.92		(7.59) (41.45)	2,360.00	-13.49	1.03	2,349.54	2,368.59	16.65	0,00
GNMA	2000 BCDE RMRB	5.75	02/17/05	02/20/35	2,033.69	2,034.18		(6.49)	11,625.20 2,036.30	-56.91 -9.88	5.24 0.78	11,576,53	11,670.53	82,06	0.00
GNMA	2000 BCDE RMRB	5.75	05/05/05	04/20/35	5,389,13	5.390.56		(16.93)	5,396.49	-26.11	1.82	2,027.20 5,372.20	2,042.29 5,412.32	14.60 38.69	0.00
GNMA	2000 BCDE RMRB	5.75	09/08/05	08/20/35	2,447.03	2,459.77		(7.48)	2,462.58	-24.42	1.39	2,439.55	2,469.80	38.69 17.51	0.00
GNMA	2000 BCDE RMRB	5,75	10/27/05	10/20/35	4,826,49	4.828.17		(14,85)	4,833.77	-23,28	1,15	4,811.64	4,847.97	34.65	0.00
GNMA	2000 BCDE RMRB	5.75	09/29/05	09/20/35	5,333.72	5,361.62		(17.27)	5,366.74	-53.15	2,86	5,315.45	5,382.51	36.16	0.00
GNMA	2000 BCDE RMRB	5.75	11/22/05	11/20/35	9,676 97	9,580.46		(29.14)	9.692.30	-46.04	2.17	9,647.83	9,720.00	69.48	0.00
GNMA	2000 BCDE RMRB	5.75	12/29/05	12/20/35	4,763.18	4,764.97		(14.24)	4,770.91	-22.91	0.94	4.748.94	4.784.94	34.21	D.00
GNMA	2000 BCDE RMR8	5.75	02/02/06	01/20/35	6,167.24	6,169.22		(19.61)	6,176.16	-29.61	1.08	6,147.63	6,193.83	44.22	9.00
FNMA	2000 BCDE RMRB	5.40	12/11/03	11/01/33	20,918.14	20,574.41		(92.40)	20,915.22	-104.39	14.91	20,825.74	20,777.61	295.60	0.00
FNMA	2000 BCDE RMRB	5.40	01/29/04	01/01/34	19,160,13	18,845.68		(103.01)	19,139.42	-95.53	14.23	19,057.12	19,013,49	270.82	0.00
FNMA	2000 BCDE RMRB	5.75	05/13/04	05/01/34	10,017.53	9,970,79		(49.25)	10,611.80	-49.92	6.40	9,968,28	10,029.21	107.67	0.00
FNMA	2000 BCDE RMRB	5.75	06/10/04	06/01/34	10,654.17	10,604.61		(70.63)	10,629.87	-53.01	7.48	10.583.54	10.648.37	114 39	0.00
FNMA	2000 BCDE RMRB	5.75	07/15/04	07/01/34	11,347.15	11,294.55		(51.26)	11,345.51	-56.67	7.05	11,295.89	11.365.27	121.98	0.00
FNMA	2000 BCDE RMRB	5.75	08/19/04	08/01/34	9,246.08	9,203.36		(30.97)	9,255.73	-45.28	4.66	9,215.11	9.271.84	99.45	0.00
FNMA	2000 BCDE RMRB	5.75	09/23/04	08/01/34	2,872.94	2,859.70		(10.09)	2,875.51	+14.13	1.47	2,862,85	2,880.50	30.89	0.00
FNMA FNMA	2000 BCDE RMRB	5.75	11/10/04	10/01/34	1,767.83	1,779.63		(5.87)	1,789.88	-8.73	0.81	1,781.96	1,792,99	19.23	0.00
FNMA	2000 BCDE RMRB 2000 BCDE RMRB	5.75	02/03/05	02/01/35	9,020.84	8,970.48		(25.87)	9,032.28	-43.85	3,54	8,991.97	9,039.51	97.90	0.00
FNMA		5,75	05/26/05	04/01/35	2,467.61	2,453.94		(7.70)	2,471.06	-11.95	0.80	2,459,91	2,473.02	26.78	0.00
FNMA	2000 ECDE RMRB 2000 ECDE RMRB	5.75	10/27/05	10/01/35	10,282.73	10,226.50		(32.54)	10,297.33	-49.76	2.62	10,250.19	10,305.57	111.61	0.00
LIMM	2000 BCDE RMRB Total	5.75	01/12/06	12/01/35	0,445.64	8,399.73		(26.19)	8,458.45	-40.60	1.60	8,419.45	8,465.22	91.68	0.00
					74,662,979.54	75,001,119.41	3,252,730.62	(85,537.70) (2,174,938,84)	0.00			75,652,233.62	78,505,545.22	515,171.73	0,00
Repo Apmi		6.20	11/38/08	47/04/06				(86,537.70) (2,174,938.84)						515,171.73	
Repo Agmt Repo Agmt	2001 A-E RMRB	5.29 5.29	11/30/08	12/01/06	4,600,73	4,600.73	61.37	(85,537.70) (2,174,938.84)	4,662.10	0.00	0.00	4,662.10	4,682.10	515,171.73	0.00
Repo Agmi	2001 A-E RMRB 2001 A-E RMRB	5.29	11/30/06	12/01/08	4,600.73 83,659.36	4,600.73 83,659.36	61.37 1,115.01	(86,537.70) (2,174,938,84)	4,862.10 84,774.37	0.00	0.00	4,662.10 84,774.37	4,682.10 84,774.37	515,171.73	0.00
Repo Agmt Repo Agmt	2001 A-E RMRB 2001 A-E RMRB 2001 A-E RMRB	5.29 5.29	11/30/06 11/30/06	12/01/06 12/01/06	4,600.73 83,659.36 3,206.62	4,600.73 83,659.36 3,206.62	61.37 1,115.01 42.82	(85,537.70) (2,174,838.84)	4,662.10 84,774.37 3,249.44	0.00 0.00	0.00 0.00	4,662.10 84,774,37 3,249,44	4,682.10 84,774.37 3,249.44	515,171.73	0.00 0.00 0.00
Repo Agmi Repo Agmi Repo Agmi	2001 A-E RMRB 2001 A-E RMRB 2001 A-E RMRB 2001 A-E RMRB	5.29 5.29 5,29	11/30/06 11/30/06 11/30/06	12/01/06 12/01/06 12/01/06	4,600,73 83,659,36 3,206,62 12,490,31	4,600.73 83,659.36 3,206.62 12,490.31	61.37 1,115.01 42.82 489.55	(85,537.70) (2,174,838.84)	4,662.10 84,774.37 3,249.44 12,979.68	0.00 0.00 0.00	0.80 0.00 0.00	4,662.10 84,774,37 3,249.44 12,979.85	4,682.10 84,774.37 3,249.44 12,979.66	515,171.73	0.00 0.00 0.00 0.00
Repo Agmi Repo Agmi Repo Agmi Repo Agmi	2001 A-E RMRB 2001 A-E RMRB 2001 A-E RMRB 2001 A-E RMRB 2001 A-E RMRB	5.29 5.29	11/30/06 11/30/06	12/01/06 12/01/06	4,600.73 83,659.36 3,206.62 12,490.31 0.10	4,800.73 83,659.36 3,206.62 12,490.31 0.10	61.37 1,115.01 42.82		4,662.10 84,774.37 3,249.44	0.00 0.00	0.00 0.00	4,662.10 84,774,37 3,249,44	4,682.10 84,774.37 3,249.44	515,171.73	0.00 0.00 0.00 0.00 0.00
Repo Agmi Repo Agmi Repo Agmi	2001 A-E RMRB 2001 A-E RMRB 2001 A-E RMRB 2001 A-E RMRB	5.29 5.29 5,29	11/30/06 11/30/06 11/30/06 11/30/06	12/01/08 12/01/08 12/01/08 12/01/06	4,600.73 83,659.36 3,206.62 12,490.31 0.10 2.04	4,600.73 83,659.36 3,206.62 12,490.31 0.10 2.04	61.37 1,115.01 42.02 489.55 0.08	(85,537.70) (2,174,838.84) (2.04)	4,662.10 84,774.37 3,249.44 12,979.88 0.18	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	4,662.10 84,774.37 3,249.44 12,979.85 0,18	4,662.10 84,774.37 3,249.44 12,979.66 0.16	515,171.73	0.00 0.00 0.00 0.00 0.00 0.00
Repo Agmi Repo Agmi Repo Agmi Repo Agmi Repo Agmi	2001 A-E RMRB 2001 A-E RMRB 2001 A-E RMRB 2001 A-E RMRB 2001 A-E RMRB 2001 A-E RMRB	5.29 5.29 5.29 5.29 4.71	11/30/06 11/30/06 11/30/06 11/30/06 10/30/01	12/01/08 12/01/08 12/01/06 12/01/06	4,600.73 83,659.36 3,206.62 12,490.31 0.10 2.04 1,627,106.97	4,600.73 83,659.36 3,205.62 12,490.31 0.10 2,04 1,827,108.97	61.37 1,115.01 42.82 489.55 0,08		4,692,10 84,774.37 3,249.44 12,979.86 0.15 3,996,717.58	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	4,662.10 84,774.37 3,249.44 12,979.85 0,18 3,996,717.56	4,662.10 84,774.37 3,249.44 12,979.66 0.18	515,171.73	0.00 0.00 0.00 0.00 0.00 0.00
Repo Agmi Repo Agmi Repo Agmi Repo Agmi Repo Agmi GIC's GIC's GIC's	2001 A-E RMRB 2001 A-E RMRB	5.29 5.29 5.29 5.29	11/30/06 11/30/06 11/30/06 11/30/06	12/01/08 12/01/08 12/01/08 12/01/06	4,600,73 83,659,36 3,206,62 12,490,31 0,10 2,04 1,627,105,97 187,594,65	4,600.73 83,659.36 3,206.62 12,490.31 0.10 2.04 1,827,108.97 187,594.65	61.37 1,115.01 42.82 489.55 0.08 2,189,608.59 1,854.75		4,692.10 84,774.37 3,249.44 12,970.66 0.18 3,990,717.56 189,449.40	0.00 0.00 0.00 0.00 0.00 0.00	0.80 0.90 0.00 0.00 0.00 0.00	4,662.10 84,774.37 3,249.44 12,979.85 0,18 3,996,717.56 189,449.40	4,662.10 84,774.37 3,249.44 12,979.66 0.18 3,896,717.56 189,449.40	515,171.73	0.00 0.00 0.00 0.00 0.00 0.00 0.00
Repo Agmi Repo Agmi Repo Agmi Repo Agmi Repo Agmi GIC's GIC's GIC's GNMA	2001 A-E RMRB 2001 A-E RMRB	5.29 5.29 5.29 5.29 4.71 4.71	11/30/06 11/30/06 11/30/06 11/30/06 11/30/06 10/30/01	12/01/08 12/01/08 12/01/06 12/01/06 07/01/33 07/01/33	4,600.73 83,659.36 3,206.62 12,490.31 0.10 2.04 1,627,106.97	4,600.73 83,659.36 3,206.62 12,490.31 0.10 2.04 1,827,108.97 187,594.65 2,509,097.27	61.37 1,115.01 42.82 489.55 0,08	(2.04)	4,662.10 84,774.37 3,249.44 12,979.86 0.18 3,996,717.56 189,449.40 2,055,182.24	0.00 0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00	4,662.10 84,774.37 3,249.44 12,979.85 0,18 3,996,717.56 189,449.40 2,656,162.24	4,682.10 84,774.37 3,249.44 12,979.66 0.18 3,996,717.56 189,449.40 2,656,162.24	- - - - - - -	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Repo Agmi Repo Agmi Repo Agmi Repo Agmi Repo Agmi GIC's GIC's GNMA GNMA	2001 A-E RMRB 2001 A-E RMRB	5.29 5.29 5.29 5.29 4.71 4.71 4.71 8.19 7.19	11/30/06 11/30/06 11/30/06 11/30/06 10/30/01 10/30/01 10/30/01 07/25/90	12/01/08 12/01/06 12/01/06 12/01/06 07/01/33 07/01/33 06/20/15 06/20/15	4,600,73 83,659.36 3,208.62 12,490.31 0.10 2.04 1,627,108.97 187,594.65 2,509,097.27	4,600.73 83,659.36 3,206.62 12,490.31 0.10 2.04 1,827,108.97 187,594.65	61.37 1,115.01 42.82 489.55 0.08 2,189,608.59 1,854.75	(2.04) (5.187.90)	4,662.1D 84,774.37 3,249.44 12,970.86 0.15 3,996,717.56 169,449.40 2,656,162.24 219,418.56	0.00 0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00 -527.49	4,692.10 84,774.37 3,249.44 12,979.85 0.18 3,996,717.56 189,449.40 2,656,162.24 218,891.07	4,682.10 84,774.37 3,249.44 12,979.86 0.18 3,996,717.56 189,449.40 2,656,162.24 230,760.28	(432.67)	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Repo Agmi Repo Agmi Repo Agmi Repo Agmi Repo Agmi GIC's GIC's GIC's GNMA GNMA GNMA	2001 A-E RMRB 2001 A-E RMRB	5.29 5.29 5.29 5.29 5.29 4.71 4.71 4.71 8.19	11/30/06 11/30/06 11/30/06 11/30/06 11/30/06 10/30/01 10/30/01 07/25/90	12/01/08 12/01/06 12/01/06 12/01/06 07/01/33 07/01/33 06/20/15	4,600.73 83,659.36 3,209.62 12,490.31 0.10 2.04 1,827,108.97 187,594.65 2,509,097.27 224,078.97	4,600.73 83,659.36 3,200.62 12,490.31 0.10 2.04 1,827,108.97 187,594.62 2,509,097.67	61.37 1,115.01 42.82 489.55 0.08 2,189,608.59 1,854.75	(2.04) (5.187.90) (1.623.49)	4,862.1D 84,774.37 3,249.44 12,979.86 0.18 3,995,717.56 169,449.40 2,655,162.24 219,418.56 59,976.90	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.80 0.00 0.00 0.00 0.00 0.00 -527.49 -144.19	4,652.10 84,774.37 3,249.44 12,979.85 0.18 3,996,717.55 189,449.40 2,656,162.24 218,891.07 59,632.71	4,682.10 84,774.37 3,249.44 12,979.66 0.18 3,990,717.56 189,449.40 2,056,162.24 230,760.28 61,355.80	(432.67)	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Repo Agmi Repo Agmi Repo Agmi Repo Agmi Repo Agmi GiC's GiC's GiC's GNMA GNMA GNMA GNMA	2001 A-E RMRB	5.29 5.29 5.29 5.29 4.71 4.71 4.71 8.19 7.19	11/30/06 11/30/06 11/30/06 11/30/06 11/30/06 10/30/01 10/30/01 10/30/01 07/25/90 07/25/90 01/22/90	12/01/08 12/01/08 12/01/08 12/01/08 07/01/33 07/01/33 07/01/33 06/20/15 06/20/15 11/20/14	4,600.73 83,659.36 3,206.62 12,490.31 0.10 2.04 1,627.108.97 187,594.65 2,509.097.2 224,078.97 61,456.17 54,433.89	4,600.73 83,659.36 3,206.62 12,490.31 0.10 2.04 1,827,108.97 187,594.65 2,509,097.27 230,380.85 62,801.98	61.37 1,115.01 42.82 489.55 0.08 2,189,608.59 1,854.75	(2.04) (5.187.90) (1.623.46) (1.692.90)	4,662.10 84,774.37 3,249.44 12,970.66 0.18 3,996,717.56 169,449.40 2,655.162.24 219,418.56 59,976.60 55,676.29	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 -527.49 -144.19	4,652.10 84,774.37 3,249.44 12,979.65 0,18 3,996,71.56 189,449.40 2,056,182.24 218,691.07 59,632.71 52,740.79	4,682.10 84,774.37 3,249.44 12,979.66 0.18 3,996,71.56 189,449.40 2,056,162.24 230,760.28 61,355.60 55,600.55	(432.67) 177.28 (128.55)	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Repo Agmi Repo Agmi Repo Agmi Repo Agmi Repo Agmi GIC's GIC's GIMA GNMA GNMA GNMA GNMA GNMA	2001 A-E RMRB	5.29 5.29 5.29 5.29 4.71 4.71 4.71 8.19 7.19 8.19 7.19 8.19	11/30/06 11/30/06 11/30/06 11/30/06 11/30/06 10/30/01 10/30/01 10/30/01 07/25/90 07/25/90 01/22/90 01/22/90	12/01/08 12/01/08 12/01/08 12/01/08 07/01/33 07/01/33 06/20/15 06/20/15 11/20/14	4,600,73 83,659,36 3,206,63 12,490,31 0,10 2,04 1,627,105,97 187,594,67 254,078,07 54,433,89 199,441.06 25,652,60	4,500.73 83,659.36 3,200.62 12,490.31 0.10 18,27,108.97 187,594.67 25,509,097.27 230,360.85 62,601.98 57,422.03 203,446.79 30,153.15	61.37 1,115.01 42.82 489.55 0.08 2,189,608.59 1,854.75	(2.04) (5.187.90) (1.623.46) (1.992.90) (20.511.16) (743.12)	4,862.1D 84,774.37 3,249.44 12,979.86 0.18 3,995,717.56 169,449.40 2,655,162.24 219,418.56 59,976.90	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.80 0.00 0.00 0.00 0.00 0.00 -527.49 -144.19	4,652.10 84,774.37 3,249.44 12,979.85 0.18 3,996,717.55 189,449.40 2,656,162.24 218,891.07 59,632.71	4,682.10 84,774.37 3,249.44 12,979.66 0.18 3,996,717.56 189,449.40 2,056,162.24 230,700.28 61,355.80 55,600.55	(432.67)	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Repo Agmi Repo Agmi Repo Agmi Repo Agmi Repo Agmi GIC's GIC's GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	2001 A-E RMRB	5.29 5.29 5.29 5.29 4.71 4.71 8.19 7.19 8.19 7.19 8.39 7.19	11/30/06 11/30/06 11/30/06 11/30/06 11/30/06 10/30/01 10/30/01 10/30/01 07/25/90 07/25/90 01/22/90 01/22/90 01/22/90	12/01/08 12/01/08 12/01/08 12/01/08 12/01/08 07/01/33 07/01/33 07/01/33 06/20/15 06/20/15 11/20/14 11/20/14	4,600.73 83,659.36 3,206.62 12,490.31 0.10 2.04 1,627.108.97 187,594.65 2,509,097.27 224,078.97 61,456.17 54,433.69 199,441.05 26,652.60	4,600.73 83,659.36 3,200.62 12,490.31 0.10 2.04 1,827,108.97 187,594.65 2,509,097.27 230,340.85 62,801.98 57,422.03 203,448.79 30,153.15 119,374.51	61.37 1,115.01 42.82 489.55 0.08 2,189,608.59 1,854.75	(2.04) (5.187.90) (1.623.46) (1.692.90) (20,511.16) (743.12) (3.001.59)	4,862.1D 84,774.37 3,249.44 12,970.86 0.18 3,996,717.56 189,449.40 2,655,162.24 219,418.56 59,976.60 52,867.69	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 -527.49 -144.19 -127.10 -403.15	4,652.10 84,774.37 3,249.44 12,979.85 0,18 3,996,717.56 189,449.40 2,656,182.24 218,891.07 59,832.71 52,740.79 178,829.80	4,662.10 84,774.37 3,249.44 12,979.66 0.16 3,096,717.56 189,449.40 2,556,162.24 230,760.29 61,355.80 55,600.55 183,133.17	(432.67) 177.28 (128.55) 195.54 (60.84)	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Repo Ağıml Repa Ağıml Repa Ağıml Repa Ağıml Gic's Gic's Gic's Gimma Gimma Gimma Gimma Gimma Gimma Gimma Gimma Gimma	2001 A-E RMRB	5.29 5.29 5.29 5.29 5.29 4.71 4.71 4.71 8.19 7.19 8.19 7.19 8.19 7.19	11/30/06 11/30/06 11/30/06 11/30/06 11/30/06 10/30/01 10/30/01 07/25/90 07/25/90 01/22/90 01/22/90 01/01/90 01/01/90	12/01/08 12/01/08 12/01/08 12/01/08 12/01/08 07/01/33 07/01/33 06/20/15 06/20/15 06/20/15 11/20/14 11/20/14 11/20/14	4,600.73 83,659.36 3,206.62 12,490.31 0.10 2.04 1,027,108.97 187,594.65 2,509,097.2 224,078.97 54,423.69 199,441.06 28,652.60 117,023.59 85,322.50	4,600.73 83,659.36 3,206.62 12,490.31 0.10 2.04 1,827,108.97 187,594.65 2,509,097.27 230,308.65 62,601.98 57,422.03 203,448.79 30,153.15 199,374.51	61.37 1,115.01 42.82 489.55 0.08 2,189,608.59 1,854.75	(2.04) (5.187.90) (1.623.49) (1.692.90) (20.511.16) (743.12) (3.001.59) (25,748.62)	4,862.10 84,774.37 3,249.44 12,970.86 0.18 3,995,717.56 189,449.40 2,658,162.24 219,418.56 59,976.90 52,867.89 179,333.05 27,972.37	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 527.49 -144.19 -127.10 403.15 -62.89	4,652.10 84,774.37 3,249.44 12,979.85 0.18 3,996,717.56 189,449.40 2,656,182.24 218,691.07 59,632.71 52,740.79 178,929.90 27,009.48	4,682.10 84,774.37 3,249.44 12,979.66 0.18 3,996,717.56 189,449.40 2,056,162.24 230,700.28 61,355.80 55,600.55	(432.67) 177.28 (128.55) 195.54 (60.84) 326.94	0.90 0.00 0.00 0.00 0.00 0.00 0.00 0.00
Repo Agmi Repa Agmi Repa Agmi Repa Agmi Repa Agmi GiC's GIC's GIC's GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	2001 A-E RMRB	5.29 5.29 5.29 5.29 4.71 4.71 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19	11/30/06 11/30/06 11/30/06 11/30/06 11/30/06 10/30/01 10/30/01 10/30/01 07/25/90 07/25/90 07/25/90 01/22/90 01/22/90 01/22/90 01/01/90 01/01/90	12/01/08 12/01/08 12/01/08 12/01/08 07/01/33 07/01/33 06/20/15 06/20/15 11/20/14 11/20/14 11/20/14 11/20/14	4,600,73 83,659,36 3,206,62 12,400,31 0,10 1,027,108,97 187,594,65 2,509,097,27 224,078,97 61,456,17 54,433,69 199,441,06 28,652,60 117,023,59 85,322,50	4,600.73 83,659.36 3,200.62 12,490.31 0.10 1,827,108.97 187,594.65 2,509,097.27 238,380.85 62,801.98 57,422.03 203,448.79 30,153.15 119,374.51 89,790.33	61.37 1,115.01 42.82 489.55 0.08 2,189,608.59 1,854.75	(2.04) (5.187.90) (1.623.46) (1.692.90) (20,511.16) (743.12) (3.001.59) (25,748.62) (3.625.00)	4,062.10 84,774.37 3,249.44 12,970.66 0.18 3,996,717.56 169,449.40 2,055,162.24 219,418.56 59,970.60 52,667.09 179,333.05 27,197.37 114,278.32 59,707.61	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 -527.49 -144.19 -127.10 403.15 -62.89 -256.33	4,662.10 84,774.37 3,249.44 12,979.65 0.18 3,996,717.56 189,449.40 2,656,162.24 218,691.07 59,832.71 52,740.79 178,929.90 27,909.48 114,021.99	4,682.10 84,774.37 3,249.44 12,979.86 0.18 3,998,717.56 189,449.40 2,656,162.24 230,760.28 61,355.80 55,600.55 183,133.17 29,349.10	(432.67) 177.28 (128.55) 195.54 (60.84)	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Repo Agmil Repa Agmil Repa Agmil Repa Agmil GIC's GIC's GIC's GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	2001 A-E RMRB	5.29 5.29 5.29 5.29 4.71 4.71 4.71 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19	11/30/06 11/30/06 11/30/06 11/30/06 11/30/06 10/30/01 10/30/01 10/30/01 07/25/90 07/25/90 01/22/90 01/01/90 01/01/90 01/01/90 01/01/90 02/28/90	12/01/08 12/01/08 12/01/08 12/01/06 07/01/33 07/01/33 06/20/15 06/20/15 06/20/15 11/20/14 11/20/14 11/20/14 11/20/14 11/20/14	4,600.73 83,659.36 3,206.62 12,490.31 0.10 2.04 1,627,108.97 187,594.65 2,509,097.27 224,078.97 61,456.17 54,433.69 199,441.05 28,652.60 117,023.59 85,322.50 159,342.10 181,089.03	4,600.73 63,659.36 3,200.62 12,490.31 0.10 2.04 1,827,108,97 187,594.65 2,509,097.27 238,340.85 62,801,98 57,422.03 203,446.79 30,153.15 199,374.51 89,790.33 162,545.63	61.37 1,115.01 42.82 489.55 0.08 2,189,608.59 1,854.75	(2.04) (5.187.90) (1.623.46) (1.692.90) (20,511.16) (743.12) (3.001.59) (25.748.82) (3.825.00) (5.655.82)	4,862.1D 84,774.37 3,249.44 12,979.80 0.18 3,996,717.56 189,449.40 2,655,162.24 219,418.56 59,976.60 52,667.89 179,333.05 27,872.37 114,276.32 59,707.81 155,663.08	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 -527.49 -144.19 -127.10 -403.15 -62.89 -256.33 -133.93 -351.06	4,652.10 84,774.37 3,249.44 12,979.85 0,18 3,996,717.56 189,449.40 2,656,182.24 218,691.07 59,832.71 52,740.79 178,622.90 27,909.48 114,021.99 59,573.68	4,682.10 84,774.37 3,249.44 12,979.66 0.16 3,096,717.56 189,449.40 2,056,162.24 230,760.28 61,355.80 55,600.55 183,133.17 29,349.19 116,699.65 62,646.41 159,171.91	(432.67) 177.28 (128.55) 195.54 (60.84) 326.94 (1,395.10)	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Repo Agmi Repo Agmi Repo Agmi Repo Agmi Repo Agmi GIC's GIC's GIC's GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	2001 A-E RMRB	5.29 5.29 5.29 5.29 4.71 4.71 4.71 8.19 7.19 8.19 7.19 8.19 7.19	11/30/06 11/30/08 11/30/08 11/30/08 11/30/06 10/30/01 10/30/01 10/30/01 07/25/90 07/25/90 01/22/90 01/22/90 01/01/90 01/01/90 01/01/90 01/01/90 01/01/90 01/01/90 01/01/90	12/01/08 12/01/08 12/01/08 12/01/08 07/01/33 07/01/33 06/20/15 06/20/15 06/20/15 11/20/14 11/20/14 11/20/14 11/20/14 12/20/14	4,600,73 83,659,36 3,206,63 12,490,31 0,10 2,04 1,627,106,97 187,594,65 2,509,097,27 224,078,07 61,456,17 54,433,89 189,441,06 28,652,60 117,023,50 85,322,50 159,342,10 161,089,03	4,500.73 83,659.36 3,200.62 12,490.31 0.10 18,27,108.97 187,594.87 259,097.27 239,360.85 62,601.98 57,422.03 203,446.79 30,153.15 119,374.51 19,374.51 19,374.51 19,374.53 180,577.43	61.37 1,115.01 42.82 489.55 0.08 2,189,608.59 1,854.75	(2.04) (5.187.90) (1.623.46) (1.992.90) (20.511.16) (743.12) (3.001.59) (25.748.82) (3.825.00) (5.625.82) (5.737.85)	4,862.1D 84,774.37 3,249.44 12,976.86 0.18 3,996,717.50 189,449.40 2,655,162.24 219,418.56 59,976.90 52,867.89 179,333.05 27,972.37 114,278.32 59,707.61 155,869.06 175,832.88	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 527.49 -144.19 -127.10 -403.15 -62.89 -256.33 -133.93 -351.96 -399.67 -523.89	4,662.10 84,774.37 3,249.44 12,979.65 0.18 3,996,717.56 189,449.40 2,656,162.24 218,891.07 59,832.71 52,740.79 178,622.90 27,009.48 114,021.99 59,573.68	4,662.10 84,774.37 3,249.44 12,979.66 0.18 3,990,717.56 189,449.40 2,656.162.24 230,760.28 61,355.80 55,600.55 183,133.17 29,348.19 116,609.68 62,646.41	(432.67) 177.28 (128.58) 195.54 (60.84) 326.94 (1,395.10) 451.28	0.90 0.00 0.00 0.00 0.00 0.00 0.00 0.00
Repo Agmi Repa Agmi Repa Agmi Repa Agmi Repa Agmi GIC's GIC's GIC's GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	2001 A-E RMRB	5.29 5.29 5.29 5.29 4.71 4.71 4.71 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19	11/30/06 11/30/06 11/30/06 11/30/06 11/30/06 10/30/01 10/30/01 10/30/01 07/25/90 07/25/90 01/22/90 01/01/90 01/01/90 01/01/90 01/01/90 01/01/90 01/01/90 01/01/90 01/01/90	12/01/08 12/01/08 12/01/08 12/01/06 07/01/33 07/01/33 06/20/15 06/20/15 06/20/15 11/20/14 11/20/14 11/20/14 11/20/14 11/20/14 12/20/14 12/20/15 01/20/15	4,600.73 83,659.36 3,206.62 12,490.31 0.10 2.04 1,827,108.97 187,594.65 2,509.097.27 224,078.97 61,456.17 54,433.69 199,441.05 25,652.60 117,023.58 85,322.50 161,089.03 235,134.39	4,600.73 83,659.36 3,200.62 12,490.31 0.10 1,827,108,97 187,594,85 2,509,097.27 230,380.85 62,801.98 57,422.03 203,448.79 30,153.15 119,374.51 89,790.33 180,5545.63 190,577.43 240,253.32	61.37 1,115.01 42.82 489.55 0.08 2,189,608.59 1,854.75	(2.04) (5.187.90) (1.623.49) (1.623.49) (20,511.10) (743.12) (3.001.59) (25,748.62) (3.625.00) (5,655.82) (5,737.65) (6,059.14)	4,662.10 84,774.37 3,249.44 12,970.80 0.18 3,996,717.56 189,449.40 2,056,162.24 219,418.56 59,976.90 52,667.99 179,333.05 27,972.37 114,278.32 59,707.61 155,669.06 175,832.86 229,920.53 326,536.14	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 -527.49 -144.10 -127.10 -403.15 -62.69 -256.33 -133.93 -351.96 -399.67 -523.89	4,662.10 64,774.37 3,249.44 12,979.65 0.18 3,996,717.56 189,449.40 2,058,162.24 218,699.07 59,832.71 52,740.79 176,929.90 27,909.48 114,021.99 59,573.68 155,517.10 175,433.21	4,682.10 84,774.37 3,249.44 12,979.66 0.16 3,096,717.56 189,449.40 2,056,162.24 230,760.28 61,355.80 55,600.55 183,133.17 29,349.19 116,699.65 62,646.41 159,171.91	(432.67) 177.28 (128.58) 195.54 (60.84) 326.94 (1,395.10) 451.28 (434.13)	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Repo Agmil Repo Agmil Repo Agmil Repo Agmil Repo Agmil Repo Agmil GiC's GiC's GiC's GIMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA GN	2001 A-E RMRB	5.29 5.29 5.29 5.29 4.71 4.71 4.71 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19	11/30/06 11/30/06 11/30/06 11/30/06 10/30/01 10/30/01 10/30/01 07/25/90 07/25/90 01/22/90 01/01/90 01/01/90 02/28/90 01/01/90 01/01/90 02/28/90	12/01/08 12/01/08 12/01/08 12/01/08 12/01/08 07/01/33 07/01/33 06/20/15 06/20/15 06/20/15 11/20/14 11/20/14 11/20/14 11/20/14 12/20/14 01/20/15 01/20/15	4,600.73 83,659.36 3,206.62 12,490.31 0.10 2.04 1,627,108.97 187,594.65 2,590,097.27 224,078.97 61,456.17 54,433.69 189,441.05 28,652.60 117,023.59 85,322.50 159,342.10 181,089.03 235,134.39 335,848.18 124,445.32	4,600.73 63,659.36 3,206.62 12,490.31 0.10 2.04 1,827,108.97 187,594.65 2,509,097.238,380.85 62,601.98 57,422.03 203,448.79 30,153.15 119,374.51 89,790.33 162,545.63 190,577.43 240,253.32 354,240.01 127,155.80	61.37 1,115.01 42.82 489.55 0.08 2,189,608.59 1,854.75	(2.04) (5.187.90) (1.623.46) (1.622.46) (20.511.18) (743.12) (3.001.59) (25,748.82) (3.625.00) (5.655.82) (5,737.85) (6,059.14) (2,742.20)	4,862.1D 84,774.37 3,249.44 12,970.80 0.18 3,996,717.56 189,449.40 2,656,162.24 219,418.56 59,976.90 52,967.89 179,333.05 27,972.37 114,276.32 59,707.61 155,689.06 175,832.88 226,920.53 320,536.14 121,982.34	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 -527.49 -144.19 -127.10 -403.15 -62.89 -256.33 -133.93 -351.96 -399.67 -523.89 -747.10	4,652.10 84,774,37 3,249,44 12,979,85 0,18 3,996,717.56 189,449.40 2,655,152.24 218,891,07 59,832.71 52,740.79 178,929.90 27,909,48 114,021,99 59,573.68 155,517.10 175,433.21 229,396.54 327,799.44	4,682.10 84,774.37 3,249.44 12,979.66 0.18 3,999.717.56 189,449.40 2,056.162.24 230,709.28 61,355.80 55,600.55 183,133.17 29,349.19 116,699.66 62,646.41 159,171.91 184,487.48 235,206.42 345,518.16	(432.67) 177.28 (128.55) 195.54 (60.84) 326.94 (1,395.10) 451.28 (434.13) 690.95	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Repo Agmil Repa Agmil Repa Agmil Repa Agmil Repa Agmil Repa Agmil Repa Agmil GIC's GIC's GIC's GIC'S GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	2001 A-E RMRB	5.29 5.29 5.29 5.29 4.71 4.71 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19	11/30/06 11/30/06 11/30/06 11/30/06 10/30/01 10/30/01 10/30/01 07/25/00 07/25/00 01/22/00 01/01/00 01/00	12/01/08 12/01/08 12/01/08 12/01/06 07/01/33 07/01/33 06/20/15 06/20/15 06/20/15 11/20/14 11/20/14 11/20/14 11/20/14 12/20/14 12/20/15 01/20/15 01/20/15	4,600,73 83,659,36 3,206,63 12,490,31 0,10 1,027,108,97 187,594,65 2,509,097,27 224,078,97 61,456,17 54,433,69 199,441,06 28,652,60 117,023,59 85,322,50 159,342,10 181,089,03 235,134,39 335,848,18 124,445,32 99,683,41	4,600.73 83,659.36 3,200.62 12,490.31 0.10 1,627,108.97 187,594.65 2,509,097.27 238,300.85 62,801.98 57,422.03 203,448.79 30,153.15 119,374.51 89,790.33 162,545.63 180,577.32 254,240.01 127,155.80 104,906.41	61.37 1,115.01 42.82 489.55 0.08 2,189,608.59 1,854.75	(2.04) (5.187.90) (1.623.46) (1.692.90) (20,511.16) (743.12) (3.001.59) (25,748.82) (3.825.00) (5,655.82) (5,737.85) (8,059.14) (2,742.20) (2,209.15)	4,062.10 84,774.37 3,249.44 12,970.66 0.18 3,996,717.56 169,449.40 2,055.162.24 219,418.56 59,970.60 52,967.09 179,333.05 27,1972.37 114,278.32 59,707.61 155,669.06 175,832.86 226,920.53 320,536.14 121,982.34 97,606.33	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	4,662.10 84,774,37 3,249.44 12,979.65 0.18 3,996,717.56 189,449.40 2,656,162.24 218,891.07 59,832.71 52,740.79 178,622.90 27,009.48 114,021,99 59,573.68 155,517.10 175,433.21 229,366.54 327,789.04 121,703.12 97,474.26	4,682.10 84,774.37 3,249.44 12,979.86 0.18 3,990,717.56 189,449.40 2,556.162.24 230,760.28 61,355.80 55,600.55 183,133.17 29,349.10 110,699.86 62,646.41 159,171.01 184,497.48 235,206.42	(432.67) 177.28 (128.58) 195.54 (60.84) 326.94 (1,395.10) (434.13) 690.95 (602.71)	0.90 0.90 0.00 0.00 0.00 0.00 0.00 0.00
Repo Agmil Repo Agmil Repo Agmil Repo Agmil Repo Agmil Repo Agmil GiC's GiC's GiC's GIMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA GN	2001 A-E RMRB	5.29 5.29 5.29 5.29 4.71 4.71 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19	11/30/06 11/30/06 11/30/06 11/30/06 10/30/01 10/30/01 10/30/01 07/25/90 01/22/90 01/22/90 01/22/90 01/29/90 01/29/90 01/29/90 01/29/90 01/29/90 01/29/90 02/28/90 01/29/90	12/01/08 12/01/08 12/01/08 12/01/08 07/01/33 07/01/33 06/20/15 06/20/15 06/20/15 11/20/14 11/20/14 11/20/14 11/20/14 11/20/14 12/20/14 01/20/15 01/20/15 01/20/15	4,600.73 83,659.36 3,206.62 12,490.31 0.10 2.04 1,627,108.97 187,594.65 2,509,097.27 224,078.97 61,456.17 54,433.69 199,441.05 28,652.60 117,023.58 85,322.50 159,342.10 181,089.03 235,134.39 335,848.18 124,445.32 99,683.41	4,600.73 63,659.36 3,200.62 12,490.31 0.10 2.04 1,827,108,97 187,594.65 2,509,097.27 230,340.85 62,801.98 57,422.03 203,448.79 30,153.15 119,374.51 89,790.33 180,545.63 190,577.43 240,253.23 254,240.01 127,155.60 104,906.41	61.37 1,115.01 42.82 489.55 0.08 2,189,608.59 1,854.75	(2.04) (5.187.90) (1.623.40) (1.632.90) (20,511.18) (743.12) (3.001.59) (25,748.62) (3.625.00) (5.655.62) (5,737.65) (8,059.14) (2,742.20) (2,209.15) (3.361.35)	4,662.10 84,774.37 3,249.44 12,979.86 0.18 3,996,717.56 189,449.40 2,655,162.24 219,418.56 59,976.90 52,667.89 179,333.05 27,872.37 114,278.32 59,707.61 155,659.06 175,832.88 229,920.53 320,536.14 121,852.34 97,696.33	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 527.49 -144.19 -127.10 409.15 -62.89 -256.33 -133.93 -351.96 -399.67 -523.89 -747.10 -279.22 -222.07	4,662.10 84,774.37 3,249.44 12,979.85 0.18 3,996,717.56 189,449.40 2,656,182.24 218,691.07 59,632.71 52,740.79 178,829.90 27,909.48 114,021.99 59,573.68 155,517.10 175,433.21 229,386.54 327,799.04 121,703.12 97,474.26	4,682.10 84,774.37 3,249.44 12,979.86 0.18 3,998,717.56 189,449.40 2,656,162.24 230,760.28 61,355.80 55,600.65 183,133.17 29,349.19 116,699.86 62,646.41 159,171.91 184,487.48 235,206.42 345,516.16 124,786.71 102,504.95	(432.67) 177.28 (128.58) 195.54 (60.84) 326.94 (1,395.10) 451.28 (434.13) 690.95 (582.71) 373.11	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Repo Agmil Repa Agmil Repa Agmil Repa Agmil Repa Agmil Repa Agmil GIC's GIC's GIC's GIC's GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	2001 A-E RMRB	5.29 5.29 5.29 5.29 4.71 4.71 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19	11/30/06 11/30/06 11/30/06 11/30/06 10/30/01 10/30/01 10/30/01 07/25/00 07/25/00 01/22/00 01/01/06 01/01/06 01/01/06 01/01/06 01/01/06 01/01/06 02/20/00 02/27/00 02/27/00 02/27/00 02/27/00	12/01/08 12/01/08 12/01/08 12/01/08 07/01/33 07/01/33 07/01/33 06/20/15 06/20/15 06/20/15 11/20/14 11/20/14 11/20/14 12/20/14 12/20/14 12/20/14 12/20/15 01/20/15 01/20/15	4,600,73 83,659,36 3,206,03 12,490,31 0,10 2,04 1,627,106,97 187,594,65 2,509,097,27 224,078,07 81,456,17 54,433,89 189,441,06 28,652,60 117,023,59 85,322,50 159,342,10 161,089,03 235,134,39 335,848,18 124,445,32 99,683,41 139,105,89	4,500.73 83,659.36 3,200.62 12,490.31 0.10 1827,198.97 187,594.69 2,509,097.27 230,300.85 62,601.98 57,422.03 203,448.79 30,153.15 119,374.51 189,790.33 182,545.63 180,577.32 240,253.32 254,240.01 127,155.60 104,906.41 142,135.78	61.37 1,115.01 42.82 489.55 0.08 2,189,608.59 1,854.75	(2.04) (5.187.90) (1.623.46) (1.692.90) (20.511.16) (743.12) (3.001.59) (25.748.62) (3.625.00) (5.655.82) (5.737.85) (8.059.14) (2.742.20) (2.209.15) (3.381.35) (3.089.61)	4,662.10 84,774.37 3,249.44 12,979.66 0.18 3,999,717.56 169,449.40 2,0561,162.24 219,418.56 59,976.50 179,333.05 27,972.37 114,276.32 59,707.61 155,665.06 175,832.68 226,920.53 326,536.14 121,882.34 97,696.33 130,303.03	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 527.49 -144.19 -127.10 -403.15 -62.89 -256.33 -133.93 -351.96 -399.67 -523.89 -747.10 -279.22 -222.07 -311.39	4,662.10 64,774.37 3,249.44 12,979.65 0,18 3,990,717.56 189,449.40 2,656,162.24 218,891.07 59,832.71 52,740.79 178,929.90 27,099.48 114,021.99 59,573.68 155,517.10 175,433.21 229,396.54 327,789.04 121,703.12 97,474.26 135,724.64 143,030.70	4,662.10 84,774.37 3,249.44 12,979.66 0.18 3,990,717.56 189,449.40 2,556,162.24 230,760.29 61,355.80 55,600.55 183,133.17 29,348.19 116,699.66 62,646.41 159,171.91 184,497.49 235,206.42 345,516.16 124,790.71 102,504.95 139,103.51	(432.67) 177.28 (128.55) 195.54 (60.84) 326.94 (1,395.10) 451.28 (434.13) 690.95 (562.71) 173.11 (192.31) 409.08 (260.24)	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Repo Agmil Repo Agmil Repo Agmil Repo Agmil Repo Agmil Repo Agmil GIC's GIC's GIC's GIC'S GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	2001 A-E RMRB	5.29 5.29 5.29 5.29 4.71 4.71 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19	11/30/06 11/30/06 11/30/06 11/30/06 10/30/01 10/30/01 10/30/01 07/25/90 01/22/90 01/22/90 01/22/90 01/29/90 01/29/90 01/29/90 01/29/90 01/29/90 01/29/90 02/28/90 01/29/90	12/01/08 12/01/08 12/01/08 12/01/06 07/01/33 07/01/33 07/01/33 06/20/15 06/20/15 11/20/14 11/20/14 11/20/14 11/20/14 11/20/14 12/20/14 01/20/15 01/20/15 01/20/15 01/20/15	4,600.73 83,659.36 3,206.62 12,490.31 0.10 2.04 1,627,108.97 187,594.65 2,509.097.27 224,078.97 61,456.17 54,433.69 199,441.06 25,652.60 117,023.50 85,322.50 161,089.03 235,134.38 124,445.32 99,683.41 139,105.99 146,720.31 83,155.55	4,600.73 83,659.36 3,200.62 12,490.31 0.10 2.04 1,827,108.97 187,594.85 2,509,097.27 238,380.85 62,801.98 57,422.03 203,448.79 30,153.15 119,374.51 89,790.33 162,545.63 160,577.43 240,253.32 254,240.01 127,155.80 104,906.41 142,135.78 154,757.41 84,967.39	61.37 1,115.01 42.82 489.55 0.08 2,189,608.59 1,854.75	(2.04) (5.187.90) (1.623.46) (1.632.90) (20.511.16) (743.12) (3.001.59) (25.748.62) (3.625.00) (5.655.82) (5.737.85) (8.059.14) (2.742.20) (2.209.15) (3.381.35) (3.089.61) (2.985.45)	4,662.1D 84,774.37 3,249.44 12,970.60 0.18 3,996,717.56 169,449.40 2,056,162.24 219,418.56 59,976.50 52,967.09 179,333.05 27,972.37 114,278.32 59,707.61 155,669.06 175,832.86 228,920.53 320,536.44 121,982.34 97,696.33 130,038.03 143,060.23 80,374.73	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 527.49 1-144.19 1-127.10 403.15 -62.89 -256.33 -153.03 -351.06 -399.67 523.99 -747.10 -279.22 -222.07 -311.99 -329.53 -184.63	4,662.10 84,774.37 3,249.44 12,979.65 0.18 3,996,717.56 189,449.40 2,655,162.24 218,691.07 59,832.71 52,740.79 178,929.90 27,909.48 114,021.99 59,573.68 155,517.10 175,433.21 229,396.54 327,799.04 121,703.12 97,474.26 135,724.64	4,682.10 84,774.37 3,249.44 12,979.86 0.18 3,996,717.56 189,449.40 2,556.162.24 230,760.28 61,355.80 55,600.55 183,133.17 29,348.10 110,699.86 62,646.41 159,171.91 184,497.48 235,206.42 345,516.16 124,786.71 102,504.95 139,163.51	(432.67) 177.28 (128.58) 195.54 (60.84) 326.94 (1,395.10) 451.28 (434.13) 690.95 (602.71) 373.11 (192.31) 409.08 (286.24) 220.61	0.90 0.00 0.00 0.00 0.00 0.00 0.00 0.00
Repo Ağıml Repa Agıml	2001 A-E RMRB	5.29 5.29 5.29 5.29 4.71 4.71 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19	11/30/06 11/30/06 11/30/06 11/30/06 10/30/01 10/30/01 10/30/01 07/25/90 07/25/90 01/22/90 01/01/90 01/01/90 01/01/90 02/27/90 02/27/90 02/27/90 02/27/90	12/01/08 12/01/08 12/01/08 12/01/08 12/01/08 07/01/33 07/01/33 07/01/33 06/20/15 06/20/15 11/20/14 11/20/14 11/20/14 11/20/14 11/20/14 12/20/14 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15	4,600.73 83,659.36 3,206.62 12,490.31 0.10 2.04 1,627,108.97 187,594.65 2,500,097.27 224,078.97 61,456.17 54,433.69 199,441.05 28,652.00 117,023.50 85,322.50 159,342.10 181,089.03 235,134.39 99,683.41 139,105.98 146,720.31 83,155.55 129,766.45	4,500,73 83,659,36 3,200,62 12,490,31 0,10 2,04 1,827,108,97 137,594,87 238,380,85 62,601,98 57,422,03 203,448,79 30,153,15 119,374,51 199,374,51 199,577,43 240,253,32 254,240,01 127,155,80 104,906,41 142,135,78 154,757,41 84,967,39 136,907,62	61.37 1,115.01 42.82 489.55 0.08 2,189,608.59 1,854.75	(2.04) (5.187.90) (1.623.46) (1.692.90) (20.511.16) (743.12) (3.001.59) (25.748.82) (3.825.00) (5.655.82) (5.737.85) (6.059.14) (2.742.20) (2.209.15) (3.381.35) (3.089.61) (2.995.45) (2.995.45)	4,062.1D 84,774.37 3,249.44 12,970.80 0.18 3,996,717.56 189,449.40 2,055,162.24 219,418.56 59,976.60 52,067.89 170,333.05 27,972.37 142,276.32 59,707.81 155,069.06 175,632.88 229,920.53 326,536.14 121,062.34 97,606.33 136,030.03 143,960.23 80,374.73 127,099.09	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 527.49 1-144.19 1-127.10 403.15 -62.69 -256.33 1-33.93 -351.96 -399.67 -523.89 -747.10 -279.22 -222.07 -311.99 -329.53 -184.63 -291.95	4,662.10 64,774.37 3,249.44 12,979.65 0.18 3,996,717.56 189,449.40 2,058,162.24 2218,691.07 59,832.71 52,740.78 178,929.90 27,909.48 114,021.99 59,573.68 155,517.10 175,433.21 229,366.54 327,789.04 121,703.12 97,474.26 135,722.64 143,630.70 80,180.10 102,804.95	4,682.10 84,774.37 3,249.44 12,979.86 0.18 3,998.717.56 189.449.40 2,656.162.24 230,760.28 61,355.80 55,600.55 183,133.17 29,349.19 116,699.86 62,646.41 159,171.91 184,487.48 235,206.42 345,516.16 124,786.71 102,504.95 139,163.51 151,401.58 82,222.55 133,668.59	(432.67) 177.28 (128.58) 195.54 (60.84) 326.94 (1,395.10) 451.28 (434.13) 690.95 (602.71) 373.11 (192.31) 409.08 (286.24) 220.61 (249.53)	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Repo Ağıml Repa Agıml	2001 A-E RMRB	5.29 5.29 5.29 5.29 5.29 4.71 4.71 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19	11/30/06 11/30/06 11/30/06 11/30/06 10/30/01 10/30/01 10/30/01 10/30/01 10/30/01 10/25/00 01/25/00 01/25/00 01/01/00 01/01/00 01/01/00 01/01/00 02/28/00 02/27/00 02/27/00 02/27/00 03/30/00	12/01/08 12/01/08 12/01/08 12/01/06 07/01/33 07/01/33 07/01/33 06/20/15 06/20/15 11/20/14 11/20/14 11/20/14 11/20/14 11/20/14 12/20/14 01/20/15 01/20/15 01/20/15 01/20/15	4,600,73 83,659,36 3,200,63 12,490,31 0,10 1,027,108,97 187,594,65 2,509,097,27 224,078,97 61,456,17 54,433,69 199,441,06 28,652,60 117,023,59 85,322,50 159,342,10 181,089,03 235,134,39 335,848,18 124,445,32 99,683,41 139,105,99 146,720,31 83,155,55 120,766,45	4,600.73 83,659.36 3,200.62 12,400.31 0.10 1,627,108.97 187,594.65 2,509,097.27 230,300.85 62,601.98 57,422.03 203,448.79 30,153.15 119,374.51 89,790.33 162,545.63 180,577.43 240,253.32 254,240.01 127,155.80 104,906.41 142,135.78 154,757.41 84,967.39 136,907.62	61.37 1,115.01 42.82 489.55 0.08 2,189,608.59 1,854.75	(2.04) (5.187.90) (1.623.46) (1.692.90) (20,511.16) (743.12) (3.001.59) (25,748.82) (3.625.00) (5,655.82) (5,737.85) (6,059.14) (2,742.20) (2,209.15) (3,381.35) (3.089.61) (2,985.45) (2,981.50) (2,143.30)	4,062.10 84,774.37 3,249.44 12,970.66 0.18 3,996,717.56 169,449.40 2,055,162.24 219,418.56 59,976.90 52,967.99 179,333.95 27,972.37 114,278.32 59,707.61 155,669.06 175,832.86 226,920.53 320,536.14 121,922.34 97,606.33 130,038.03 143,960.23 80,374.73 127,096.90	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	4,662.10 84,774,37 3,249.44 12,979.65 0,18 3,996,717.56 189,449.40 2,656,162.24 218,891.07 59,832.71 52,740.79 178,922.90 27,009.48 114,021.99 59,573.68 155,577.10 175,433.21 229,366.54 327,789.04 121,703.12 97,474.26 135,724.64 143,030.70 80,190.10 120,804.95 96,645,78	4,682.10 84,774.37 3,249.44 12,979.66 0.18 3,990,717.56 189,449.40 2,656.162.24 230,760.28 61,355.80 55,600.55 183,133.17 29,348.19 116,699.86 62,646.41 159,171.91 184,487.48 235,266.42 345,516.16 124,786.71 102,504.95 139,163.51 151,401.50 62,222.55 133,608.59 99,098.88	(432.67) 177.28 (128.58) 195.54 (60.84) 326.94 (1,395.10) 451.28 (434.13) 690.95 (562.71) 373.11 (192.31) 409.08 (266.24) 220.61 (249.53) 297.01	0.90 0.00 0.00 0.00 0.00 0.00 0.00 0.00
Repo Agmil Repo Agmil Repo Agmil Repo Agmil Repo Agmil Repo Agmil GIC's GIC's GIC'S GIMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA GN	2001 A-E RMRB	5.29 5.29 5.29 5.29 4.71 4.71 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19	11/30/06 11/30/06 11/30/06 11/30/06 10/30/01 10/30/01 10/30/01 07/25/00 07/25/00 01/22/00 01/01/06 01/01/06 01/01/06 01/01/06 01/01/06 02/28/00 01/01/06 02/27/00 02/27/00 02/27/00 03/30/00	12/01/08 12/01/08 12/01/08 12/01/06 07/01/33 07/01/33 06/20/15 06/20/15 06/20/15 11/20/14 11/20/14 11/20/14 11/20/14 12/20/14 12/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15	4,600.73 83,659.36 3,206.62 12,490.31 0.10 2.04 1,827,180.97 187,594.65 2,509,097.27 224,078.97 61,456.17 54,433.69 199,441.05 28,652.60 117,023.58 85,322.50 159,342.10 181,089.03 235,134.39 235,134.39 124,445.32 19,683.41 139,105.99 146,720.31 83,155.55 129,766.45 98,789.06	4,500,73 83,659,36 3,200,62 12,490,31 0,10 2,04 1,827,108,97 137,594,87 238,380,85 62,601,98 57,422,03 203,448,79 30,153,15 119,374,51 189,790,33 162,545,63 180,577,43 240,253,32 254,240,01 127,155,80 104,906,41 142,135,78	61.37 1,115.01 42.82 489.55 0.08 2,189,608.59 1,854.75	(2.04) (5.187.90) (1.623.40) (1.623.40) (1.692.90) (20,511.10) (743.12) (3.001.59) (25,748.62) (3.625.00) (5.655.82) (5,737.65) (6,059.14) (2,742.20) (2,209.15) (3,381.35) (3,089.61) (2,985.45) (2,985.45) (2,985.45) (2,985.45) (2,985.45)	4,662.1D 84,774.37 3,249.44 12,970.86 0.18 3,996,717.56 189,449.40 2,058,162.24 219,418.56 59,976.50 52,667.69 179,333.05 27,872.37 114,278.32 59,707.61 155,665.06 175,832.86 229,920.53 326,536.14 121,852.34 97,696.33 143,966.33 143,966.23 80,374.73 127,096.90 86,686.02 240,451.62	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 -527.49 -144.19 -127.10 -403.15 -62.89 -256.33 -153.93 -351.96 -399.67 -523.89 -747.10 -279.22 -222.07 -311.39 -329.53 -184.63 -291.95 -224.06 -556.17	4,662.10 84,774.37 3,249.44 12,979.65 0.18 3,996,717.56 189,449.40 2,656,162.24 218,681.07 59,832.71 52,740.79 178,929.90 27,909.48 114,021.99 59,573.68 155,517.10 175,433.21 229,365.54 327,789.04 121,703.12 97,474.26 135,724.64 143,030.70 80,189.10 126,804.95 96,045.76 239,895.45	4,682.10 84,774.37 3,249.44 12,979.86 0.18 3,996,717.56 189,449.40 2,656.162.24 230,760.28 61,355.80 55,600.55 183,133.17 29,349.19 110,699.86 62,646.41 159,171.91 184,487.48 235,206.42 245,516.16 124,786.71 102,504.95 139,163.51 151,401.50 82,222.55 133,696.59 99,090.89	(432.67) 177.28 (128.58) 195.54 (80.84) 326.94 (1,395.10) 451.28 (434.13) 690.95 (662.71) 373.11 (192.31) 499.08 (260.24) 220.61 (249.53) 297.01 (555.75)	D.90 D.90 D.90 D.90 D.90 D.90 D.90 D.90
Repo Agmil Repa Agmil	2001 A-E RMRB	5.29 5.29 5.29 5.29 4.71 4.71 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19	11/30/06 11/30/06 11/30/06 11/30/06 11/30/06 10/30/01 10/30/01 10/30/01 07/25/00 07/25/00 01/22/00 01/22/00 01/21/00 02/27/00 02/27/00 02/27/00 02/27/00 03/30/00 03/30/00 03/30/00	12/01/08 12/01/08 12/01/08 12/01/08 07/01/33 07/01/33 06/20/15 06/20/15 06/20/15 11/20/14 11/20/14 11/20/14 11/20/14 11/20/14 11/20/14 11/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15	4,600,73 83,659,36 3,206,03 12,490,31 0,10 2,04 1,627,108,97 187,594,65 2,509,097,27 224,078,07 61,456,17 54,433,89 189,441,06 28,652,60 117,023,59 85,322,50 159,342,10 161,089,03 235,134,39 335,848,18 124,445,32 99,683,41 139,105,99 146,720,31 83,155,55 129,766,45 98,789,08 247,097,94 276,843,89	4,500.73 83,659.36 3,200.62 12,490.31 0.10 1827,198.97 187,594.69 2,509,097.27 230,300.85 62,601.98 57,422.03 203,448.79 30,153.15 119,374.51 89,790.33 162,545.63 190,577.36 240,253.32 254,240.01 127,155.80 104,906.41 142,135.78 154,787.41 84,967.39 136,907.62 100,943.17 290,639.84	61.37 1,115.01 42.82 489.55 0.08 2,189,608.59 1,854.75	(2.04) (5.187.90) (1.623.49) (1.692.90) (20,511.16) (743.12) (3.001.59) (25,748.82) (3.625.00) (5.655.82) (5,737.85) (8,059.14) (2,742.20) (2,209.15) (3,381.35) (3,089.61) (2,985.45) (2,981.50) (2,143.30) (7,202.49) (7,779.00)	4,662.10 84,774.37 3,249.44 12,979.66 0.18 3,995,717.56 169,449.40 2,055,162.24 219.418.56 59,976.80 52,867.89 179,333.05 27,972.37 114,276.32 59,707.61 155,663.06 175,832.86 226,920.53 326,536.14 121,882.34 97,696.33 130,038.03 143,960.23 60,374.73 127,099.90 96,869.82 240,451.62 271,697.94	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 527.49 144.19 127.10 403.15 62.89 256.33 133.93 133.93 133.93 251.96 399.67 523.89 747.10 279.22 222.07 311.39 124.63 299.55 144.63	4,662.10 64,774.37 3,249.44 12,979.65 0,18 3,996,717.56 189,446.40 2,656,162.24 218,691.07 59,832.71 52,740.79 178,929.90 27,099.48 114,021.99 59,573.68 155,517.10 175,433.21 229,396.54 327,799.04 121,033.12 97,474.26 135,724.64 143,030.70 80,180.10 126,804.95 90,045.76 239,895.45 271,093.78	4,662.10 84,774.37 3,249.44 12,979.66 0.18 3,990,717.56 189,449.40 2,556,162.24 230,760.29 61,355.60 55,600.55 183,133.17 29,348.19 116,609.66 62,646.41 159,171.91 184,497.48 235,206.42 345,518.16 124,780.71 102,504.95 139,103.51 151,401.50 82,222.55 133,080.59 90,000.88 252,880.68	(432.67) 177.28 (128.55) 195.54 (60.84) 326.94 (1,395.10) 451.28 (434.13) 690.95 (602.71) 373.11 (192.31) 409.08 (260.24) 220.61 (249.53) 297.01 (556.75) 794.31	0.90 0.00 0.00 0.00 0.00 0.00 0.00 0.00
Repo Agmil Repo Agmil Repo Agmil Repo Agmil Repo Agmil Repo Agmil GIC's GIC's GIC'S GIC'S GNMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA	2001 A-E RMRB	5.29 5.29 5.29 5.29 5.29 4.71 4.71 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19	11/30/06 11/30/06 11/30/06 11/30/06 11/30/06 10/30/01 10/30/01 10/30/01 07/25/00 07/25/00 07/25/00 01/22/00 01/01/06 01/01/06 01/01/06 01/01/06 02/20/06 01/01/06 02/27/00 02/27/00 02/27/00 03/30/09 03/30/09 03/30/09 03/30/09 03/30/09	12/01/08 12/01/08 12/01/08 12/01/08 07/01/33 07/01/33 07/01/33 06/20/15 06/20/15 06/20/15 11/20/14 11/20/14 11/20/14 12/20/14 12/20/14 12/20/14 12/20/14 12/20/14 12/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15	4,600.73 83,659.36 3,206.62 12,490.31 0.10 2.04 1,827,180.97 187,594.65 2,509,097.27 224,078.97 61,456.17 54,433.69 199,441.05 28,652.60 117,023.58 85,322.50 159,342.10 181,089.03 235,134.39 235,134.39 124,445.32 19,683.41 139,105.99 146,720.31 83,155.55 129,766.45 98,789.06	4,600.73 83,659.36 3,200.62 12,490.31 0.10 1,827,108,97 187,594,65 2,509,097.27 238,380.85 62,801.98 57,422.03 203,448.79 30,153.15 119,374.51 89,790.33 162,545.83 180,577.43 240,253.25 254,240.01 127,155.80 104,906.41 142,135.78 154,757.41 84,967.39 136,907.62 100.643.17	61.37 1,115.01 42.82 489.55 0.08 2,189,608.59 1,854.75	(2.04) (5.187.90) (1.623.46) (1.632.90) (20.511.16) (743.12) (3.001.59) (25.748.62) (3.625.00) (5.655.82) (5.737.85) (8.059.14) (2.742.20) (2.209.15) (3.381.35) (3.009.61) (2.095.45) (2.091.50) (2.143.30) (7.202.49) (7.770.00) (6.584.75)	4,662.1D 84,774.37 3,249.44 12,970.66 0.18 3,996,717.56 169,449.40 2,056,162.24 219,418.56 59,976.90 52,967.99 179,333.05 27,972.37 114,278.32 59,707.61 155,669.06 175,832.86 229,920.53 320,536.14 121,982.34 497,696.33 130,038.03 143,969.23 60,374.73 127,099.00 96,899.02 240,451.62 271,607.94 217,631.63	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 527.49 1144.19 127.10 403.15 62.69 256.33 -153.93 -351.96 -399.67 523.99 -747.10 -279.22 -222.07 -311.39 -329.53 -184.63 -291.95 -224.06 -556.17 -634.15	4,662.10 84,774.37 3,249.44 12,979.65 0.18 3,996,717.56 189,449.40 2,655.162.24 218,691.07 59,832.71 52,740.79 178,929.90 27,999.48 114,021.98 59,573.68 155,517.10 175,433.21 229,396.54 327,799.04 121,703.12 297,474.26 135,724.64 143,630.70 80,180.10 126,804.95 96,645.76 239,895.45 271,003.79 217,023.79	4,682.10 84,774.37 3,249.44 12,979.86 0.18 3,990,717.56 189,449.40 2,556.162.24 230,760.28 61,355.80 55,600.55 183,133.17 29,348.19 118,699.85 62,546.41 159,171.91 184,487.48 235,206.42 345,516.16 124,786.71 102,504.95 139,103.51 151,401.58 82,222.55 133,686.59 96,096.88	(432.67) 177.28 (128.58) 195.54 (60.84) 326.94 (1,395.10) 451.28 (434.13) 690.95 (602.71) 373.11 (192.31) 409.08 (280.24) 220.61 (249.53) 297.01 (556.75) 794.31	0.90 0.00 0.00 0.00 0.00 0.00 0.00 0.00
Repo Agmil Repa Agmil	2001 A-E RMRB	5.29 5.29 5.29 5.29 4.71 4.71 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19	11/30/06 11/30/06 11/30/06 11/30/06 11/30/06 10/30/01 10/30/01 10/30/01 07/25/90 07/25/90 07/25/90 01/22/90 01/01/90 01/01/90 01/01/90 02/27/90 02/27/90 02/27/90 03/30/90 03/30/90 03/30/90 03/30/90 03/30/90 03/30/90 03/30/90 03/30/90 03/30/90 03/30/90 03/30/90 03/30/90 03/30/90	12/01/08 12/01/08 12/01/08 12/01/06 07/01/33 07/01/33 06/20/15 06/20/15 06/20/15 11/20/14 11/20/14 11/20/14 11/20/14 11/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15	4,600,73 83,659,36 3,206,62 12,400,31 0,10 2,04 1,027,108,97 187,594,65 2,509,097,27 224,078,97 61,456,17 54,433,69 189,441,06 28,652,60 117,023,59 85,322,50 159,342,10 161,089,03 235,134,39 335,846,18 124,445,32 99,683,41 139,105,99 148,720,31 83,155,55 129,796,45 86,789,06	4,500.73 83,659.36 3,200.62 12,490.31 0.10 2.04 1,827,108.97 137,594.87 238,380.85 62,601.98 57,422.03 203,448.79 30,153.15 119,374.51 189,790.33 162,545.63 180,577.43 240,253.32 254,240.01 127,155.80 104,906.41 142,135.78 154,757.41 84,967.39 136,907.62 100,943.17 260,639.84 284,029.88	61.37 1,115.01 42.82 489.55 0.08 2,189,608.59 1,854.75	(2.04) (5.187.90) (1.623.46) (1.632.90) (20,511.18) (743.12) (3.001.59) (25,748.62) (3.625.00) (5.655.62) (5,737.85) (6,059.14) (2,742.20) (2,209.15) (3,361.35) (3,069.61) (2,985.45) (2,991.50) (2,143.30) (7,202.49) (7,779.00) (6,584.75) (12,344.99)	4,662.1D 84,774.37 3,249.44 12,979.80 0.13 3,996,717.56 189,449.40 2,655,162.24 219,419.56 59,976.90 52,667.89 179,333.05 27,672.37 114,276.32 59,707.61 155,669.06 175,832.88 229,920.53 326,536.14 121,562.34 97,696.33 143,960.23 80,374.73 127,099.00 96,689.02 240,451,622 271,697.94 217,693.189	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 527.49 1-144.19 1-127.10 403.15 -62.69 -256.33 1-33.93 -351.96 -399.67 -523.89 -747.10 -279.22 -222.07 -311.99 -329.53 -184.63 -291.95 -224.06 -556.17 -634.15 -508.42 -577.78	4,662.10 84,774.37 3,249.44 12,979.85 0.18 3,996,717.56 189,449.40 2,656,182.24 218,691.07 59,832.71 52,740.79 178,829.90 27,909.48 114,021.99 59,573.68 155,517.10 175,433.21 229,386.54 327,799.04 121,703.12 97,474.26 135,724.64 143,630.70 80,190.10 126,604.95 96,645.78 239,895.45 271,083.79 217,032.47 246,970.77	4,682.10 84,774.37 3,249.44 12,979.86 0.18 3,996,717.56 189,449.40 2,656,162.24 230,760.28 61,355.80 55,600.65 183,133.17 29,349.19 116,699.86 62,646.41 159,171.91 184,497.48 235,206.42 345,516.16 124,786.71 102,504.95 139,163.51 151,401.58 62,222.55 133,666.59 90,006.88 525,2806.60 277,944.29 229,001.01	(432.67) 177.28 (128.58) 195.54 (60.84) 326.94 (1,395.10) 451.28 (434.13) 690.95 (602.71) 373.11 (192.31) 409.08 (260.24) 220.61 (249.53) 297.01 (556.75) 794.31 (507.81) 807.88	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Repo Agmil Repo Agmil Repo Agmil Repo Agmil Repo Agmil Repo Agmil GIC's GIC's GIC'S GIC'S GIMA GIMA GIMA GIMA GIMA GIMA GIMA GIMA	2001 A-E RMRB	5.29 5.29 5.29 5.29 5.29 4.71 4.71 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19	11/30/06 11/30/06 11/30/06 11/30/06 11/30/06 11/30/06 10/30/01 10/30/01 10/30/01 10/30/01 10/30/01 10/30/01 10/30/01 10/30/01 10/30/01 10/30/01 10/30/01 10/30/01 10/30/01 10/30/01 10/30/01 10/30/01 10/30/01 10/30/01 10/30/00 10/30/00 10/30/00 04/26/00 04/26/00	12/01/08 12/01/08 12/01/08 12/01/08 12/01/08 07/01/33 07/01/33 06/20/15 06/20/15 06/20/15 11/20/14 11/20/14 11/20/14 11/20/14 11/20/14 11/20/15 01/20/15	4,600,73 83,659,36 3,206,05 12,490,31 0,10 0,10 1,627,108,97 187,594,65 2,509,097,27 224,078,97 61,456,17 54,433,69 199,441,06 117,023,58 85,322,50 159,342,10 181,089,03 235,134,39 335,849,13 124,445,32 99,683,41 139,105,198 146,720,31 83,155,55 129,796,45 96,789,08 247,097,94	4,600.73 83,659.36 3,200.62 12,400.31 0.10 18,27,108.97 187,594.65 2,509,097.27 238,300.85 62,801.98 57,422.03 203,448.79 30,153.15 119,374.51 89,790.33 162,545.63 180,577.43 240,253.32 254,240.01 127,155.80 104,906.41 142,135.78 154,757.41 84,967.39 136,907.62 100,943.17 260,639.84 284,029.88 236,164.17 265,026.83 588,016.48	61.37 1,115.01 42.82 489.55 0.08 2,189,608.59 1,854.75	(2.04) (5.187.90) (1.623.46) (1.623.49) (1.623.49) (20,511.16) (743.12) (3.001.59) (25,748.82) (3.825.00) (5,655.82) (5,737.85) (8,059.14) (2,742.20) (2,209.15) (3,381.35) (3.099.61) (2,985.45) (2,981.50) (2,143.30) (7,202.49) (7,776.00) (6,584.75) (12,394.99) (13,750.95)	4,062.10 84,774.37 3,249.44 12,970.66 0.18 3,996,717.56 169,449.40 2,055,162.24 219,418.56 59,970.90 179,333.95 27,972.37 114,278.32 59,707.61 155,669.06 175,832.86 226,920.53 320,536.14 121,922.34 97,696.33 130,038.03 143,960.23 80,374.73 127,096.90 96,680.32 240,451.62 271,697.64	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	4,662.10 84,774.37 3,249.44 12,979.85 0.18 3,996,717.56 189,449.40 2,656,162.24 218,891.07 59,832.71 52,740.79 178,922.90 27,009.48 114,021.99 59,573.68 155,577.10 175,433.21 229,396.54 327,799.04 121,703.12 297,474.26 135,724.64 143,030.70 80,190.10 120,804.95 96,045.78 239,895.45 271,033.79 217,323.47 246,970.77 541,806.71	4,682.10 84,774.37 3,249.44 12,979.66 0.18 3,990,717.56 189,449.40 2,656.162.24 230,760.28 61,355.80 55,600.55 183,133.17 29,349.19 116,699.86 62,646.41 159,171.91 184,487.48 235,266.42 345,516.16 124,780.71 102,504.95 139,163.51 151,401.50 82,222.55 133,660.59 190,096.88 252,880.60 277,944.29 229,091.61 253,229.72 571,145.68	(432.67) 177.28 (128.58) 195.54 (60.84) 326.94 (13.95.10) 451.28 (434.13) 690.95 (562.71) 373.11 (192.31) 409.08 (266.24) 220.61 (249.53) 297.01 (556.75) 794.31 (507.81) 607.88	0.90 0.00 0.00 0.00 0.00 0.00 0.00 0.00
Repo Agmil GIC's GIC's GIC's GIMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA GN	2001 A-E RMRB	5.29 5.29 5.29 5.29 5.29 4.71 4.71 8.19 7.19 8.19 8.19 8.19 8.19 8.19 8.19 8.19 8	11/30/06 11/30/06 11/30/06 11/30/06 11/30/06 10/30/01 10/30/01 10/30/01 07/25/00 07/25/00 07/25/00 01/22/00 01/01/00 01/01/00 01/01/00 01/01/00 02/27/00 02/27/00 02/27/00 02/27/00 03/30/00 03/	12/01/08 12/01/08 12/01/08 12/01/08 12/01/08 07/01/33 07/01/33 07/01/33 06/20/15 06/20/15 11/20/14 11/20/14 11/20/14 11/20/14 11/20/14 11/20/14 11/20/15 01/20/15	4,600,73 83,659,36 3,206,03 12,490,31 0,10 1,027,108,97 187,594,65 2,509,097,27 224,078,97 61,456,17 54,433,69 199,441,06 28,652,60 117,023,59 85,322,50 159,342,10 161,089,03 235,134,39 335,848,18 124,445,32 99,683,41 139,105,99 146,720,51 63,155,555 120,766,45 96,789,08 247,097,94 276,843,69 223,008,22 259,365,76	4,500.73 83,659.36 3,200.62 12,490.31 0.10 2.04 1,827,108.97 137,594.87 238,380.85 62,601.98 57,422.03 203,448.79 30,153.15 119,374.51 189,790.33 162,545.63 180,577.43 240,253.32 254,240.01 127,155.80 104,906.41 142,135.78 154,757.41 84,967.39 136,907.62 100,943.17 260,639.84 284,029.88	61.37 1,115.01 42.82 489.55 0.08 2,189,608.59 1,854.75	(2.04) (5.187.90) (1.623.49) (1.623.49) (1.692.90) (20.511.10) (743.12) (3.001.59) (25,748.62) (3.625.00) (5.655.82) (5,737.65) (6,059.14) (2,742.20) (2,209.15) (3,381.35) (3,089.61) (2,985.45) (2,985.45) (2,985.45) (2,985.45) (2,985.45) (2,985.45) (2,985.45) (2,985.45) (2,985.45) (2,985.45) (2,985.45) (2,985.45) (2,985.45) (2,985.45) (2,985.45) (3,986.95) (4,557.89)	4,662.10 84,774.37 3,249.44 12,970.80 0.18 3,996,717.58 189,449.40 2,056,162.24 219,418.56 59,976.90 52,667.69 179,333.05 27,972.37 114,278.32 59,707.61 155,669.06 175,832.80 229,920.53 320,533.41 121,982.34 97,696.33 130,030.03 143,960.23 60,374.73 127,096.90 96,689.02 240,451.62 271,697.94 217,831.89 247,548.55 543,074.25	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	4,662.10 84,774.37 3,249.44 12,979.65 0.18 3,996,717.56 189,449.40 2,655,162.24 218,891.07 59,832.71 52,740.79 178,929.90 27,909.48 114,021.99 59,573.68 155,517.10 175,433.21 29,365.54 327,799.04 121,703.12 97,474.26 135,724.64 143,030.70 80,169.10 126,804.95 80,045.70 239,895.45 271,033.78 217,232.47 246,970.77 541,806.71 104,748.37	4,682.10 84,774.37 3,249.44 12,979.86 0.18 3,990,717.56 189,449.40 2,656.162.24 230,760.28 61,355.80 55,600.55 183,133.17 29,349.19 110,699.86 62,646.41 159,171.91 184,497.48 235,206.42 345,516.16 124,786.71 102,504.95 139,183.51 151,401.50 82,222.55 133,686.59 99,090.88 82,222.55 133,686.59 99,090.88 252,880.60 277,844.29 228,090.161 253,239.72 571,145,88	(432.67) 177.28 (128.58) 195.54 (80.84) 326.94 (1,395.10) 451.28 (434.13) 690.95 (662.71) 373.11 (192.31) 499.08 (286.24) 220.61 (249.53) 297.01 (555.75) 794.31 (607.81) 607.88 (1,119.85)	0.90 0.00 0.00 0.00 0.00 0.00 0.00 0.00
Repo Agmil Repa Agmil	2001 A-E RMRB	5.29 5.29 5.29 5.29 4.71 4.71 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19	11/30/06 11/30/06 11/30/06 11/30/06 11/30/06 10/30/01 10/30/01 10/30/01 07/25/00 07/25/00 01/22/00 01/22/00 01/01/00 01/01/00 01/01/00 02/27/00 02/27/00 03/30/00 03/30/00 03/30/00 03/30/00 04/26/00 04/26/00 05/26/00 05/26/00 05/26/00	12/01/08 12/01/08 12/01/08 12/01/08 12/01/08 07/01/33 07/01/33 06/20/15 06/20/15 06/20/15 11/20/14 11/20/14 11/20/14 11/20/14 11/20/15 01/20/15	4,600,73 83,659,36 3,206,62 12,400,31 0,10 2,04 1,027,108,97 187,594,65 2,509,097,27 224,078,97 61,456,17 54,433,69 189,441,06 28,652,60 117,023,59 85,322,50 159,342,10 161,089,03 235,134,39 335,848,18 124,445,32 99,683,41 139,105,99 148,720,31 83,155,55 129,766,45 88,789,06 247,097,94 276,843,69 247,097,94 276,843,69 247,097,94 276,843,69 247,097,94 276,843,69 247,097,94 276,843,69 255,555,766 555,557,66 35,625,89,47	4,600.73 83,659.36 3,200.62 12,490.31 0.10 2.04 1,827,108,97 187,594.65 2,509,097.27 230,380.85 62,801.98 57,422.03 203,448.79 30,153.15 119,374.51 89,790.33 162,545.63 190,577.43 240,225.32 254,240.01 127,155.80 104,906.41 142,135.78 154,757.41 84,967.39 136,907.62 100,943.17 260,639.84 284,020.88 286,184.17 265,026.83 586,016.48 111,735.54	61.37 1,115.01 42.82 489.55 0.08 2,189,608.59 1,854.75	(2.04) (5.187.90) (1.623.46) (1.692.90) (20,511.16) (743.12) (3.001.59) (25,748.62) (3.625.00) (5.655.82) (5,737.85) (8,059.14) (2,742.20) (2,209.15) (3,381.35) (3,089.61) (2,085.45) (2,091.50) (2,143.30) (7,202.48) (7,770.00) (6,584.75) (12,384.99) (13,750.95) (4,597.86)	4,062.10 84,774.37 3,249.44 12,979.66 0.18 3,995,717.56 169,449.40 2,055,162.24 219,416.56 59,976.90 52,867.99 179,333.05 27,972.37 114,276.32 59,707.61 155,669.06 175,632.86 226,920.53 326,536.14 121,982.34 97,696.33 130,038.03 143,960.23 60,374.73 127,099.90 90,669.02 240,451.62 271,697.34 217,693.55 543,074.25 104,995.96	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	4,662.10 84,774.37 3,249.44 12,979.85 0.18 3,996,717.56 189,449.40 2,656,162.24 218,691.07 59,832.71 52,740.79 178,929.90 27,099.48 114,021.99 59,573.68 155,517.10 175,433.21 229,396.54 327,799.04 121,033.12 97,474.26 135,724.64 143,030.70 80,189.10 126,064.95 90,045.74 246,970.77 541,806.71 104,748.37 35,087.13	4,662.10 84,774.37 3,249.44 12,979.66 0.16 3,990,717.56 189,449.40 2,556,162.24 230,760.29 61,355.80 55,600.55 183,133.17 29,348.19 116,6698.66 62,646.41 159,171.91 184,497.49 235,206.42 345,518.16 124,769.71 102,504.95 139,103.51 151,401.50 82,222.55 133,698.59 99,090.88 252,880.60 277,944.29 229,091.61 253,239.72 571,145.68 107,409.76	(432.67) 177.28 (128.55) 195.54 (60.84) 326.94 (1,395.10) 451.28 (434.13) 690.95 (662.71) 373.11 (192.31) 409.08 (260.24) 220.61 (249.53) 297.01 (550.75) 794.31 (507.81) 607.88 (1,119.85) 272.11	0.90 0.00 0.00 0.00 0.00 0.00 0.00 0.00
Repo Agmil GIC's GIC's GIC'S GIC'S GIMA GNMA GNMA GNMA GNMA GNMA GNMA GNMA GN	2001 A-E RMRB	5.29 5.29 5.29 5.29 5.29 4.71 4.71 8.19 7.19 8.19 8.19 8.19 8.19 8.19 8.19 8.19 8	11/30/06 11/30/06 11/30/06 11/30/06 11/30/06 10/30/01 10/30/01 10/30/01 07/25/00 07/25/00 07/25/00 01/22/00 01/01/00 01/01/00 01/01/00 01/01/00 02/27/00 02/27/00 02/27/00 02/27/00 03/30/00 03/	12/01/08 12/01/08 12/01/08 12/01/08 12/01/08 07/01/33 07/01/33 07/01/33 06/20/15 06/20/15 06/20/15 11/20/14 11/20/14 11/20/14 11/20/14 12/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 03/20/15 03/20/15 03/20/15	4,600,73 83,659,36 3,206,03 12,490,31 0,10 10,10 1,627,108,97 187,594,651 2,509,097,27 224,078,07 81,456,17 54,433,89 189,441,06 28,652,60 117,023,59 85,322,50 159,342,10 161,089,03 235,134,39 335,848,18 124,445,32 99,683,41 139,105,98 146,720,31 83,155,55 129,766,45 98,789,08 247,097,94 276,843,69 223,908,22 259,365,76 555,557,68 109,346,28	4,500.73 83,659.36 3,200.62 12,490.31 0.10 1827,108.67 187,594.68 2,509,097.27 230,300.85 62,601.98 57,422.03 203,448.79 30,153.15 119,374.51 89,790.33 162,545.63 190,577.33 240,253.32 254,240.01 127,155.60 104,906.41 142,135.78 154,757.41 84,967.39 138,907.62 100,943.17 260,639.84 284,029.88 236,164.17 265,026.83 588,016.48 111,735.54	61.37 1,115.01 42.82 489.55 0.08 2,189,608.59 1,854.75	(2.04) (5.187.90) (1.623.46) (1.623.46) (1.692.90) (20.511.16) (743.12) (3.001.59) (25.748.82) (3.825.00) (5.655.82) (5.737.85) (6.059.14) (2.742.20) (2.209.15) (3.381.35) (3.089.81) (2.985.45) (2.981.50) (2.143.30) (7.202.49) (7.779.00) (6.564.75) (12.394.99) (13.750.95) (4.597.89) (736.78) (2.3767.78)	4,662.10 84,774.37 3,249.44 12,970.66 0.18 3,996,717.56 169,449.40 2,056,162.24 219,418.56 59,976.90 52,967.99 179,333.05 27,972.37 114,278.32 59,707.61 155,669.06 176,832.88 229,920.53 320,536.14 121,982.34 47,696.33 136,039.03 143,060.23 80,374.73 127,099.90 96,869.92 240,451.62 271,697.94 217,831.89 247,546.55 543,074.25 104,995.96 35,169.50 15,3182.90	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	4,662.10 84,774.37 3,249.44 12,979.65 0.18 3,996,717.56 189,449.40 2,655.162.24 218,891.07 59,832.71 52,740.79 178,929.90 27,999.48 114,021.98 59,573.68 155,571.10 175,433.21 229,396.54 327,799.04 121,703.12 297,474.26 135,724.64 143,630.70 80,180.10 126,804.95 96,645.76 239,895.45 271,093.79 217,323.47 246,970.77 541,806.71 104,748.37 35,087.13 155,2821.69	4,682.10 84,774.37 3,249.44 12,979.86 0.18 3,990,717.56 189,449.40 2,556.162.24 230,760.29 61,355.80 55,600.55 183,133.17 29,348.19 118,099.85 62,646.41 159,171.91 184,487.48 235,206.42 345,516.16 124,789.71 102,504.95 139,103.51 151,401.58 82,222.55 133,686.59 98,098.88 252,880.60 277,844.29 229,091.61 253,229.72 571,145.68 107,409.76 36,087.44	(432.67) 177.28 (128.58) 195.54 (60.84) 326.94 (1,395.10) 451.28 (434.13) 690.95 (602.71) 373.11 (192.31) 409.08 (286.24) 220.61 (249.53) 297.01 (556.75) 794.31 (507.81) 807.88 (1,119.85) 272.11 (64.26) 24.22	0.90 0.00 0.00 0.00 0.00 0.00 0.00 0.00
Repo Agmil	2001 A-E RMRB	5.29 5.29 5.29 5.29 5.29 4.71 4.71 8.19 7.19 8.19 8.19 8.19 8.19 8.19 8.19 8.19 8	11/30/06 11/30/06 11/30/06 11/30/06 11/30/06 11/30/06 10/30/01 10/30/01 07/25/00 07/25/00 01/22/00 01/22/00 01/01/06 01/20/00 01/01/06 01/01/06 02/27/00 02/27/00 02/27/00 02/27/00 02/27/00 02/27/00 03/30/06 03/	12/01/08 12/01/08 12/01/08 12/01/08 12/01/08 07/01/33 07/01/33 07/01/33 06/20/15 06/20/15 06/20/15 11/20/14 11/20/14 11/20/14 11/20/14 11/20/14 11/20/14 11/20/14 11/20/14 11/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 02/20/15 02/20/15 03/20/15 03/20/15 03/20/15 03/20/15 03/20/15 04/20/15 04/20/15 04/20/15 04/20/15 04/20/15	4,600,73 83,659,36 3,206,62 12,400,31 0,10 2,04 1,027,108,97 187,594,65 2,509,097,27 224,078,97 61,456,17 54,433,69 189,441,06 28,652,60 117,023,59 85,322,50 159,342,10 161,089,03 235,134,39 335,848,18 124,445,32 99,683,41 139,105,99 148,720,31 83,155,55 129,766,45 88,789,06 247,097,94 276,843,69 247,097,94 276,843,69 247,097,94 276,843,69 247,097,94 276,843,69 247,097,94 276,843,69 255,555,766 555,557,66 35,625,89,47	4,600.73 83,659.36 3,200.62 12,490.31 0.10 1,827,108.97 187,594.63 2,509,097.27 238,380.85 62,801.98 57,422.03 203,448.79 30,153.15 119,374.51 89,790.33 182,545.63 180,577.43 240,253.32 354,240.01 127,155.80 104,906.41 142,135.78 154,757.41 84,967.39 136,907.62 100,643.17 260,639.84 284,029.88 236,184.17 265,026.83 588,018.48 111,735.54 37,790.46 111,735.54 37,790.46	61.37 1,115.01 42.82 489.55 0.08 2,189,608.59 1,854.75	(2.04) (5.187.90) (1.623.46) (1.632.90) (20,511.18) (743.12) (3.001.59) (25,748.62) (3.625.00) (5.655.62) (5,737.65) (8,059.14) (2,742.20) (2,209.15) (3,381.35) (3,089.61) (2,095.45) (2,195.45) (2,195.45) (2,195.45) (2,195.45) (2,195.45) (2,195.45) (2,195.45) (2,195.45) (2,195.45) (2,195.45) (2,195.45) (2,195.45) (2,195.45) (2,195.45) (3,750.95) (4,597.89) (738.76) (23,767.78) (9,651.21)	4,662.10 84,774.37 3,249.44 12,970.86 0.18 3,996,717.56 169,449.40 2,658,162.24 219,418.56 59,976.90 52,867.89 179,333.05 27,872.37 114,278.32 59,707.61 155,669.06 175,632.86 229,920.53 324,536.14 121,852.34 97,686.33 130,038.03 143,960.23 80,374.73 127,096.09 96,889.02 247,540.55 543,074.25 104,995.96 35,169.50 153,169.50 153,169.50 153,169.50	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	4,662.10 84,774.37 3,249.44 12,979.85 0.18 3,996,717.56 189,449.40 2,656,182.24 218,891.07 59,832.71 52,740.79 178,829.90 27,909.48 114,021.99 59,573.68 155,517.10 175,433.21 229,396.54 121,703.12 297,474.26 135,724.64 143,630.70 80,189.10 120,804.95 90,645.72 239,895.45 271,033.78 247,323.47 246,970.77 541,806.71 104,748.37 35,087.13 152,821.69 445,822.83	4,662.10 84,774.37 3,249.44 12,979.66 0,16 3,990,717.56 189,449.40 2,556,162.24 230,760.29 61,355.80 55,600.55 183,133.17 29,349.19 116,699.86 62,646.41 159,171.91 184,487.48 235,206.42 345,516.16 124,760.71 102,504.95 139,163.51 151,401.50 82,222.55 133,668.59 90,098.88 252,880.60 277,944.29 229,001.61 253,239.72 571,145.68 107,409.76 36,087.44	(432.67) 177.28 (128.58) 195.54 (60.84) 326.94 (1,395.10) 451.28 (434.13) 690.95 (602.71) 373.11 (192.31) 409.08 (260.24) 220.61 (249.53) 297.01 (555.75) 794.31 (607.88 (1,119.85) 272.11 (64.26) 24.22 (830.51)	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Repo Agmil GIC's GIC's GIC'S GIMA GIMA GIMA GIMA GIMA GIMA GIMA GIMA	2001 A-E RMRB	5.29 5.29 5.29 5.29 5.29 4.71 4.71 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.19 7.19 8.10 7.10 8.10 8.10 8.10 8.10 8.10 8.10 8.10 8	11/30/06 11/30/06 11/30/06 11/30/06 11/30/06 11/30/06 11/30/06 10/30/01 10/30/01 07/25/60 07/25/60 07/25/60 01/22/60 01/22/60 01/01/60 01/	12/01/08 12/01/08 12/01/08 12/01/08 12/01/08 07/01/33 07/01/33 07/01/33 06/20/15 06/20/15 06/20/15 11/20/14 11/20/14 11/20/14 11/20/14 11/20/14 11/20/15 01/20/15 01/20/15 01/20/15 01/20/15 02/20/15 03/20/15	4,600,73 83,659,36 3,206,03 12,490,31 0,10 0,10 1827,108,97 187,594,65 2,509,037,27 224,078,97 81,456,17 54,433,89 189,441,06 187,023,58 85,322,50 159,342,10 181,089,03 235,134,39 335,848,18 124,445,32 99,683,41 139,105,89 140,720,31 83,155,55 120,796,45 98,789,08 247,097,94 278,643,69 223,008,22 259,365,76 555,557,66 109,346,26 35,625,89 176,589,474,04	4,500.73 83,659.36 3,200.63 3,200.63 12,490.31 0.10 2.04 1,827,108.97 137,594.87 238,380.85 62,601.98 67,422.03 203,448.79 30,153.15 119,374.51 189,790.33 162,545.63 180,577.43 240,253.32 254,240.01 127,155.80 104,906.41 142,135.78 154,757.41 84,967.39 136,607.39 136,607.62 100,643.17 250,639.84 284,029.88 236,164.17 250,639.84 284,029.88 236,164.17 250,639.84 284,029.88 236,164.17 250,639.84 284,029.88 236,164.17 250,639.84 284,029.88 236,164.17 250,639.84 284,029.88 236,164.17 250,639.84	61.37 1,115.01 42.82 489.55 0.08 2,189,608.59 1,854.75	(2.04) (5.187.90) (1.623.46) (1.623.46) (1.692.90) (20.511.16) (743.12) (3.001.59) (25.748.82) (3.825.00) (5.655.82) (5.737.85) (6.059.14) (2.742.20) (2.209.15) (3.381.35) (3.089.81) (2.985.45) (2.981.50) (2.143.30) (7.202.49) (7.779.00) (6.564.75) (12.394.99) (13.750.95) (4.597.89) (736.78) (2.3767.78)	4,062.10 84,774.37 3,249.44 12,970.66 0.18 3,996,717.56 169,449.40 2,055,162.24 219,418.56 59,976.90 179,333.95 27,972.37 114,278.32 59,707.61 155,669.06 175,832.86 226,920.53 320,536.14 121,922.34 97,696.33 130,030.03 143,960.23 80,374.73 127,096.90 96,686.32 240,451.62 247,467.54	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	4,662.10 84,774,37 3,249.44 12,979.85 0.18 3,996,717.56 189,449.40 2,656,162.24 218,891.07 59,832.74 178,922.90 27,009.48 114,021,99 59,573.68 155,577.10 175,433.21 229,366.54 327,789.04 121,703.12 297,474,26 135,724.64 143,030.70 80,190.10 126,804.95 96,645.78 239,895.45 271,093.79 217,323.47 246,970.77 541,806.71 104,748.37 35,087.13 152,821.69 445,622.63 81,511.64	4,682.10 84,774.37 3,249.44 12,979.66 0.18 3,990,717.56 189,449.40 2,656.162.24 230,760.28 61,355.80 55,600.55 183,133.17 29,349.19 116,699.86 62,646.41 159,171.91 184,487.48 235,266.42 345,516.16 124,786.71 102,504.95 139,163.51 151,401.50 82,222.55 133,608.69 82,222.55 134,608.69 82,222.55 134,608.69 82,222.55 135,608.69 82,222.55	(432.67) 177.28 (128.55) 195.54 (60.84) 326.94 (13.95.10) 451.28 (434.13) 690.95 (652.71) 373.11 (192.31) 409.08 (266.24) 220.51 (249.53) 297.01 (556.75) 794.31 (607.81) 607.88 (1,119.85) 272.11 (64.26) 24.22 (830.51) 249.33	0.90 0.00 0.00 0.00 0.00 0.00 0.00 0.00
Repo Agmil	2001 A-E RMRB	5.29 5.29 5.29 5.29 5.29 4.71 4.71 8.19 7.19 8.19 8.19 8.19 8.19 8.19 8.19 8.19 8	11/30/06 11/30/06 11/30/06 11/30/06 11/30/06 11/30/06 10/30/01 10/30/01 07/25/00 07/25/00 01/22/00 01/22/00 01/01/06 01/20/00 01/01/06 01/01/06 02/27/00 02/27/00 02/27/00 02/27/00 02/27/00 02/27/00 03/30/06 03/	12/01/08 12/01/08 12/01/08 12/01/08 12/01/08 07/01/33 07/01/33 07/01/33 06/20/15 06/20/15 06/20/15 11/20/14 11/20/14 11/20/14 11/20/14 11/20/14 11/20/14 11/20/14 11/20/14 11/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 02/20/15 02/20/15 03/20/15 03/20/15 03/20/15 03/20/15 03/20/15 04/20/15 04/20/15 04/20/15 04/20/15 04/20/15	4,600,73 83,659,36 3,206,02 12,499,31 0,10 1,027,108,97 187,594,69 189,441,06 189,441,06 189,441,06 189,441,06 181,089,03	4,600.73 83,659.36 3,200.63 12,400.31 0.10 18,27,108.97 187,594.63 2,509,097.27 238,300.85 62,801.98 57,422.03 203,448.79 30,153.15 119,374.51 89,790.33 162,545.63 180,577.43 240,253.32 254,240.01 127,155.80 104,906.41 142,135.78 154,787.41 84,967.39 136,907.62 100,943.17 260,639.84 284,020.88 236,164.17 285,026.83 588,016.48 111,735.54 180,448.15 480,457.49 180,448.15 480,457.49	61.37 1,115.01 42.82 489.55 0.08 2,189,608.59 1,854.75	(2.04) (5.187.90) (1.623.46) (1.692.90) (20,511.16) (743.12) (3.001.59) (25,748.82) (3.625.00) (5,655.82) (5,737.85) (6,059.14) (2,742.20) (2,209.15) (3,381.35) (3,089.61) (2,985.45) (2,143.30) (7,202.48) (7,776.00) (6,584.75) (12,944.99) (13,760.95) (4,597.86) (738.76) (23.767.76) (9,051.21) (1,955.50)	4,662.10 84,774.37 3,249.44 12,970.86 0.18 3,996,717.56 169,449.40 2,658,162.24 219,418.56 59,976.90 52,867.89 179,333.05 27,872.37 114,278.32 59,707.61 155,669.06 175,632.86 229,920.53 324,536.14 121,852.34 97,686.33 130,038.03 143,960.23 80,374.73 127,096.09 96,889.02 247,540.55 543,074.25 104,995.96 35,169.50 153,169.50 153,169.50 153,169.50	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	4,662.10 84,774.37 3,249.44 12,979.85 0.18 3,996,717.56 189,449.40 2,656,182.24 218,891.07 59,832.71 52,740.79 178,829.90 27,909.48 114,021.99 59,573.68 155,517.10 175,433.21 229,396.54 121,703.12 297,474.26 135,724.64 143,630.70 80,189.10 120,804.95 90,645.72 239,895.45 271,033.78 247,323.47 246,970.77 541,806.71 104,748.37 35,087.13 152,821.69 445,822.83	4,662.10 84,774.37 3,249.44 12,979.66 0,16 3,990,717.56 189,449.40 2,556,162.24 230,760.29 61,355.80 55,600.55 183,133.17 29,349.19 116,699.86 62,646.41 159,171.91 184,487.48 235,206.42 345,516.16 124,760.71 102,504.95 139,163.51 151,401.50 82,222.55 133,668.59 90,098.88 252,880.60 277,944.29 229,001.61 253,239.72 571,145.68 107,409.76 36,087.44	(432.67) 177.28 (128.58) 195.54 (60.84) 326.94 (1,395.10) 451.28 (434.13) 690.95 (602.71) 373.11 (192.31) 409.08 (260.24) 220.61 (249.53) 297.01 (555.75) 794.31 (607.88 (1,119.85) 272.11 (64.26) 24.22 (830.51)	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0

GNMA	2001 A-E RMRB	8,19	06/28/90	05/20/15	288,675.59	304,516,85	(6.375.81)	282,973,55	0.00	-873,77	262 200 25	207 500 45	(F10 FF)	
GNMA	2001 A-E RMRB	6.19	06/28/90	05/20/15	111 681.90	112,584.38	(2,558.22)	109,384.13	00.0	-260.45	282,299.78 109,123.68	297,600.48 110,343.43	(540.56) 317.27	0,00 00,0
GNMA	2001 A-E RMRB	7.19	07/25/90	06/20/15	55,905.41	57,132.77	(1,221.66)	54,818,54	0.00	-131.79	54,688.75	55,078.88	167,77	0.00
GNMA	2001 A-E RMRB	7.19	09/13/90	06/20/15	29,658.70	30,308.65	(621.22)	29,107.84	0.00	-70.36	29,037.48	29,777,07	89.64	0.00
GNMA	2001 A-E RMRB	8.19	09/13/90	07/20/15	78,152.50	82,445.47	(1,565.27)	76,774.03	0.00	-186.80	76,587.23	80,742.49	(137.71)	0.00
GNMA	2001 A-E RMR9	7.19	09/13/90	07/20/15	90,301.56	92,281,70	(1,817.55)	89,699.84	0.00	-215.81	86,484,03	90,739.04	274.89	0.00
GNMA	2001 A-E RMR8	8.19	09/13/90	08/20/15	172,880.94	182,379.11	(3,424.34)	169,871.55	0.00	-415.55	169,455.70	178,552.15	(302.62)	0.00
GNMA GNMA	2001 A-E RMRB	6,19	09/13/90	07/20/15	104,018,95	104,865.00	(2,003.65)	102,264.11	0.00	-248.81	102,015.30	103,160.98	299,63	0.00
GNMA GNMA	2001 A-E RMRB 2001 A-E RMRB	8.19	09/28/90	08/20/15	110,976.74	117,074.99	(3,614.92)	107,625.72	0.00	-263.90	107,361.82	113,188.89	(271.18)	0.00
GNMA	2001 A-E RMRB	6.19	09/28/90 09/28/90	08/20/15 08/20/15	195,938.05	197,535.51	, (4,922.64)	191,484.94	0.00	-469.53	191,015.41	193,184,35	551.48	0.00
GNMA	2001 A-E RMRB	7.19 9.19	09/28/90	08/20/15	194,230.42 422,012.76	198,493.30 445,202.60	(4,720.65)	189,975,60	0.00	-465.03	189,509.77	194,343.18	570.53	0.00
GNMA	2001 A-E RMRB	7,19	10/31/90	08/20/15	8,998.07	9,195.63	(9,903.44)	413,122.30	0.00	-1,012.98	412,109.32	434,476.58	(822.58)	0.00
GNMA	2001 A-E RMRB	8.19	10/31/90	09/20/15	126,148.52	133,083.84	(176.95) (2,689.50)	6,842.89 123,765.59	0,00 0.00	-21.77 -306.57	8,821.12	9,046,18	27.50	0.00
GNMA	2001 A-E RMR8	6.19	10/31/90	09/20/15	137,157.85	138,309,79	(3,200.64)	134,319.94	D.00	-332.72	123,459,02 133,987,22	130,163.07 135,497.95	(231.27) 388.80	0.00 0.00
GNMA	2001 A-E RMR8	7.19	10/31/90	09/20/15	32,491,28	33,205.21	(1,242.31)	31,326.57	0.00	-77.60	31,248.97	32,046,76	356.50 83.86	0.00
GNMA	2001 A-E RMRB	8.19	10/31/90	09/20/15	253,006.72	268,915.30	(4,939.61)	248,683.10	0.00	-615.99	248,087.11	261,537.54	(439.15)	D.00
GNMA	2001 A-E RMRB	6,19	11/28/90	10/20/15	135,684.84	136,797.46	(3,125.15)	132,891.79	0.00	-332,10	132,559.69	134,057.24	384.93	0.00
GNMA	2001 A-E RMRB	8,19	11/28/90	10/20/15	495,599.21	523,173.86	(9,505.58)	487,812.18	0.00	-1,218.55	488,393.63	512,816.90	(851.38)	0.00
GNMA	2001 A-E RMRB	7.19	12/21/90	10/20/15	75,154.61	78,808.23	(1,455.00)	73,884.70	0.00	-185.09	73,699.61	75,583.33	230.10	0.00
GNMA	2001 A-E RMRB	8.19	12/21/90	11/20/15	130,976.12	138,182.89	(2,564.05)	128,736.62	0.00	-324,55	128,412.07	135,391.00	(227,64)	0.00
GNMA	2001 A-E RMRB	8.19	02/25/91	10/20/15	41,198.56	43,463,56	(770.54)	40,528.32	0.00	-102.30	40,426.02	42,023.27	(69.75)	0.00
GNMA GNMA	2001 A-E RMRB	6.19	01/25/91	11/20/15	149,172.71	150,400.78	(3,125.00)	146,418.30	0.00	-370.59	146,047.71	147,702.40	426.62	0.00
GNMA	2001 A-E RMRB 2001 A-E RMRB	8.19 8.19	01/28/91 02/25/90	11/20/15 01/20/16	41,982.51	44,293.16	(965.43)	41,121.26	0.00	-104.08	41,017.18	43,245.85	(60.88)	0.00
GNMA	2001 A-E RMRB	8.19	03/28/91	03/20/16	134,278.91 103,992.29	142,063,58 110,634,99	(3,172.80)	131,430.75	0.00	-324.64	131,106.11	138,630,49	(260.29)	0.00
GNMA	2001 A-E RMRB	8.75	03/20/91 04/29/91	02/20/10	126,817.57	135,672.23	(3,144.82) {1,240.64)	101,109.65 125,981.71	0.00 00.0	-262.18 -404.78	100,847,47 125,576,93	106,648.37	(241.60)	0.00
GNMA	2001 A-E RMRB	8.19	04/29/91	04/20/16	159,432.55	168,703.30	(25,465.22)	134,320.73	0.00	-404.78 -353.40		134,305.37	(126.22)	0.80
GNMA	2001 A-E RMRB	7.19	D4/29/91	02/20/16	284,056.88	290,742.16	(5,355.21)	279,428.73	0.00	-727.08	133,967.33 278,701,65	141,679.88 286,297.14	(1,559.20) 910.19	0.00 00.0
GNMA	2001 A-E RMRB	6.19	04/29/91	04/20/16	321,178.82	324,040.15	(7,079,37)	314,926.03	0.00	-829.58	314,097,45	318,037.51	1,078.73	0.00
GNMA	2001 A-E RMRB	8,19	04/26/91	04/20/18	21,772.88	23,038.98	(413.45)	21,415.76	0.00	-56.33	21,359.43	22,588.99	(36,54)	0.00
GNMA	2001 A-E RMRB	7.19	04/26/91	04/20/16	64,250.92	65,764,95	(18,589.63)	45,781.70	0.00	-120.41	45,581.29	46,907.06	(260.26)	0.00
GNMA	2001 A-E RMRB	5.19	10/23/92	09/20/17	425,819.60	430,017.19	(31,523.28)	395,497,51	0.00	-1,201.13	394,296.36	399,804,43	1,310.52	0.00
GNMA	2001 A-E RMR8	9.19	11/23/92	01/20/17	17,504.61	18,574.76	(316.88)	17,238.40	0.00	-50.65	17,187.75	18,230.12	(27.78)	0.00
GNMA	2001 A-E RMRB	7.19	10/30/92	08/20/17	336,012.26	344,4B4.47	(5,516,66)	331,498.52	0.00	-1,003,12	330,495.40	340,107.51	1,139,90	0.00
GNMA GNMA	2001 A-E RMR9 2001 A-E RMR9	6.00	10/30/92	09/20/17	360,894.15	364,246.14	(6,041.94)	355,933.90	0.00	-1,081.69	354,852.21	359,397.18	1,192.98	0.00
GNMA	2001 A-E RMRB	5.45 4.95	02/25/02 02/25/02	01/20/32	462,368.34	459,654.42	(2,442.80)	463,726.71	-7,083.05	3,281.88	459,925,54	462,901.26	5,689.64	0.00
GNMA	2001 A-E RMRB	4.95 5.45	05/15/02	02/20/32 05/20/32	1,220,956.92 313,206,24	1,184,912.42	(52,058.19)	1,178,565.33	-13,725.94	4,059.34	1,168,898.73	1,152,943.32	20,089,09	0.00
GNMA	2001 A-E RMRB	4.95	05/15/02	05/20/32	1,047,658.53	311,391.71 1,016,803.82	(1,313.12) (5.110.24)	314,495.26	-6,667.02 -15.082.01	4,064.88	311,893.12	313,935.45	3,656.66	0.00
GNMA	2001 A-E RMRB	4,95	05/24/02	05/20/32	842,503.23	817,895.80	(3,769.16)	1,051,246.31 845,736.78	-15,052,01	6,363.99 2,695.46	1,042,548.29 838,734.07	1,028,392,16 827,350.50	16,698.58	0.00
GNMA	2001 A-E RMRB	5.45	05/24/02	05/20/32	335,232.62	333,292.50	(1,443.27)	336,576.21	-9,696.17 -4,807.72	2,020,86	333,789.35	335,977.10	13,424.06 4,127.87	0.00 0.00
GNMA	2001 A-E RMRB	5.45	03/21/02	02/20/32	1,041,178,72	1,035,090.42	(4.428.13)		-24,079.44	15,486.71	1,036,750.59	1,043,482,64	12,820.35	8.00
GNMA	2001 A-E RMRB	5.45	03/21/02	02/20/32	102,721,27	102,120.61	(517.64)	103,050,71	-2,117.88	1,270.60	102,203.63	102,667.26	1,264.31	0.00
GNMA	2001 A-E RMR8	4.95	03/21/02	02/20/32	873,415.56	847,646.38	(106,614.74)	773,156.17	-13,251.18	6,895,83	766,600.82	756,347.73	15,316,09	0.00
GNMA	2001 A-E RMRB	5.45	04/17/02	04/20/32	1,685,149.02	1,655,458.70	(7,635.24)		-30,799.43	17,014,55	1,657,513.78	1,668,323.71	20,500.25	0.00
GNMA	2001 A-E RMRB	5.45	04/17/02	03/20/32	155,432.69	154,527.54	(882.35)	155,835.05	-2,352.49	1,067.78	154,550.34	155,557.66	1,912.47	0.00
GNMA GNMA	2001 A-E RMRB	4.95	04/17/02	04/20/32	1,634,038.55	1,585,870.88	(93,130.77)		-21,437.12	8,622.03	1,540,905,78	1,519,942.98	27,202.89	0.00
GNMA	2001 A-E RMRB 2001 A-E RMRB	5,45 4,95	04/29/02	04/20/32	62,380.44	62,018.05	(256.59)	62,641.15	-1,521.76	1,004.46	62,123.85	62,529.65	768,19	0.60
GNMA	2001 A-E RMRB	4,95 5,45	04/29/02 04/29/02	04/20/32 04/20/32	2,143,739.76	2,080,570,79	(11,859.55)	2,149,631.68	-25,987.69	8,236.02	2,131,880.21	2,102,898.88	34,187,64	0.00
GNMA	2001 A-E RMRB	4.95	04/28/02	04/20/32	640,073.93 60,586.46	636,355.46 78,211,65	(2,946,13)		-11,082.01	5,776.79	637,127.80	641,289,48	7,880.15	D.00
GNMA	2001 A-E RMRB	5.45	05/15/02	05/20/32	403,185.83	400,850.01	(393.87) (1.690.42)	80,860.34 404,845,10	-868.64 -4,232.95	200.89	B0,192.59	79,102.44	1,284.45	0.00
GNMA	2001 A-E RMR9	4.95	05/15/02	04/20/32	324,452,96	314,896.21	(1,448.42)	325,698.07	-3,413.77	883.26 720.24	401,495,41 323,004,54	404,124.49 318.617.39	4,964.89 5,169.60	0.00
GNMA	2001 A-E RMRB	5.45	05/15/02	04/20/32	127,957,72	127,215.90	(535.07)	128,484.42	-1,343.43	280.88	127,421.85	128,255,72	1.575.69	0.06 0.00
GNMA	2001 A-E RMRB	5.45	08/29/02	08/20/32	458,499.94	455,885,95	(5,166.69)	457,157.84	-9,000.40	5,175.81	453,333.25	456,344.09	5.624.83	0.00
GNMA	2001 A-E RMRB	4.95	09/29/02	08/20/32	534,439,70	518,748.02	(2,359.36)	536,569.28	-6,541.50	2,052,56	532,080.34	524,904,26	8,515.60	0.00
GNMA	2001 A-E RMRB	5.45	06/03/02	05/20/32	382,131.44	379,922.98	(1,748.53)	383,561.88	-4,826.24	1,647.27	380,382.91	382,879,14	4,704.71	0.00
GNMA GNMA	2001 A-E RMRB 2001 A-E RMRB	4.95	06/03/02 06/10/02	05/20/32	921,713.82	894,580,96	(88,899.87)		-14,342.83	7,382.78	832,813,95	821,517.28	15,836,17	0.00
GNMA	2001 A-E RMRB	4,95		05/20/32	410,294.23	398,218.26	(2,893.04)	410,808.03	-6,869.73	3,462.89	407,401.19	401,877.07	6,551.85	0.00
GNMA	2001 A-E RMRB	5.45 4.95	06/19/02 06/19/02	06/20/32 06/20/32	98,895,53 281,692,07	99,325.57 273,494.22	(457.40)	99,262.41	-2,078.09	1,253.81	98,438.13	99,085.72	1,217.55	0.00
GNMA	2001 A-E RMRB	5.45	06/25/02	05/20/32	203,138,85	273,404.22 201,968.30	(1,256.34)	202,773.09	-5,1;1,42	2,763.26	260,425.73	276,628.38	4,488.50	0.00
GNMA	2001 A-E RMRB	4.95	06/25/02	08/20/32	192,438.07	186,777.18	(868.33) (877.26)	203,954.45 - 193,165.83	-4,304.32 -4,243.64	2,610.39	202,270.52	203,601.39	2,501.42	0.00
GNMA	2001 A-E RMRB	5.45	07/05/02	06/20/32	439,759.64	437,230.47	(67,724,24)	354,987,48	-4,243.04 -7,234.87	2,638.62 4,282,79	191,560.81 352,035.40	188,986.41 354,355.61	3,065.51	0.00
GNMA	2001 A-E RMRB	4.95	07/05/02	06/20/32	1,032,257,41	1.001.898.76	(4,882.23)	1,035,990.48	-10,918.24	2,302.94	1,027,375,18	1,013,468.03	4,849.38 16,451.50	0.00 0.00
GNMA	2001 A-E RMRB	5.45	07/15/02	06/20/32	119,122.48	118,438.34	(482.89)	119,635.44	-3,155.12	2,159.27	118,639.59	119,422.49	1,467,04	0.00
GNMA	2001 A-E RMRB	4.95	07/15/02	08/20/32	294,597.91	285,936.11	(1,534.68)	295,523.17	-3,960.03	1,500.09	293,083.23	289,098,50	4,697.07	0.00
GNMA	2001 A-E RMRB	5.45	07/22/02	06/20/32	167,315.75	168,355.82	(775,99)	167,938.53	-2,638.52	1,239,75	166,539.76	167,639,60	2,059,77	0.00
GNMA GNMA	2001 A-E RMRB	4.95	07/22/02	07/20/32	624,769.09	606,405.03	(3,701.41)	626,288.53	-10,493.34	5,274,49	621,067.68	612,671.04	9.967.42	0.00
GNMA	2001 A-E RMRB 2001 A-E RMRB	5.45 5.45	07/29/02	06/20/32	102,036.42	72,675.45	(441.10)	102,449.24	-1,696.50	842.58	101,595,32	102,255.90	30,032.55	0.00
GNMA	2001 A-E RMRB	5.45 4.95	07/29/02 07/29/02	06/20/32 07/20/32	73,094,45	101,451.54	(315,97)	73,390.19	-1,215.30	803.59	72,778.48	73,259.54	(27,878.03)	0.00
GNMA	2001 A-E RMR8	4.93 5.45	07/20/02	07/20/32	436,386.34 63,822.93	423,564.01 63,457.47	(78,035.90)	361,365.87	-6,630.40	3,616.97	358,352.44	353,509.78	7,981.67	B.00
GNMA	2001 A-E RMRB	4.95	08/01/02	06/20/32	58,253.51	54,600.26	(259.44) (317.83)	64,098.14	-1,354.74	820.09	63,563.49	63,984.04	766.01	0.00
GNMA	2001 A-E RMRB	5.45	08/12/02	07/20/32	216,026.40	214,791.12	(317.83) (51,673.18)	56,405.94 165,736,95	-590.97 -7.069.76	120.71 5.666.02	55,935.66	55,179.67	897.24	0.00
GNMA	2001 A-E RMRB	4.95	0B/12/02	07/20/32	243,184.55	235 040.36	(51,402.61)	243,817.58	-7,069.76 -2,588.77	5,886.D2 531.13	164,353.21 241,781.84	165,441.94 238.516.98	2,324.01 3.879.23	0.00
GNMA	2001 A-E RMRB	5.45	08/23/02	08/20/32	860,400.55	855,491.82	(3.679.76)		-2,500.77 -18,418.61	11,194.30	241,781.84 858,720,79	238,516.98 862,407.27	3,879,23 10,595.21	0.00 0.00
GNMA	2001 A-E RMRB	4.95	08/23/02	08/20/32	1,377,826.77	1,337,366.99	(5,192.75)		-17.754.30	5.187.97	1,371,634,02	1,353,129,56	21,955.32	0.00
GNMA	2001 A-E RMRB	5.45	11/12/02	10/20/32	357,877.41	355,880.43	(1,935.82)		-7,673.80	4,647.34	355,941.59	358,329.09	4,404.48	0.00
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GNMA	2001 A-E RMRB	5.45	09/12/02	08/20/32	238,917,48	237,557,99	(1,213.26)	239,712.29	-7,109.75	5,101.68	237,704.22	239,285,58	2 940 85	0.00
GNMA	2001 A-E RMRB	4.95	09/12/02	08/20/32	552,557,16	636,339,50	(118,195.41)							
								438,031.14	-8,278.47	4,609.08	434,361.75	428,508.37	10,364.28	0.00
GNMA	2001 A-E RMRB	5,45	09/19/02	09/20/32	114,922.75	114,269.87	(454.82)	115,438.18	-3,356.86	2,388.61	114,458,13	115,230.70	1,415.45	0.00
GNMA	2001 A-E RMRB	4.95	09/19/02	09/20/32	551,262.95	535,088.10	(2,668.23)	553,234,15	-7,053,34	2,413.91	548,594.72	541,206.82	8,786.95	0.00
GNMA	2001 A-E RMRB	5.45	09/26/02	09/20/32	501,088,87	597,677.03	(2,469.49)	603,684.90	-8,981.07	3,915.55	598,610.38	602,610.33	7,402,79	0.00
GNMA	2001 A-E RMRB	4,95	09/26/02	09/20/32	364,635.23									
						373,351.36	(1,719.10)	386,156.37	-5,597,97	2,357,73	362,916.13	377,761,32	8,129.06	9,00
GNMA	2001 A-E RMRB	5.45	10/10/02	09/20/32	597,419.65	594,035.25	(2,415,69)		-12,013,46	6,971.87	595,003,96	598,977,49	7,357.93	0.00
GNMA	2001 A-E RMRB	4.95	10/10/02	09/20/32	447,776.B2	434,645.42	(2,185.70)	449,366.70	-4,700.57	924.99	445,591.12	439,597.47	7,137.75	0.00
GNMA	2001 A-E RMRB	5,45	10/21/02	10/20/32	152,787.49	151,923.79	{752.24}	153,325.33	-4,417.62	3,127.54	152 035.25	153,052.41	1,880.86	0.00
GNMA	2001 A-E RMRB	4.95	10/21/02	10/20/32		416.640.07								
					429,222.29		(116,896.10)	314,976.41	-4,484.73	1,834.51	312,326.19	308,128.52	8,384.85	0.00
GNMA	2001 A-E RMRB	5.45	10/29/02	11/20/32	127,927,09	127,205.20	(506.62)	128,502.98	-1,908.69	826,18	127,420.47	128,274.24	1,575.66	0.00
GNMA	2001 A-E RMRB	4.95	10/29/02	11/20/32	316,162,45	306,897.55	(1,363.22)	317,453.46	-3,3t1.02	636,79	314,779.23	310,552.02	5,037.69	0.00
GNMA	2001 A-E RMRÐ	5.45	11/05/02	10/20/32	428,328.36	425,912.17	(1,785.01)	430,167.95	-4,482.85	858.25	426,543.35	429,402.25	5,275.09	0.00
GNMA	2001 A-E RMRB	4.95	11/05/02	10/20/32	259,960.46	252,343.03	(1,119.52)	261,040.47	-2,709,08	509,53	258,840.94	255,385.45	4,141.94	0.00
GNMA	2001 A-E RMRB	5.45	11/19/02	11/20/32	110,526.82	109,904.90	(438.13)	111,025.75	-2,283.46	1,346.40	110,088.69	110,828.12	1,361.35	0.00
GNMA	2001 A-E RMRB	4,95	11/19/02	11/20/32	74,118.44	71,947.63	(316.37)	74,430.27	-771.6B	143.46	73,802.07	72,812.16	1,180.90	0.00
GNMA	2001 A-E RMRB	5.45	11/26/02	11/20/32	193,799.23	192,709.94	(765.51)	194,677,98	-B,602.82	4,958,56	193,033,72	194,331,49	2,387.06	0.00
GNMA	2001 A-E RMRB	4.95	11/26/02	11/20/32	79,875.Bt	77,536,83	(345.22)	80,208.03	-834.11	156.67	79,530.59	78,464.31	1,272.70	0.00
GNMA														
	2001 A-E RMRB	5,45	11/26/02	11/20/32	185,667.51	184,623.89	(1,325.32)	185,911.40	-4,039.64	2,469.43	184,341.19	185,580.48	2,282.91	0.00
GNMA	2001 A-E RMRB	4.95	12/12/02	11/20/32	77,024.94	74,770.36	(334,85)	77,344.27	-1,997.17	1,342.99	76,690,09	75,662.81	1,227,30	00,0
GNMA	2001 A-E RMRB	5.45	12/12/02	11/20/32	365,100.99	363,053.18	(1,795.00)	366,405.05	-5,414.49	2,315.43	363,305.99	365,752.65	4,494.67	0.00
GNMA	2001 A-E RMRB	5,45	12/19/02	12/20/32	406,210.39	403.935.67	(3,208.93)	408,442.82	-5,192.03	1,750.67	403,001.46	405,719.35	4,992.61	D.B0
GNMA	2001 A-E RMRB	4.95	12/19/02	11/20/32	65,990,04	64.058.84	(279.77)	66.271.19	-685.98	125.06	65,710,27	64.830.45	1.051.38	0.00
GNMA	2001 A-E RMRB	5.45	12/30/02	12/20/32	439,051.97	438,597,31	(2,209.27)	440,577.04	-4,585.04	850.70	436,842.70	439,702.81	5,404.77	0.00
GNMA	2001 A-E RMRB	5.45	12/30/02	12/20/32	43.829.68	43,584.64	(173.49)	44,029.39	-1,073.46	700.26	43,656,19	43,951.02	539.87	0.00
GNMA	2001 A-E RMRB	4.95	12/30/02	12/20/32	129,370,44	125,585,93	(559.65)	129,911,93	-1,352.81	251.67	128,810,79	127,087,64	2.061.36	0.00
GNMA	2001 A-E RMRB	5.45	01/09/03	12/20/32	108,176.56	107,572.53	(733.31)	108,362.49	-1.174.42	255.18	107,443.25	108 169 61	1,330,39	0.00
GNMA	2001 A-E RMRB	5.45	01/23/03	01/20/33	385,365.19	383,184.20	(1,566.82)	387,087.85	-4,758.53	1,467,05	383,798.37	386,213.03	4,595.65	0.00
GNMA	2001 A-E RMRB	4,95	01/23/03	01/20/33	378,337.36	367,228.28	(2,550,52)	379,007.65	-3,985,73	764.92	375,786,84	370,730.12	6,052.36	0,00
GNMA	2001 A-E RMRB	5.45	01/23/03	01/20/33	93,582.72	93,053,09	(364.35)	94,017.33	-1,940.14	1,141.18	93,218.37	93,604.85	1,116.11	0.00
GNMA	2001 A-E RMRB	4.95	01/23/03	01/20/33	53,533.91	51,962.01	(785.20)	53,200.82	-609.37	157.26	52,748.71	52,038.91	B62.10	0.00
GNMA	2001 A-E RMRB	5.45	01/30/03	12/20/32	287,179.56	285,580.90	(1,407.24)	288,222.21	-3,014,23	564,34	285,772.32	287,709,17	3,535.51	0.00
GNMA	2001 A-E RMRØ	4.95	01/30/03	01/20/33	76,099.20	73,885.09	(519.01)	76,228.36	-801.60	153.43	75,580.19	74,563.53	1,217.45	0.00
GNMA	2001 A-E RMRB	5.45	02/12/03	01/20/33	241,156.58	239.795.38	(1,388.07)	241,827.19	-3,276.52	1,217.84	239,768.51	241,280.68	2.873.35	0.00
GNMA	2001 A-E RMRB	4.95	02/12/03	02/20/33	162,831,00	158,052,85	(692.70)	183,531.10	-2,509.32	1,116.52	162,138,30	159,959,58	2,599,43	0.00
GNMA														
	2001 A-E RMRB	5,45	02/20/03	02/20/33	181,466.40	180,443.93	(767.31)	182,252.43	-1,067.02	333.68	180,699.09	101,840.54	2,163.92	0.00
GNMA	2001 A-E RMRB	5.45	02/27/03	02/20/33	93,056.08	92,542.17	(357.62)	93,505.68	-960.79	163.37	92,709.46	93,294.56	1,110.01	0.00
GNMA	2001 A-E RMRB	4.95	02/27/03	02/20/33	141,502.89	137,352.11	(649.18)	142,066.26	-1,479.85	268.30	140,854,71	138,983,53	2,259.60	0.00
GNMA	2001 A-E RMRB	4.95	03/12/03	02/20/33	163,062.02	158,280.59	(731.63)	163,728.47	-2,025.22	627.14	162,330.39	160,152.64	2,603.68	0.00
GNMA	2001 A-E RMRB	5.45	03/20/03	02/20/33	272,367.69	270.858.95	(1,321.07)	273,402.85	-3,357.62	1,021.39	271,066.62	272 784 95	3,247.08	0.00
GNMA	2001 A-E RMRB	4.95	03/20/03	02/20/33	104,873.22	101,798.66	(506.28)	105,265.45	-2,175.72	1,278.21	104,356.94	102,967.43	1,675.05	0.00
GNMA	2001 A-E RMRB	5.45	04/02/03	03/20/33	114,871.70	114,228.50	(449.41)	115,409.97	-2,390,91	1,403.23	114,422.29	115,149,14	1,370.05	0,00
GNMA	2001 A-E RMRB	5.45	04/10/03	03/20/33	125,675.86	124,972.94	(583.72)	128,172.71	-1,306.94	226,39	125,092.16	125,867.56	1,498.34	0.00
GNMA	2001 A-E RMRB	5.45	04/17/03	03/20/33	55,150.52	54,842.38	(354.54)	55,269.65	-592.59	118.92	54,795.98	55,144.74	656.90	0.00
GNMA	2001 A-E RMRB	5.45	04/29/03											
				04/20/33	224,155.60	222,906.09	(877.25)	225,211.34	-2,321.56	388.57	223,278.35	224,702.36	2,673,52	0.00
GNMA	2001 A-E RMR8	5.45	05/08/03	04/20/33	209,041,30	207,877.52	(819.55)	210,025.75	-2,165.00	360.87	208,221.62	209,551.09	2,493.25	0.00
GNMA	2001 A-E RMR8	4.95	05/DB/03	04/20/33	146,689.29	142,395.28	(620.53)	147,334.37	-1,524.27	258.66	146,068.76	144,115.59	2,341.64	0.00
GNMA	2001 A-E RMRB	4.95	05/15/03	04/20/33	149,292.40	144,922.92	(632.80)	149,948.41	-1,546.06	257.25	148,659,60	146,673.54	2,383.42	0.00
GNMA	2001 A-E RMRB	5,45	05/22/03	04/20/33	154.715.98	153,858,34	(661.97)	155,370.38	-1,803.52	267.17			1,844.85	0.00
											154,034.01	155,019.22		
GNMA	2001 A-E RMRB	5.45	05/29/03	05/20/33	288,501.78	286,901.11	(1,097.95)	269,699,58	-2,972.77	477.02	287,403.83	289,244.41	3,441.25	0.00
GNMA	2001 A-E RMRB	5.45	06/10/03	05/20/33	267,144.42	265,664.93	(1,063.38)	268,394,34	-2,751.81	436.51	266,081.04	267,787.77	3,186.22	0.00
GNMA	2001 A-E RMRB	5.45	06/19/03	08/20/33	115,760,03	115,120,09	(442.36)	116,321,41	-1,773,77	770.03	115,317.67	116.058.52	1.380.79	0.00
GNMA	2001 A-E RMRB	5.45	06/19/03	08/20/33	223,185.28	221,951.48	(1,681.31)	223,431.97	-2,387.01	439.01	221,503.97	222,927.01	2,656.84	0.00
GNMA	2001 A-E RMRB	5.45	06/26/03	06/20/33	105,382.61	104,800.68								
							(471.26)	105,825.16	-1,124.32	210.51	104,911,35	105,586,00	1,256,58	0.00
GNMA	2001 A-E RMRB	5.45	97/19/03	06/20/33	50,297.49	50,020.30	(187.85)	50,548.66	-515,83	78.80	50,109.63	50,432.42	599.98	0.00
GNMA	2001 A-E RMRB	5.45	07/17/03	07/20/33	53,821.64	53,525.46	(199.77)	54,089.97	-1,277.36	809.28	53,821.87	53,967.73	642.04	0.00
GNMA	2001 A-E RMRB	5,45	07/24/03	07/20/33	50,182.94	49,907.08	(189.40)	50,430.27	-516.26	79.53	49,993.54	50.316.30	598.62	0.00
GNMA	2001 A-E RMRÐ	5.45	07/30/03	07/20/33	52,936,90	52,646.12	(196.48)	53,201.36	-542.78	81.84	52,740.42	53.081.12	631.48	0.00
GNMA	2001 A-E RMRB	5.45	08/07/03	07/20/33	99,071.56	98,528.05	(469.40)	99,484.82	-1,067,91	205,45		99,239.83		
GNMA	2001 A-E RMRB										98,602,16		1,181.18	0.00
		5.45	08/28/03	08/20/33	56,189.11	55,881.93	(374.57)	56,303.83	-597.67	108.38	55,814.54	56,176.58	669.22	0.00
GNMA	2001 A-E RMRÐ	5.45	09/29/03	09/20/33	54,713,19	54,415.68	(201.37)	54,991.29	-500.09	80.62	54,511.82	54,867.D1	652.70	0.00
GNMA	2001 A-E RMRB	5.45	10/23/03	10/20/33	50,422.07	50,149.00	(190.70)	50,674.32	-518.50	75.55	50,231.37	50,559.80	601.50	0.00
GNMA	2001 A-E RMRB	5.45	11/20/03	10/20/33	53,859.65	53,569,15	(195.14)	54,137,93	-549,69	75.27	53,663.51	54,015.58	542.57	D.00
GNMA	2001 A-E RMRB	5.45	11/26/03	06/20/33	64,663,24	64,314,15	(258,17)	64,976.07	-668.54	99.54	64.407.07	64.829.22	771.24	0.00
GNMA	2001 A-E RMRB	5.45	12/04/03	11/20/33										
		0,40	12/04/03	11/20/33	249,805,72	248,461.66	(904.30)	251,105.38	-2,546.58	342.62	248,901.42	250,537.88	2,960.32	B.00
GNMA	2001 A-E RMRB				103,118,73	100,119.84	(103,118.73)						2,999.69	0.00
GNMA	2001 A-E RMRB	5.45	12/11/03	12/20/33	61,155.62	60,827,32	(219.93)	61,475.96	-623.27	83.20	60,935,89	61,337.02	729.63	0.00
GNMA	2001 A-E RMRB	4.85	01/15/04	01/20/34	124,395.63	120,828,20	(484.71)	125,013.04	-1,270.38	165.24	123,910.92	122,227.75	1,884.26	0.00
GNMA	2001 A-E RMRB	4.95	01/22/04	01/20/34	502,952.00	457,272.70	(2,085.87)	505,344.28	-5,176.38		500,886.13			
GNMA	2001 A-E RMRB									718.21		492,826.90	7,620.07	00,0
		5.45	01/22/04	12/20/33	52,738.61	52,457.12	(189.78)	53,010.39	-537.01	69.45	52,548.83	52,896.57	629.23	0.00
GNMA	2001 A-E RMRB	5.45	01/29/04	11/20/33	52,140.25	51,862.18	(188.64)	52,414.01	-530.98	68.58	51,951.61	52,295.55	622.03	0.00
GNMA	2001 A-E RMRB	5.45	02/12/04	11/20/33	52,632.54	52,352.41	(215.84)	52,883,88	-536.37	69.19	52,416.70	52,764,38	627.79	0.00
GNMA	2001 A-E RMR8	5.45	03/11/04	02/20/34	53,181.79	52,890.14	(188.87)	53,466.86	-540.19	66.25	52,992.92	53,318.76	617.49	0.00
GNMA	2001 A-E RMRB	4.95	03/11/04	02/20/34	130.029.27									
						126,306.39	(597.12)	130,589.70	-1,325.82	168.27	129,432.15	127,680.16	1,970.89	0.00
GNMA	2001 A-E RMRB	4.95	04/08/04	02/20/34	102,474.02	99,285.96	(396.96)	102,992,36	-1,042.88	127.5B	102,077.06	100,441.24	1,552.24	0.00
GNMA	2001 A-E RMRB	5.49	04/16/04	04/20/34	97,238.19	95,914.27	(382.63)	97,723.11	-1,009.68	140,13	96,853.56	97,654,70	1,123.06	0.00
FNMA	2001 A-E RMRB	5.45	04/17/02	03/01/32	291,410.67	287,429,90	(1,577.99)	291,001.05	-1,490,45	322.08	269,832,66	259,947.63	4,095.72	0.00
FNMA	2001 A-E RMRB	4.95	05/15/02	04/01/32	205,481.91	197,903,12	(2.410.63)		-1,165.10					
FNMA	2001 A-E RMRB	4.95	06/10/02	06/01/32						343.82	203,071.28	199,190.80	3,698.31	0.00
					88,985,04	85,684.95	(805.00)		-1,207.93	850.22	88,160,04	86,476,53	1,596.58	0.00
FNMA	2001 A-E RMRB	4,95	07/22/02	08/01/32	242,328.66	233,397.66	(1,455.67)	241,854.20	-1,280.87	299.66	240,672.99	236,277.04	4,335.05	0.00

FNMA	2001 A-E RMRB	5.45	09/19/02	08/01/32	241,608.93	238,324,49		(994,45)	241,600,94	-1,220.34	233.68	240.614.48	240 720 24	2 200 20	0.00
FNMA	2001 A-E RMRB	4.95	09/26/02	09/01/32	88.002.09	84.761.41		(385.00)	87,976.66	-1.435.81			240,726.34	3,396.30	
FNMA	2001 A-E RMRB	5.45	01/23/03	11/01/32	308,853,70	304,671,38		(1.825.15)			1,078.24	87,617.09	85,947.92	1,571.51	0.00
FNMA	2001 A-E RMRB		07/24/03	09/01/32					308,303.39	-1,554.37	289,53	307,028.55	307,187.33	4,341.12	0.00
		4.95			227,171.02	218,830.95		(1,585.19)	226,537.97	-1,172.37	220.23	225,585.83	221,314.00	4,068.24	0.00
FNMA	2001 A-E RMRB	5.45	09/18/03	01/01/33	56,714.39	65,789.85		(302.43)	66,894.15	-342.73	60.54	68,411,96	66,426.04	938.62	0,00
FNMA	2001 A-E RMRB	5.45	12/04/03	11/01/33	94,760.05	93,450.99		(598.23)	94,566.10	-471.08	68,80	94,161.82	94,185.94	1,333,18	0.00
FNMA	2001 A-E RMR8	4.95	02/26/04	09/01/33	65,658.54	63,432.05		(281,96)	65,860.18	-671.91	368.31	65,576.58	64,320.37	1,170.28	0.00
FNMA	2001 A-E RMR8	5,45	04/08/04	01/01/32	26,086.30	25,737.32		(137.03)	26,061.26	-136.01	24.02	25,949,27	25,966.92	366.63	0.00
Repo Agmt	2001 A-E RMRB	5.29	11/30/06	12/01/06	137,239.72	137,239.72	1,829,16	, ,	139,068,68	0.00	D.00	139,066,66	139,068.68		0.00
Repo Agmi	2001 A-E RMRB	5.29	11/39/06	12/01/06	187,496,84	167,498.84	77,190.94		244,687,78	0.00	0.00	244,697.78	244.687.78		0.00
Repo Apmt	2001 A-E RMRB	5.29	11/30/06	12/01/06	66,929.12	66,929,12	11,122.01	(66,840.81)	88.31	0.00	0.00	88.31	88.31	•	0.00
Repa Agmt	2001 A-E RMRB	5,29	11/30/06	12/01/06	295.74	295.74		(126,96)	168.78	0.00				-	
GNMA	2001 A-E RMRB	5.49	03/12/03	03/20/33							0.00	168.78	168.78		0.00
					4,916.02	4,898.85		(18.60)	4,939.62	-50,64	8.44	4,897.42	4,938.61	58,36	0.00
GNMA	2001 A-E RMRB	5.49	03/20/03	02/20/33	11,905.06	11,883.48		(45.64)	11,961.64	-122.85	20.63	11,859.42	11,959.13	141.29	0.00
GNMA	2001 A-E RMRB	5.49	04/02/03	03/20/33	32,540.15	32,426.89		(139.45)	32,680.38	-661.D7	381.39	32,400.70	32,673.52	386,08	0,00
GNMA	2001 A-E RMRB	4.80	04/02/03	03/20/33	11,323.73	10,896.31		(50.10)	11,370,95	-118.43	21.11	11,273.63	11,026.65	180.44	0.00
GNMA	2001 A-E RMRB	4.60	04/10/03	04/20/33	70,378.62	67,722.72		(298.77)	70,685.49	-728.89	123.25	70,079,85	68,545.13	1,121.18	0.00
GNMA	2001 A-E RMR8	5.49	04/17/03	04/20/33	68,642.10	68,404.17		(291,55)	69,941.59	-B47.71	258.67	68,350.55	68,927.10	B14.4B	0.00
GNMA	2001 A-E RMRE	4.80	04/17/03	03/20/33	9,625,30	9,262.07		(40.91)	9,667.24	-99.69	16.84	9,584.39	9,374.50	153.34	0.00
GNMA	2001 A-E RMRB	4.80	04/24/03	04/20/33	23,693.98	22,800,10		(99,93)	23,798.22	-245.21	41.04	23,594.05			
GNMA	2001 A-E RMRB	5.49	04/29/03	04/20/33	13,120.33	13,075.00		(6,056.65)	7,124.84	-135.23	74.07	7.063.68	23,077.63 7.123.36	377.46 105.61	0.00 0.00
GNMA	2001 A-E RMRB	4.60	04/29/03	03/20/33	9,798.65	9,428.98								,	
GNMA	2001 A-E RMRB	5.49	05/08/03	05/20/33				(42.51)	9,840,57	-10t.99	17.56	9,758,14	9,542.58	156.11	0.00
GNMA	2001 A-E RMRB	5.49	05/15/03		28,329.95	28,232.34		(196.46)	28,468.12	-414.75	170.12	28,223.49	28,462.15	336.27	0.00
				05/20/33	15,252.35	15,199.88		(57.48)	15,326.65	-156.94	25,16	15,194.87	15,323.44	181.04	0.00
GNMA	2001 A-E RMRB	4.80	05/15/03	04/20/33	24,398.10	23,478.04		(110.74)	24,497.82	-405.43	194.87	24,297.38	23,758,13	388.83	0.00
GNMA	2001 A-E RMRB	5.49	05/22/03	05/20/33	37,778.71	37,648.98		(144.70)	37,960.63	-501.50	174.88	37,634.01	37,952.69	448.41	0.00
GNMA	2001 A-E RMRB	4.80	05/22/03	04/20/33	26,457.79	25,480.18		(111.90)	26,574.46	-273,53	44.96	26,345,89	25,769,78	421.50	0.00
GNMA	2001 A-E RMRB	5.49	05/29/03	05/20/33	21,185.51	21,112.66		(82.52)	21,286,25	-332.17	148.91	21,102.89	21,281.79	251.45	0.00
GNMA	2001 A-E RMRB	4.60	05/29/03	05/20/33	20,167.67	19,407.42		(85.37)	20,256,69	-208.75	34,38	20,082.30	19,643.34	321.29	0.00
GNMA	2001 A-E RMRB	5,49	06/10/03	05/20/33	11.381.99	11,343.06		(42.55)	11,438.03	-214.76	116.17	11,339,44	11,435.62	135.11	D.00
GNMA	2001 A-E RMRB	4.80	06/10/03	05/20/33	9,234,12	6.886.11		(39.72)	9,274.34	-373.31	293.37	9,194.40	8,993.50		0.00
GNMA	2001 A-E RMRB	5.49	06/19/03	06/20/33	11,571.43	11,531.97		(43.44)	11,828.34	-119.03	18.68			147.11	
GNMA	2001 A-E RMRB	4.80	08/19/03	06/20/33	10,604.19	10,204.67						11,527.99	11,525.69	137,36	0.00
GNMA								(44.18)	10,851,93	-109.43	17.51	10,560.01	10,329.41	168.92	0.00
GNMA	2001 A-E RMRB 2001 A-E RMRB	5.49 4.80	06/19/03 06/19/03	06/20/33	25,132.40	25,046.67		(95.26)	25,255.07	-258.90	40.97	25,037.14	25,249.73	298.32	0.00
		174-4-	*************	08/20/33	6,764,25	6,509.37		(28.69)	6,794.19	-222.62	163.99	6,735.56	6,588.44	107.76	0.00
GNMA	2001 A-E RMRB	5.49	08/26/03	06/20/33	5,126.44	5,109.02		(19,21)	5,151.72	-52.71	8.22	5,107.23	5,150.67	60,66	0.00
GNMA	2001 A-E RMRB				10,942.97	10,530.71		(10,942.97)						412.26	0.00
GNMA	2001 A-E RMRB	5.49	07/03/03	06/20/33	15,272.42	15,220.50		(57.02)	15,348.01	-269.37	136,76	15,215,40	15.344.77	181.29	0.00
GNMA	2001 A-E RMRB	5.49	07/10/03	06/20/33	32,666.52	32,557.71		(123.21)	32,829.16	-335.94	52.09	32,545.31	32,522.29	387.79	0.00
GNMA	2001 A-E RMRB	4.80	07/10/03	08/20/33	14,436.26	13,892.60		(60.53)	14.501.11	-149.03	23.65	14,375.73	14,062.05	229.98	0.00
GNMA	2001 A-E RMRB	4.80	07/17/03	06/20/33	77.308.03	74,396,85		(391.69)	77,587.55	-811.64	140.43	76,916,34	75,238.18	1,233.02	0.00
GNMA	2001 A-E RMRB	5.49	07/24/03	07/20/33	39,916.48	39,781.62		(152.18)	40,111.67	-530.60					
GNMA	2001 A-E RMRB	4 80	07/24/03	07/20/33	39,767,40	38,270.23		(183.65)	39,949,72	-330.00 -412.15	183,23 66,15	39,764.30	40,103.25	473.81	0.00
GNMA	2001 A-E RMRB	5.49	07/30/03	07/20/33	12.031.43	11.890 B3						39,603.75	38,740.03	633.45	0.00
GNMA	2001 A-E RMRB	5.49	08/07/03	07/20/33	27,875,34			(48.89)	12,087.47	-123.76	19.03	11,982.74	12,084.93	142.79	0.00
GNMA	2001 A-E RMRB	4.80	08/07/03	06/20/33		27,781.49		(108.44)	25,009.78	-287.83	44.95	27,768.90	28,003.91	330,86	0.00
					10,998,15	10,582.23		(45.82)	11,046.09	-113.22	17.47	10,950.33	10,711.59	175.18	0.00
GNMA	2001 A-E RMRB	5.49	08/14/03	08/20/33	16,374.52	16,319.52		(60.89)	16,458,46	-188.03	25.20	16,313.63	16,453.01	194.38	0.00
GNMA	2001 A-E RMRB	4.80	08/14/03	07/20/33	32,022.13	30,817.06		(141.69)	32,159.48	-329.81	50,79	31,880.44	31,185.67	510,30	0.00
GNMA	2001 A-E RMR8	5.49	08/21/03	08/20/33	12,385.01	12,343.50		(46,45)	12,448.66	-127,38	19.28	12,338,56	12,444,07	147.02	0.00
GNMA	2001 A-E RMRB	4.80	08/28/03	08/20/33	13,057,09	12,565.88		(55.09)	13,115.98	-135,16	21.18	13,002.00	12,718.81	208.02	0.00
GNMA	2001 A-E RMR8	5.49	09/04/03	08/20/33	5,435,00	5,418.82		(27.87)	5,454.57	-165.79	118.35	5,407,13	5,453.41	64.48	0.00
GNMA	2001 A-E RMRB	5,49	09/18/03	09/20/33	41,558.56	41,420,25		(160.31)	41,762.00	-539.22	175.47	41,398.25	41,753.23	493.29	0.00
GNMA	2001 A-E RMRB	4.60	09/18/03	09/20/33	46,665.92	44,930,58		(192.52)	46,901,92	-480.38	71.86	46,493.40	45,481,73	743.69	0.00
GNMA	2001 A-E RMRB	5.49	09/18/03	09/20/33	10,732.16	10,696.47		(41.08)	10,785.02	-307.97	214.03	10.691.08	10.782.77		
GNMA	2001 A-E RMRB	4.80	09/18/03	09/20/33	16,971.55	16,333.44		(B,454,24)	7,583.37					127.38	0.00
GNMA	2001 A-E RMRB	5.49	09/29/03	09/20/33	56,637.04	56,415.89		(8,454.24) (249.27)	7,583.37 66.971.70	-174,57 -684,68	108.51	7,517.31	7,353.76	474.58	0.00
GNMA	2001 A-E RMRB	4.80	09/29/03	09/20/33	35.095.11	33.775.86					100.75	66,387.77	66,957.66	791.04	0.00
GNMA	2001 A-E RMRB	5.49	10/16/03	09/20/33	10.005.91			(148.57)	35,253.92	-640,85	333.47	34,946.54	34,186,43	559.14	0.00
GNMA	2001 A-E RMRB	5.49	10/10/03	10/20/33		9,972.85		(37.84)	10,055.88	-102.27	14.46	9,965.07	10,053.77	118.76	0.00
GNMA	2001 A-E RMRB	5.49 4.80	10/30/03		33,960.75	33,785.22		(124.98)	34,134.31	-1,082.92	784.38	33,835.77	34,063.30	403.06	0.00
GNMA	2001 A-E RMRB	4.60 5.49		10/20/33	248,526,60	238,576.51		(15,665.19)	234,915.99	-2,827.12	772.54	232,881.41	227,222.50	4,311.18	0.00
			11/13/03	10/20/33	20,673.61	20,567.03		(115.22)	20,739.03	-214.89	33.25	20,557,39	20,695.91	245.10	0.00
GNMA GNMA	2001 A-E RMRB	4.80	11/13/03	10/20/33	127,660.67	122,866.63		(11,678,76)	117,006.66	-1,444.85	420.10	115,981.91	113,463.69	2,275,82	0.00
	2001 A-E RMRB	5.49	11/20/03	11/20/33	5,398.59	5,380.94		(52.66)	5,393.21	-57.40	10.12	5,345.93	5,392.09	63.81	0.00
GNMA	2001 A-E RMRB	4.80	11/20/03	11/20/33	158,394,75	150,136.30		(662.40)	157,109.58	-1,780.70	403.47	155,732.35	151,964.24	2,490.34	0.00
GNMA	2001 A-E RMRB	5.49	11/26/03	10/20/33	6,615.97	6,594,35		(34.40)	6,639.79	-67.59	9.37	6.581.57	6,838.41	78.46	0.00
GNMA	2001 A-E RMRB	4.80	11/26/03	11/20/33	53,354.27	51,351.34		(243,24)	53,580.99	-552.25	82.29	53,111.03	51,958,55	850.45	0.00
GNMA	2001 A-E RMRB	4.80	12/04/03	12/20/33	75,828.44	72,795.06		(404.15)	76.092.39	-903.40	235.30	75,424.29	73,600.38	1,209.47	0.00
GNMA	2061 A-E RMRB	5.49	12/04/03	11/20/33	5,060,52	5,044.00		(18.53)	5,086,64	-603.40 -61.76	7.11	5.041.99	5,085.54	1,209.47 60.67	
GNMA	2001 A-E RMRB	4.60	12/11/03	12/20/33	44,858.69	43,084.40		(227.33)	45,026.93	-546.28	150.71	44,631.36			0.00
GNMA	2001 A-E RMRB	5.49	12/11/03	09/20/33	10,960 29	10,924,54		(39.89)	11.017.10	-111.74	15.04		43,552.29	715,22	0.00
GNMA	2001 A-E RMRB	5.49	12/18/03	12/20/33	5,681.02	5,662.61		(39.89) (20.55)				10,920,40	11,014.77	130.12	0.00
GNMA	2001 A-E RMRB	4.80	12/18/03	12/20/33	45,798.19	44,079.80			5,710.68	-58,03	7.82	5,660.47	5,709,51	67.45	0.00
GNMA	2001 A-E RMRB	5.49	12/23/03	12/20/33	11.802.19			(205.61)	45,996.94	-470.47	66.11	45,592.58	44,604.14	729,95	0.00
GNMA	2001 A-E RMRB	4.60				11,763,95		(42.51)	11,854.03	-120.34	15.99	11,759.68	11,861.57	140.13	0.00
GNMA	2001 A-E RMRB		12/23/03	12/20/33	32,525.85	31,225.16		(131.18)	32,682,11	-332.98	45.54	32,394.67	31,611.75	517.77	0.00
GNMA		4.50	01/08/04	12/20/33	10,084.70	9,705.46		(40.57)	10,133.39	-103.11	13.85	10,044.13	9,826.54	160.65	0.00
	2001 A-E RMRB	5.49	01/15/04	01/20/34	45,518.03	45,361.58		(239.16)	45,679.57	-552.88	150.16	45,276.85	45,647.57	525.17	0.90
GNMA	2001 A-E RMRB	5.49	01/22/04	01/20/34	40,513,65	40,299.98		(204.34)	40,658.09	-415.22	56.44	40,309,31	40,563.16	457.52	0,00
GNMA	2001 A-E RMRB	4.80	01/22/04	01/20/34	39,089.24	37,630,86		(159.86)	39,275.88	-401.55	55.05	38,929,38	38,067.38	596,38	0.00
GNMA	2001 A-E RMRB	5.49	01/29/04	01/20/34	12,395.79	12,353.89		(46.34)	12,459.43	-212.14	102.15	12,349,45	12.450.72	143.17	0.00
GNMA	2001 A-E RMRB	4.80	01/29/04	11/20/33	8,489.84	8,171.59		(35.34)	8,529.75	-87.42	12.17	B 454.50	8:271.50	135.25	0.00
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GNMA	2001 A-E RMRB	4.80	02/12/04	01/20/34	20,943,45	20,110,44			(94.09)		21,035,38	-219.94	34.00	20,649,35	20,336.09	319.74	0.00
GNMA	2001 A-E RMRB	5.49	02/12/04	02/20/34	43,815.84	43,668.28			(189.84)		44,035,32	-447.49	59.17	43.646.00	44,004.50	508.06	0.00
GNMA	2001 A-E RMRB	4.80	02/26/04	02/20/34	27,452.36	26,360,84			(120,08)		27,576.42	-434.16	190.02	27,332.28	28,659.78	419.02	0.00
GNMA GNMA	2001 A-E RMRB	5.49	02/26/04	02/20/34	22,047.87	21,932.28			(80.71)		22,163.39	-225.73	29.51	21,967.16	22,106.19	254.62	0.00
GNMA	2001 A-E RMRB 2001 A-E RMRB	4.80 5.49	03/11/04 03/11/04	03/20/34	25,802.56 72,934.12	24,776.98			(103.35)		25,929,10	-263.72	33.63	25,699.21	25,067.26	393.53	0.00
GNMA	2001 A-E RMRB	5.49	03/11/04	03/20/34	72,834.12 29,054.46	72,690.32 28,902.66			(270.06) (192.04)		73,314.07 29,211.77	-747.74 -295.12	97.73 35.77	72,664.06 28,952.42	73,262.74 29,135.40	842.48 335.58	0.00 0.90
GNMA	2001 A-E RMRB	4.80	03/30/04	03/20/34	11,189.11	10,772.29			(44.47)		11,244.52	-114.24	14.36	11,144.64	10,898.51	170.69	0.00
GNMA	2001 A-E RMRB	5.49	07/09/04	07/20/34	15,554.61	15,504.29			(59.37)		15,635,54	-158.37	18.07	15,495.24	15,624,60	179.68	0.00
GNMA	2001 A-E RMRB	4,80	07/08/04	06/20/34	9,901.68	9,509.09			(39.39)		9,951.56	-101.00	11.73	9,862.29	9,620.75	151.05	0.00
GNMA	2001 A-E RMRB	5.49	04/01/04	04/20/34	28,231.62	38,974.57			(22.72)		37,293.78	-322.01	-8,762.87	28,208.90	37,267.70	315,85	0.00
GNMA GNMA	2001 A-E RMRB 2001 A-E RMRB	4,80 5.49	04/22/04 04/22/04	04/20/34 04/20/34	31,526.78 19,209.18	30,353.05 19,145.68			(124,99) (67,71)		31,683.88 19,313.42	-321.55	39.45	31,401,79	30,708.99	480.93	0.00
GNMA	2001 A-E RMRB	4.80	04/29/04	04/20/34	22,852.63	21,945.20			(97.71) (95.19)		22,961.99	-262.12 -234.89	90,17 30,34	19,141.47 22,757.44	19,299.90 22,198,73	221.93 348.72	0.00 0.00
GNMA	2001 A-E RMRB	5.49	04/29/04	04/20/34	10,740.95	10,705.49			(80,08)		10,798.06	-109.99	13.80	10,701.87	10,790.49	124.08	0.00
GNMA	2001 A-E RMRB	4.80	05/06/04	04/20/34	17,783,54	17,121.66			(71.87)		17,870.99	-182.06	22.75	17,711.67	17,321.11	271.32	0.00
GNMA	2001 A-E RMRB	5.49	05/06/04	04/20/34	7,066.83	7,043.53			(24.61)		7,105.56	-71,50	8.26	7,042.22	7,100.56	B1.64	0.00
GNMA GNMA	2001 A-E RMRB 2001 A-E RMRB	4.80 5.49	05/13/04 05/27/04	04/20/34 05/20/34	11,144.67 19,104.82	10,729,95 19,042,26			(43.88) (66.99)		11,200.73	-113.40 -193.93	13.48	11,100.81	10,858.08	169.99	0.00
GNMA	2001 A-E RMR8	5.49	06/03/04	05/20/34	6,679.70	6,657.86			(23.24)		19,209.43 6,716.50	-193.93 -178.69	22.33 118.65	19,037,83 6,656,46	19,195.95 5,711.79	220.71 77.17	0.00 0.00
GNMA	2001 A-E RMRB	5.49	08/24/04	06/20/34	13,682.88	13,837.76			(47.74)		13,960.21	-140.47	15.40	13,835.14	13,950,44	160.42	0.00
GNMA	2001 A-E RMR8	5,49	09/09/04	09/20/34	29,163.46	29,070,72			(99.20)		29,329.05	-294.30	29.51	29,064.26	29,308.50	336.98	0.00
GNMA	2001 A-E RMRB	5.49	09/02/04	08/20/34	27,383.97	27,244.99			(115.62)		27,516.55	-401.02	152.82	27,268.35	27,445.58	316.19	0.00
GNMA GNMA	2001 A-E RMRB 2001 A-E RMRB	5.49 4.80	09/16/04 09/29/04	09/20/34 09/20/34	25,493.91 14,054,47	25,412.96 13,533,15			(88.49)		25,639.05	-257.14	25.51	25,407.42	25,621.06	294.59	0.80
GNMA	2001 A-E RMRB	5,49	09/29/04	09/20/34	16,871.46	16,818.09			(53,61) (58,47)		14,128.65 16,956.46	-142.20 -170.97	14.40 17.50	14,000,86	13,693.90 16,954.58	214.36 194.95	0.00 0.00
GNMA	2001 A-E RMRB	5.49	10/07/04	09/20/34	19,720.58	19,658.32			(58.58)		19,831,50	-199.78	20.28	16,812.99 19.852.00	19,817.60	227.86	0.00
GNMA	2001 A-E RMRB	4.60	10/07/04	09/20/34	13,896.15	13,380.78			(53.21)		13,969.38	-140.55	14.11	13,842,94	13,539.53	211.96	0.00
GNMA	2001 A-E RMRB	5.49	07/15/04	04/20/34	11,992.74	11,953.95			(52.12)		12,048.73	-121.42	13.31	11,940.62	12,040.32	138,49	0.00
GNMA GNMA	2001 A-E RMRB 2001 A-E RMRB	5,49 5,49	07/22/04	07/20/34	11,638.74	11,501.23			(39.95)		11,703.94	-117.73	12.58	11,598.79	11,695,78	134.48	0.00
GNMA	2001 A-E RMRB	5.49 5.49	07/29/04 08/05/04	07/20/34 08/20/34	6,625.63 26,486.33	6,604.30 26,401.30			(22.85) (97.09)		6,662.88 26,628.82	-66.97	7.07	8,602.98	6,658.21	76.56	0.00
GNMA	2001 A-E RMRB	5,49	08/19/04	08/20/34	22,654,45	22,581.98			(97.09) (115.17)		20,026.02	+269,13 -231,62	29.55 26.71	26,389.24 22,539.28	26,610.20 22,728.27	305.99 261.46	0.00 0.00
GNMA	2001 A-E RMRB	5.49	08/26/04	08/20/34	13,561.96	13,518.64			(48.34)		13,638,58	-137.07	14.11	13.515.62	13.629.00	156.70	0.00
GNMA	2001 A-E RMRB	5.49	12/02/04	11/20/34	38,153.34	38,034,84			(131.43)		38,371.13	-384.88	35.66	38,021.91	38,344.25	440.84	0.00
GNMA GNMA	2001 A-E RMRB 2001 A-E RMRB	4.60	12/02/04	11/20/34	26,005.71	25,042.56			(100.40)		26,143.24	-263,33	25.40	25,905.31	25,338,84	396.68	0.00
GNMA	2001 A-E RMRB	4.80 5.49	10/14/04 10/21/04	09/20/34 06/20/34	3,313.82 10,392.59	3,190.91 10,340.23			(34.25) (51.23)		3,309.55 10,435.88	-34.61	4.63	3,279.57	3,207.68	51.02	0.00
GNMA	2001 A-E RMRB	4.80	10/28/04	09/20/34	10,392.55	10.026.64			(73.94)		10,435.68	-106.07 -106.43	11.55 11.56	10,341.36 10,365.60	10,408.93 10,112.76	119,93 160.06	0.00 0.00
GNMA	2001 A-E RMRB	5.49	10/28/04	10/20/34	14,903.53	14,856.76			(50.90)		14,986.60	-150.51	14.54	14,852.63	14,978.09	172.23	0.00
GNMA	2001 A-E RMRB	5.49	11/64/04	10/20/34	7,177.39	7,154.94			(25.70)		7,217.20	-73.12	7.61	7,151.69	7,212.17	82.93	0,00
GNMA	2001 A-E RMRB	5.49	12/29/04	12/20/34	37,695.47	37,579,31			(125.71)		37,915.78	-477,29	131.27	37,569.76	37,889,22	435.62	0.00
GNMA GNMA	2001 A-E RMR8 2001 A-E RMR8	4.80 5,49	12/29/04 01/06/05	12/20/34 01/20/35	15,114.28	14,554.84			(56.66)		15,196.31	-152.34	13.65	15,057,62	14,728.70	230.52	0.00
GNMA	2001 A-E RMRB	5.49	01/13/05	12/20/34	11,232.05 18,018.67	11,189.18 17,963,36			(37.02) (60.71)		11,298.23 18,123.58	-112.77 -180.99	9,57 15.37	11,195.03 17,957.96	11,286.28 18,110,88	134.12 208.23	0.00
GNMA	2001 A-E RMRB	5,49	01/27/05	01/20/35	58,465,89	58,133,24			(192.84)		58,811.30	-587.09	48.84	58,273.05	58,638.97	£98.57	0.00 0.00
GNMA	2001 A-E RMRB	5.49	03/10/05	12/20/34	11,922,71	11,886.71			(39.56)		11,993.29	-119.54	9.36	11,883.13	11,984,91	137.78	0.00
GNMA	2001 A-E RMRB	5.49	04/21/05	04/20/35	7,217.30	7,190.40			(23.31)		7,260.99	-72.23	5.23	7,193,99	7,253.29	86.20	0.00
GNMA GNMA	2001 A-E RMRB 2001 A-E RMRB	5.49 5.49	05/05/05 07/07/05	03/20/35 06/20/35	6,623.92 14,328.67	6,599.30 14.276.46			(22.55)		6,662.92	-65.78	5,23	6,601.37	6,655.88	79,11	0.00
GNMA	2001 A-E RMRB	4.80	07/07/05	06/20/35	8,735.59	8,247.23			(48.12) (33,08)		14,416.7 6 8,618.31	-143.11 90.04	9.10 -5.84	14,282.75 8,702.51	14,401.46 8,347,78	171.14	0.00
GNMA	2001 A-E RMRB	4,80	06/02/05	04/20/35	35,303.52	33,244.97			(154.98)		34,809,60	364,97	-26.03	35,148.54	33,631,29	133.63 541.30	0.00 0.00
GNMA	2001 A-E RMR8	5.49	09/08/05	08/20/35	14,248.52	14,170,32			(49.19)		14,333,37	-142.28	B.24	14,189,33	14,291.39	170.26	0.00
GNMA GNMA	2001 A-E RMRB 2001 A-E RMRB	5.49 5.49	09/15/05 08/04/05	09/20/35	26,583.33	26,437.58			(85.55)		26,748.09	-265.55	15,24	26,497.78	26,559.71	317.68	0.00
GNMA	2001 A-E RMRB	5.49 4.80	10/13/05	08/20/35 09/20/35	35,295,08 13,441,47	35,166.88 12.688.88			(173.09)		35,452.45	-351.91	21.45	35,121.99	35,414.86	421.07	0.00
GNMA	2001 A-E RMRB	5.49	10/13/05	10/20/35	27,617.19	27,510,61			(51.65) (91.74)		13,259,05 27,786.17	138,49 -274.95	-7.72 14.23	13,389.82 27,525.45	12,842.85 27,758.72	205.62 329.85	0.00 0.00
GNMA	2001 A-E RMRB	5.49	12/19/05	12/20/35	26,620,23	26,526.79			(82.31)		26,790.88	-264.24	11.25	26,537.92	26,762,48	318.00	0.00
GNMA	2001 A-E RMRB	5.49	\$1/17/05	11/20/35	33,583.95	33,485.12			(6,715.29)		27,124.01	-333.93	78.5B	26,868,66	27,095.27	345.44	0.00
GNMA GNMA	2001 A-E RMRB	4.80	11/22/05	10/20/35	25,577.26	23,805,58			(101.84)		24,874.80	259.37	341.25	25,475,42	24,093.98	390,24	0.00
GNMA	2001 A-E RMRB 2001 A-E RMRB	4.80 5.49	12/22/05 12/29/05	12/20/35 11/20/35	22,682.65	21,411.21			(83.67)		22,376.81	232.42	-10.25	22,598.98	21,674,39	346.65	0.00
GNMA	2001 A-E RMRB	5.49	01/12/06	01/20/35	19,624.73 8,474.27	19,556.01 8,443.61			(61,26) (25,95)		19,750.11 8,529.04	-195.00 -84.02	8.38	19,563,47	19,729.17	234.42	0.00
FNMA	2001 A-E RMRB	5.49	05/29/03	04/01/33	28,928,26	28,588.93			(110.03)		28,939.55	-144.21	3.30 22.89	8,448.32 28,818.23	8,518.30 28,882,23	100.64 405.33	08.0 00.0
FNMA	2001 A-E RMRB	4.80	09/18/03	07/01/33	8,675.58	8,283,58			(37.44)		8,674,93	·117.13	80.34	8,638.14	8,401.23	155.09	0.00
FNMA	2001 A-E RMRB	5.49	12/04/03	11/01/33	16,067,08	15,070.69			(63.65)		16,071.94	-118.09	49.38	16,003,23	16,040.16	225.12	0.00
FNMA FNMA	2001 A-E RMRB 2001 A-E RMRB	4.80 4.80	01/15/04	11/01/33	34,022,97	32,487.36			(216,29)		33,952.41	-172.05	26.32	33,806,68	32,861.20	510.13	0.00
FNMA	2001 A-E RMRB	5.49	02/26/04 04/08/04	01/01/34 06/01/33	11,858.37 7,746.93	11,318,73 7,656,50			(67.66) (30.06)		11,851.81 7,750.35	-59.94 -38.41	8.84 4.93	11,800.71	11,470,42	219.35	0.00
FNMA	2001 A-E RMRB	5.49	09/01/04	0B/01/34	27,611.31	27,391.73			(30.96)		7,750,35 27,764.78	-38.41 -280.05	4.93 29.56	7,715.87 27,514.37	7,734.98 27,695.64	108,54 400 85	0.00 0.00
FNMA	2001 A-E RMRB	4.80	09/23/04	08/01/34	6,658.43	6,539,53			(48.53)		6,840.01	-280.05 -34.15	4.04	6,809.90	6,619.91	400.85 128.81	0.00
FNMA FNMA	2001 A-E RMRB	4.80	11/10/04	10/01/34	5,916,92	6,597.34			(26.69)		6,920.85	-33.87	3.25	6,890.23	6,698.14	127.49	0.00
FNMA FNMA	2001 A-E RMRE 2001 A-E RMRE	5.49 5.49	04/07/05 07/14/05	01/01/35 05/01/35	10,210.09	10,065.15			(34.02)		10,221.94	-49.55	3.68	10,176,07	10,184.53	153,40	0.80
FNMA	2001 A-E RMRB	4.80	07/14/05	05/01/35	4,363.62 8,583.67	4,301.86 8,014.85			(14.19) (33.33)		4,389.23 8,427,78	-21.11	1.31	4,349,43	4,353.24	65,57	0.00
FNMA	2001 A-E RMRB	5.49	11/03/05	10/01/35	27,681.20	27,271.01			(33.33) (164.20)		8,427.79 27,623.52	131.10 -133.94	-B.55 7.42	8,550,34 27,497.00	8,143.35 27,522.40	161.83 415.59	0.00 00.0
FNMA	2001 A-E RMRB	4.80	12/15/05	06/01/35	12,907,54	12,285.97			(47.27)		12,919.64	-62.1B	2.82	12,860,27	12,483.62	415.59 244.92	0.00
FNMA	2001 A-E RMRB	4.80	12/15/05	10/01/35	8,085.38	7,547.96			(30.39)		7,937.83	122.73	-5.57	8.054.99	7,589.93	152.36	0.00
	2001 A-E RMRB Total				59,430,363.59	59,015,115,69	2,399,257.24	(66,969.81)	(1,511,217.35)	0.00			_	60,251,433.67	60,466,724.06	630,539.19	0.00

Repo Agmt	2002 A/B RMRB	5.29	11/30/06	12/01/06	401.85	401.85	5.46		407,31	0.00	0.00	407.31	407.31	-	0.00
Repo Agmi Repo Agmi	2002 A/B RMRB 2002 A/B RMRB	5.29	11/30/08	12/01/06	546.34 13,199.49	848.34 13,199,49	381,031.54	(646.34)	394,231.03	0.00	0.00	204 774 07	204 224 02	-	0.00
Repe Agmi	2002 A/B RMRB	5.29	11/30/06	12/01/06	0.55	0.55	0.00		0.55	0.00	0.00	394,231.03 0.55	394,231,03 0,55		0.00 0.00
GIC's GNMA	2002 A/B RMRB 2002 A/B RMRB	4.20 5.49	12/18/02 03/12/03	04/01/34 03/20/33	710,963.29	710,963,29	713,525.50	(454.00)	1,424,489.09	0,00	0.00	1,424,489.09	1,424,489.09		0.00
GNMA	2002 A/B RMRB	5.49	03/12/03	02/20/33	40,185.28 97,315.88	40,044.74 96,975,82		(151.96) (373.11)	40,378.24 97,778.27	-413.95 -1,004.21	69.03 168.69	40,033.32 96,942.75	40,369.74 97,757.73	476.9 6 1,155.02	0.00
GNMA	2002 A/B RMRB	5.49	04/02/03	03/20/33	265,993.41	265,067.49		(1,140.02)	267,139.58	-5.403.7B	3,117.57	264,853.39	267,083.50	3,156.03	0.00
GNMA	2002 A/B RMRB	4.80	04/02/03	03/20/33	92,563.90	89,089,85		(409.48)	92,949.89	-968.06	172.59	92,154.42	90,135.33	1,474.96	0.00
GNMA GNMA	2002 A/B RMRB 2002 A/B RMRB	4.80 5.49	04/10/03 04/17/03	04/20/33 04/20/33	575,298.85 581,101.82	553,586.66 559,157.03		(2,442.24) (2,383.16)	577,805.25 563,549.98	-5,958.21	1,007.57	572,854.61	560,309,31	9,164.89	0.00
GNMA	2002 A/B RMRB	4.80	04/17/03	03/20/33	78,680.05	75,711.03		(334.41)	79,022.07	-6,929.41 -814.88	2,098.09 137.63	558,718.66 78,345.64	563,431.61 76,630.06	5,657.74 1,253.44	0.00 00.0
GNMA	2002 A/B RMRB	4.80	04/24/03	04/20/33	193,682.10	188,375,10		(816.79)	194,534.22	-2,004,42	335.51	192,865.31	188,643.72	3,085,41	0.00
GNMA GNMA	2002 A/B RMRB 2002 A/B RMRB	5.49 4.80	04/29/03 04/29/03	04/20/33 03/20/33	107,249.81	106,879.15		(49,508.91)	58,240.79	-1,105,46	605.57	57,740.90	58,228.55	858.31	0.00
GNMA	2002 A/B RMRB	5.49	05/08/03	05/20/33	80,097.22 231,577,92	77,075.42 230.779.98		(347.48) (870.23)	80,439.84 232,707.35	-833.73 -3,390.30	143.63 1,390.64	79,749.74 230,707.69	78,004.04 232,658.50	1,276.10 2,748.77	0.0D 0.00
GNMA	2002 A/B RMRB	5.49	05/15/03	05/20/33	124,677.58	124,248.56		(469.85)	125,284.91	-1,282,92	205.72	124,207,71	125,258.58	1,479.87	0.00
GNMA GNMA	2002 A/B RMRB 2002 A/B RMRB	4.80 5.49	05/15/03 05/22/03	04/20/33 05/20/33	199,437,88	191,916.81		(905.34)	200,253.73	-3.314.13	1,592.94	198,532,54	194,190.02	3,178.55	0.00
GNMA	2002 A/B RMRB	5.49 4.80	05/22/03	04/20/33	308,815.29 218,274.13	307,754.53 208,†19,43		(1,182.80) (914.67)	310,302.34 217,227,84	-4,099.40 -2,235.93	1,429,55 367,55	307,632.49 215,359.46	310,237.14 210,650,17	3,565.41 3,445.41	0.00 0.00
GNMA	2002 A/B RMRB	5.49	05/29/03	05/20/33	173,177.07	172,583.10		(674.53)	174,000.52	-2,715.30	1,217.32	172,502.54	173.963.96	2,055.39	0.00
GNMA GNMA	2002 A/B RMRB 2002 A/B RMRB	4.80 5.49	05/29/03 06/10/03	05/20/33	164,857,02	158,642.31		(697.63)	165,584.71	-1,705.41	280.89	164,159.19	160,570.70	2,626.31	0.00
GNMA	2002 A/B RMRB	4.80	06/10/03	05/20/33 05/20/33	93,039.84 75.482.65	92,721.69 72 637.86		(347.78) (324.81)	93,497.92 75,811.26	-1,755.47 -3,051,52	949.61 2,398.10	92,692.06 75,157.84	93,478.29	1,104,38	0.00
GNMA	2002 A/B RMRB	5.49	06/19/03	06/20/33	94,588.43	94,265.94		(355.01)	95,053.64	-972.97	152.75	94,233.42	73,515,69 95,033.69	1,202.64 1,122.76	0.00 0.00
GNMA	2002 A/B RMRB	4,80	06/19/03	06/20/33	88,682.21	83,416.16		(361.13)	87,072.43	-894.54	143,19	85,321.08	84,435.85	1,380.82	0.00
GNMA GNMA	2002 A/B RMRB 2002 A/B RMRB	5.49 4.80	06/19/03 06/19/03	08/20/33 08/20/33	205,439.83 55,292.95	204,739.37 53,209.64		(778,65) (234,54)	206,442.58 55,537.65	-2,118.35	334.95	204,661,18	206,399,25	2,438.53	0.00
GNMA	2002 A/B RMRB	5.49	D6/26/03	06/20/33	41,905.40	41,762.73		(234.54) (156.98)	42,112.06	-1,819.73 -430.89	1,340.49 67.25	55,058.41 41,748.42	53,855.99 42,103.18	880.89 497.43	0.00 0.00
GNMA	2002 A/B RMRB				89,451,10	86,081.30		(89,451,10)					12,100.10	3,369.80	0.00
GNMA GNMA	2002 A/B RMRB 2002 A/B RMRB	5.49 5.49	07/03/03 07/10/03	06/20/33 06/20/33	124,841.43 267,042.84	124,417,15 266,136,67		(466.15)	125,459.25	-2,201.95	1,117.98	124,375,28	125,432.91	1,481.91	0.00
GNMA	2002 A/B RMRB	4.80	07/10/03	06/20/33	118,008.78	113,562.43		(1,007.14) {494.76}	268,355.91 118,536.90	-2,746.08 -1,218.26	425.87 193.38	266,035.70 117,512.02	268,299.56 114,947,58	3,169.83 1,879.91	0.00 0.00
GNMA	2002 A/B RMRB	4.80	07/17/03	06/20/33	631,939.86	609,143.02		(3,201.89)	634,224.65	-6,634.64	1,147.95	628,737,97	615,020.33	10,079.20	0.00
GNMA GNMA	2002 A/B RMRB 2002 A/B RMRB	5.49	07/24/03 07/24/03	07/20/33	326,289.79	325,187.40		(1,243.94)	327,865.34	-4,337.30	1,497.81	325,045.85	327,816.45	3,873.00	0.00
GNMA	2002 A/B RMRB	4.80 5.49	07/24/03	07/20/33 07/20/33	325,071,05 98,348.68	312,832.76 98,016.70		(1,337,74) (397.99)	326,561.34 98,806.76	-3,369,04 -1,011,63	541.01 155.56	323,733.31 97.950.69	316,673,06 98,785,99	5,178.04	0.00 0.00
GNMA	2002 A/B RMRB	5.49	08/07/03	07/20/33	227,861.86	227,094.55		(886.36)	228,960.82	-2,352.85	367.53	226,975.50	228,912.74	1,167.19 2,704.55	0.00
GNMA GNMA	2002 A/B RMRB 2002 A/B RMRB	4.60	08/07/03	06/20/33	89,885.60	86,502.51		(374.49)	90,293.98	-925.52	142.85	89,511.31	87,559.90	1,431.88	0.00
GNMA	2002 A/B RMRB	5.49 4.50	08/14/03 08/14/03	08/20/33 07/20/33	133,850.46 261,758.84	133,400.82 251,908.22		(497,73) (1,158.18)	134,520.26 262,881.42	-1,373.53 -2,695.96	206.02 415.20	133,352.75 260,600,66	134,492.01	1,586.92	0.00 00.0
GNMA	2002 A/B RMRB	5.49	08/21/03	08/20/33	101,239.07	100,899.58		(379.60)	101,743,11	-1.041.25	415.20 157.61	100,859.47	254,921.39 101,721.73	4,171.35 1,201.75	0.00
GNMA GNMA	2002 A/B RMR8	4.80	08/28/03	08/20/33	106,732.59	102,717.43		(450.32)	107,213.96	-1,104.84	173.15	105,282.27	103,967.53	1,700.42	0.00
GNMA	2002 A/B RMRB 2002 A/B RMRB	5.49 5.49	09/04/03 09/18/03	08/20/33 09/20/33	44,427.24 339,712.70	44,278.77 338,582.09		(227.74) (1,310.50)	44,587,24 341,375,59	-1 355 23	967.49	44,199,50	44,577.88	526.85	0.00
GNMA	2002 A/B RMRB	4.80	09/18/03	09/20/33	381,625.39	367,276.46		(1,573.77)	383,390.96	-4,407.73 -3,926.80	1,434.34 587.46	338,402.20 380,051.62	341,303.93 371,781.88	4,032.34 6,079.19	0.00 0.00
GNMA	2002 A/B RMRB	5.49	09/18/03	09/20/33	87,728.3t	87,436.31		(335.94)	88,160,25	-2,517.40	1,749.52	87,392.37	86,141.73	1,041.36	0.00
GNMA GNMA	2002 A/B RMR9 2002 A/B RMR8	4.60 5.49	09/18/03 89/29/03	09/20/33 09/20/33	138,730.83 544,712,27	133,514.62 542.904.24		(77,281.81)	61,988.95	-1,426.99	887.06	61,449.02	60,111,92	3,879.11	0.00
GNMA	2002 A/B RMRB	4.60	09/29/03	09/20/33	288,878,36	276,094.40		(2,037.70) (1,214.45)	547,447.77 288,176.53	-5,598,76 -5,238.50	823.56 2,725,88	542,674,57 285,663.91	547,332.79 279,450.56	6,456.25 4,570,61	0,00 08.0
GNMA	2002 A/B RMRB	5.49	10/16/03	09/20/33	81,791.49	81,521.17		(309.32)	62,199.94	-B35.98	118.21	81,482.17	82,182.68	970.83	0.00
GNMA GNMA	2002 A/B RMRB 2002 A/B RMRB	5.49 4.80	10/30/03 10/30/03	10/20/33 10/20/33	277,605,81 2,031,534,12	276,170.94 1,950,196.80		(1,021.72)	279,024.44	-8,B52.15	6,411.80	278,584.09	278,444.03	3,294.81	0.00
GNMA	2002 A/B RMRB	5.49	11/13/03	10/20/33	160,992.76	168,121.31		(128,052.17) (950.00)	1,920,276.70 169,527.49	-23,109.72 -1,756.57	6,314.97 271,84	1,903,461.95 168,042.76	1,857,387.62 169,174,84	35,240.99 2,003.53	0.00 0.00
GNMA	2002 A/B RMRB	4.80	11/13/03	10/20/33	1,043,538.04	1,004,350.14		(95,465.82)	956,448.80	-11,810.69	3,434.11	948,072.22	927,487.54	18,603.22	0.00
GNMA GNMA	2002 A/B RMRB 2002 A/B RMRB	5.49 4.80	11/20/03 11/20/03	11/20/33 11/20/33	44,129.89 1,278,419.45	43,985,51 1,227,260,91		(430.43)	44,085.92	489.25	82.79	43,699,46	44,076.66	521.58	0.00
GNMA	2002 A/B RMRB	5.49	11/26/03	10/20/33	54,081.14	1,227,260.91 53,904.30		(5,414.61) (281.13)	1,284,262.69 54,275.91	-14,556.02 -552.47	3,298,17 76.57	1,273,004.84 53,800,01	1,242,203.08 54,264.50	20,356.78 641.33	0.00 0.00
GNMA	2002 A/B RMRB	4.80	11/26/03	11/20/33	436,134.48	419,761,87		(1,989.38)	437,987.70	-4,514.22	672.62	434,146.10	424,725.44	6,951.95	0.00
GNMA GNMA	2002 A/B RMRB 2002 A/B RMRB	4.80 5.49	12/04/03 12/04/03	12/20/33 11/20/33	619,845.43 41,365.12	595,049.50		(3,303.65)	622,002.97	-7,384.71	1,923.52	616,541.78	601,632.40	9,886.55	0.00
GNMA	2002 A/B RMRB	4.80	12/11/03	12/20/33	368,688.85	41,231.26 352,021.81		(151.55) (1,858.22)	41,579.52 368.064.08	-423,12 -4,465,43	58.17 1,231.95	41,214.57 364,830.63	41,570.82	491,11	0.00
GNMA	2002 A/B RMRB	5.49	12/11/03	09/20/33	69 592 69	89,300,68		(328.04)	90,057.09	-4,403.43 -913.43	1,231.98 1 <u>22.</u> 99	89,266.65	355,009.95 90,038,19	5,846.39 1,063.57	0.00 0.00
GNMA GNMA	2002 A/B RMRB 2002 A/B RMRB	5,49 4,80	12/18/03	12/20/33	46,438.74	46,287.94		(168.05)	46,681.07	-474.37	63.99	46,270.69	46,671.23	551,34	0.00
GNMA	2002 A/B RMRB	5.49	12/16/03 12/23/03	12/20/33 12/20/33	374,368.67 96,475.04	360,322.04 96,162,17		(1,680.78)	375,993.25	-3,845.81	540.45	372,687.89	364,609.19	5,966.93	0.00
GNMA	2002 A/B RMR8	4.80	12/23/03	12/20/33	265,876.31	255,244.24		(347.45) (1,072.32)	96,980,54 267,153.61	-983.68 -2,721.86	130.73 372.24	96,127,59 264,803.99	95,960.13 258,484.37	1,145.41 4,232.45	0.00 0.00
GNMA GNMA	2002 A/B RMRB 2002 A/B RMRB	4.80	01/08/04	12/20/33	82,435.27	79,343.61		(331,52)	82,833.35	-842.87	113.27	82,103.75	80,325.18	1,313.09	0.00
GNMA	2002 A/B RMRB	5,49 5,49	01/15/04 01/22/04	01/20/34 01/20/34	372,062.17 331,171.20	370,799.69 329,424.64		(1,955,19)	373,398.87	-4,519.37	1,227.4B	370,106.98	373,137,48	4,292.98	0.00
GNMA	2002 A/B RMRB	4.80	01/22/04	01/20/34	319,527,75	307,606.44		(1,670.33) (1,306.63)	332,433.60 321,053.46	-3,394.11 -3,282.35	461,36 450.01	329,500.67 318,221,12	331,575,94 311,174,64	3,821.63 4.874.83	0.00 0.00
GNMA GNMA	2002 A/B RMRB	5.49	01/29/04	01/20/34	101,327,24	100,984,53		(378.91)	101,847.34	-1,734.08	835.07	100,948.33	101,776.05	1,170,43	0.00
GNMA	2002 A/B RMRB 2002 A/B RMRB	4.60 4.80	01/29/04 02/12/04	11/20/33 01/20/34	69,390.88 171,198,33	66,797.12 164,388.99		(288.90)	69,725.10	-714.59	99.47	69,109.98	67,613,81	1,105.59	0,00
GNMA	2002 A/B RMRB	5.49	02/12/04	02/20/34	358,164.45	356,958.14		(769,13) (1,388,37)	171,949.06 359,956.48	-1,797.86 -3,657.91	278.00 475.51	170,429,20 356,776,06	166,233.50 359,708.51	2,813.64 4,136.74	0.00 0.00
GNMA	2002 A/B RMRB	4.80	02/28/04	02/20/34	224,404.24	215,481.67		(981.66)	225,418.21	-3,548,96	1,553.33	223,422.58	217,925,31	3,425.30	0.00
GNMA GNMA	2002 A/B RMRB 2002 A/B RMRB	5,49 4.60	02/26/04 03/11/04	02/20/34 03/20/34	180,226.16 210.918.47	179,261.26		(659.74)	181,170.33	-1,845.20	241.29	179,566.42	180,762.90	2,081.38	0.00
GNMA	2002 A/B RMRB	5.49	03/11/04	03/20/34	596,186,32	202,534.75 594,193,33		(844.75) (2,207.62)	211,952.90 599,292.03	-2,155.76 -6,112.25	276,58 798,92	210,073,72 593,978,70	204,907.57 598,872.53	3,217.57	0.00 0.00
GNMA	2002 A/B RMRB	5.49	03/25/04	03/20/34	237,500.18	236,260,96		(834.10)	238,786.03	-2,412.40	292.45	236,666.08	238,169.97	6,886,82 2,743,11	0.00
													*		

GNMA	2002 A/B RMRB	4.80	03/30/04	03/20/34	91,463,15	88,056,09	(363,5\$	91,916.04	-933.78	117.39	91,099,84	89.087.80	1,395,22	
GNMA	2002 A/B RMRB	5.49	07/09/04	07/20/34	127,148.27	126,736.91	(485.32		-1.294.58					0.00
GNMA	2002 A/B RMRB	4.60	07/08/04	06/20/34	80.939.30	77,730.24	(321.89			147.74 95.96	126,662.95 80 617 31	127,720.32	1,468.73	0.00
GNMA	2002 A/B RMRB	5.49	04/01/04	04/20/34	230,774.22	302,241,69			-825.65			78,643.03	1,234.78	0.00
GNMA	2002 A/B RMRB	4.80	04/22/04	04/20/34	257,709.98	248,115,30	(185.71		-2,632.27	-71,630.40	230,588.51	304,637.78	2,581,80	0.00
GNMA	2002 A/B RMRB	5,49	04/22/04	04/20/34			(1,021.69		-2,628.44	322.61	256,688.29	251,024.88	3,931.25	0.00
GNMA					157,021.82	156,502.77	(553.44)		-2,142.67	737,11	156,469.38	157,783.44	1,B14.11	0.00
	2002 A/B RMRB	4.80	04/29/04	04/20/34	186,804.48	179,386.89	(778.14)		-1,920.06	248.04	188,026.34	181,459,30	2,850.55	0.00
GNMA	2002 A/B RMRB	5.49	04/29/04	04/20/34	87,799.77	87,509.99	(319.47)		-899,13	112.85	67,480.30	88,204.81	1,014.29	0.00
GNMA	2002 A/B RMR8	4.60	05/06/04	04/20/34	145,388.43	139,957.85	(587.44)	146,083,18	-1,488.18	185.99	144,780.99	141,588.20	2,217.79	0.00
GNMA	2002 A/8 RMR8	5,49	05/06/04	04/20/34	57,766.28	57,575.99	(201.21)	58,062.93	-595.28	67.52	57,565.07	58,042,19	667.41	0.00
GNMA	2002 A/B RMRB	4.60	05/13/04	04/20/34	91,100.14	87,709.95	{358.54		926,99	110.28	90,741,60	88,741.95	1,389.64	0.00
GNMA	2002 A/B RMRB	5,49	05/27/04	05/20/34	156,168,72	155,657.36	(547.57	157,023.85	-1.565.22	182.52	155,621.15	155,913.95	1,504.16	0.00
GNMA	2002 A/B RMRB	5.49	06/03/04	05/20/34	54,601.93	54,423.42	(189,98		-1,460.66	969,88	54,411.95	54,864.30	630.86	0.00
GNMA	2002 A/B RMRB	5.49	06/24/04	06/20/34	113,482.95	113,114,22	(390.20)		-1,148.27	125.91	113,092.75	114,035,23		
GNMA	2002 A/B RMRB	5,49	09/02/04	08/20/34	223,845.12	222,709.09	(945.10)						1,311.21	D.00
GNMA	2002 A/B RMRB	5.49	09/01/04	09/20/34	238,392.93	237,633.17	(843.10) (B13.24)		-3,278.02	1,249.16	222,900.02	239,576.84	17,812.85	0.00
GNMA	2002 A/B RMRB	5.49	D9/18/04	09/20/34					-2,405.67	242.69	237,581.69	224,348.58	(12,473.35)	0.00
GNMA	2002 A/B RMRB	4.60	09/18/04		208,394.87	207,733.46	(707.03)		-2,101,90	208,54	207,687.84	209,434.51	2,408.08	0.00
GNMA				09/20/34	114,885.55	110,624.18	(438.30)		-1,162.35	117.72	114,447.25	111,938.22	1,752.34	0.00
	2002 A/B RMRB	5,49	09/29/04	09/20/34	137,912.54	137,476.37	(477.91)		-1,397.58	143.13	137,434.63	138,592.02	1,593.56	0.00
GNMA	2002 A/B RMRB	5.49	10/07/04	09/20/34	161,202.05	160,693.18	(560,60)		-1,633.06	165.61	160,641.45	161,995.23	1,862.65	0.00
GNMA	2002 A/B RMRB	4.80	10/07/04	09/20/34	113,591.38	109,378,67	(434.95)	114,189.97	-1,148.88	115.34	113,156.43	110,676,36	1.732.64	0.00
GNMA	2002 A/B RMRB	5.49	07/15/04	04/20/34	98,032.56	97,715.32	(425.97)	98,490,25	-992.51	108.85	97,606,59	98,421.32	1,131.97	0.00
GNMA	2002 A/B RMRB	5.49	07/22/04	07/20/34	95,138,84	94,832.11	(326.58)	95,671.78	-962,37	102,85	94,812.28	95,604.81	1,099.28	0.00
GNMA	2002 A/B RMRB	5.49	07/29/04	07/20/34	54,159.92	53,985.58	(185.07)	54,464.44	547.39	57.80	53,974.85	54,428.32	625.81	0.80
GNMA	2002 A/B RMRB	5.49	08/05/04	08/20/34	218,507.70	215,812.46	(793.66)	217,672.44	-2,199,91	241.51	215,714.04	217,520.06	2,501.26	0.00
GNMA	2002 A/B RMRB	5.49	08/19/04	08/20/34	185,184.56	184,592,14	(941.36)	185,918.14	-1,893.29	218.35	184,243.20	185,787.99	2,137.21	0.00
GNMA	2002 A/B RMRB	5,49	08/26/04	08/20/34	110,859,48	110,505.54	(378.85)	111,485.68	-1,055.25	115.44				
GNMA	2002 A/B RMRB	5.49	12/02/04	11/20/34	311,677.12	310.908.60					110,480.63	111,407,68	1,280.99	0.00
GNMA	2002 A/B RMRB	4.80	12/02/04	11/20/34	212,579.00	204,705.68	(1,074.33)	313,657,39	-3,146,13	291.53	310,802.79	313,437.85	3,603.58	0.00
GNMA	2002 A/B RMRB	4.80	10/14/04	09/20/34			(820.71)	213,703.21	-2,152.53	207.61	211,758.29	207,127.55	3,242.58	0.00
GNMA	2002 A/B RMRB	5.49	10/14/04	06/20/34	27,087.88	26,083.48	(279.99)	27,052.91	-282.87	37,85	26,807.89	26,220.52	417.03	0.00
GNMA					64,952.14	84,524.24	(418.67)	85,305.89	-867.02	94.40	84,533.27	85,065.81	980.44	0.00
	2002 A/B RMRB	4.80	10/28/04	09/20/34	85,336.14	81,980,94	(604.47)	85,507,14	-869.99	94.52	B4,731.87	82,664.89	1,308.42	0.00
GNMA	2002 A/B RMRB	5.49	10/28/04	10/20/34	121,625.68	121,443.77	(415.99)	122,521.29	-1,230.32	118.92	121,409,89	122,435.54	1,407.76	0.00
GNMA	2002 A/B RMRB	5.49	11/04/04	10/20/34	58,670.48	58,486.73	(210.10)	58,995.83	-597.67	62.22	58,460.38	58,954.51	677.88	0.00
GNMA	2002 A/B RMRB	5.49	12/29/04	12/20/34	308,134.47	307,184.99	(1,027.62)	309,935.32	-3,901,50	1,073.03	307,106,85	309,718.36	3,560.99	0.00
GNMA	2002 A/B RMRB	4.80	12/29/04	12/20/34	123,548.76	118,875.77	(463.21)	124,219.18	-1,245.32	111.69	123,085,55	120,396.98	1,884,42	0.00
GNMA	2002 A/B RMRB	5.49	01/06/05	01/20/35	91,614.60	91,463,85	(302.65)	92,355.52	-921.80	78.22	91,511.94	92,257.61	1,098,42	0.00
GNMA	2002 A/B RMRB	5.49	D1/13/05	12/20/34	147,290.13	146,838.07	(496.20)	148,147.71	-1,479.44	125.66	146,793.93	148,044.02	1,702.15	D.00
GNMA	2002 A/B RMRB	5.49	01/27/05	01/20/35	477,918.34	475,199.22	(1,576.37)	480,741,72	-4,799.04	399.29	476,341,97	479,333.16		0.00
GNMA	2002 A/B RMRB	5.49	03/10/05	12/20/34	97,460.06	97,185.64	(323.54)	98,036,99	-977.15	76.68			5,710.31	
GNMA	2002 A/B RMRB	5.49	04/21/05	04/20/35	58,996.45	58,776,59	(180.56)	59,353,55	-590.40	42.74	97,136.52	97,968.35	1,126.25	0.00
GNMA	2002 A/B RMRB	5.49	05/05/05	03/20/35	54.146.00	53,944.77					58,805.69	59,290.64	704.61	0.00
GNMA	2002 A/B RMRB	5.49	07/07/05	06/20/35	,		(184.28)	54,464.82	-545.90	42.80	53,961.72	54,407,08	646.59	0.00
GNMA	2002 A/B RMRB	4.80	07/07/05	06/20/35	117,128.68	116,790.29	(376.96)	117,847.11	-1,169.86	74.47	118,751.72	117,722.20	1,398.98	0.00
GNMA		1,			71,407.49	67,415.46	(270.39)	70,448.75	738.D1	-47.6 6	71,137.10	68,237.36	1,092.29	0.00
GNMA	2002 A/B RMRB	4.80	06/02/05	D4/20/35	288,582.05	271,754.77	(1,265,80)	284,544.54	2,983.36	-212.75	287,315.15	274,912.71	4,424.B4	0.00
	2002 A/B RMRB	5,49	09/08/05	08/20/35	116,472.05	115,832.64	(402.05)	117,165.62	-1,163.02	67,40	116,070.00	116,822.31	1,391.72	0.00
GNMA	2002 A/B RMRB	5,49	09/15/05	09/20/35	217,300.37	216,108.98	(699.37)	218,647.10	-2,170.72	124.62	215,601.00	218,006,48	2,598.87	0.00
GNMA	2002 A/B RMR8	5.49	08/04/05	08/20/35	288,512.95	287,465.04	(1,414.81)	289,789.37	-2,876.58	175.36	287,098,15	289,492,18	3.441.95	0.00
GNMA	2002 A/B RMRB 1	5,49	09/01/05	09/20/35	239,822.04	238,504,27	(750.95)	241,326.53	-2,121.27	-134.17	239,071.09	240,619,44	2,856.12	0.00
GNMA	2002 A/B RMRB	4.80	10/13/05	09/20/35	109,924,69	103,722.68	(408.99)	108,383,61	1,132.09	000	109,515.70	104,981.45	1,667.58	0.00
GNMA	2002 A/B RMRB	5.49	10/13/05	10/20/35	225,751.58	224,945.70	(749.91)	227,132.86	-2,247.57	116.38	225,001.67	226,892.10	2,696.31	0.00
GNMA	2002 A/B RMRB	5.49	12/19/05	12/20/35	217,602.15	216,835,27	(672.93)	218,996.99	-2,159.98	92.21	216,929.22	218,764.88	2,599,52	0.00
GNMA	2002 A/B RMRB	5.49	11/17/05	11/20/35	274,525,74	273,554.30	(54,892.80)	221,720.22	-2,729.65	642.37	219,632,94		2,823.68	
GNMA	2002 A/B RMRB	4.80	11/22/05	10/20/35	208,143.50	194,594.19	(796.16)					221,485.18		0.00
GNMA	2002 A/B RMRB	4.60	12/22/05	12/20/35	185,414.93	175,021,95	(683,90)	203,334.34	2,120.21 1,899.88	-107.21	205,347.34	196,951.67	3,153.64	0,00
GNMA	2002 A/B RMRB	5.49	12/29/05	11/20/35	168.418.71	159,856,87	(683,90)	182,914.87 161,443.49		-83.72	184,731.03	177,173.20	2,835.15	0.00
GNMA	2002 A/B RMRB	5.49	01/12/06	01/20/36	292,111,15	291,053.85			-1,593.96	68.31	159,917.84	161,272.36	1,916.36	0.00
GNMA	2002 A/B RMRB	5.49	03/09/06	03/20/36	275,802.19	274,817.52	(894.52)	293,999.04	-2,896.10	113.69	291,216.63	293,628.60	3,469.27	0.00
GNMA	2002 A/B RMRB	5,49	03/02/08	03/20/36	156,265.88	155 707 03	(841.84)	277,601.46	-2,732.44	91.33	274,960.35	277,251.70	3,276.02	0.00
GNMA	2002 A/B RMRB	5.49	02/23/06	02/20/36	322,234,29	,,,	(477.00)	157,284.19	-1,546.74	51.43	155,789.88	157,086.01	1,855.98	0,00
GNMA	2002 A/B RMRB	5.49	02/23/00	02/20/36		321,079.95	(1,103.76)	324,210.86	-3,256.82	178.49	321,130,53	323,802.35	3,826,16	0.00
GNMA	2002 A/B RMRB	5.49	03/30/86	03/20/36	244,545.07	243,673.71	(754.23)	246,134.04	-2,419.75	76.55	243,790.84	245,823,91	2,904.43	0.00
GNMA	2002 A/B RMRB	5.49 5.49			342,674,44	340,814.00	(1,064.79)	344,897.22	-3,412.19	124,62	341,609.05	343,817.69	4,088.48	0.00
FNMA			04/06/06	04/20/36	303,480.65	302,404.79	(916.21)	305,478.40	-3,001.36	87.40	302,564.44	305,093.50	3,604.92	0.00
FNMA FNMA	2002 A/E RMRB	5.49	05/29/03	04/01/33	236,468.47	233,678.41	(899.42)	236,560.72	-1,178.83	187.16	235,569.05	236,092,36	3,313.37	0.00
	2002 A/B RMRB	4.80	09/18/03	07/01/33	70,916.89	67,712.56	(305.99)	70,911.57	-957.45	656.78	70,610.90	68,674.30	1,267.73	0.00
FNMA	2002 A/B RMRB	5.49	12/04/03	11/01/33	131,337,71	129,799.01	(521,96)	131,377,39	-965.34	403,70	130,515.75	131,117,25	1,840,20	0.00
FNMA	2002 A/B RMRB	4.80	01/15/04	11/01/33	278,114.32	265,561.79	(1,768.05)	277,537.47	-1,406,43	215.23	276,346.27	200,781,18	4,987.44	0.00
FNMA	2002 A/B RMRB	4.80	02/26/04	01/01/34	97,015.74	92,522.81	(553.03)	96,880.37	-489.99	72.33	96,462.71	93.762.75	1,792.97	0.00
FNMA	2002 A/B RMRB	5.49	04/08/04	06/01/33	63,325.70	62,586.65	(245.79)	63,353,54	-313.94	40.31	63,079,91	63,228.13	887.27	0.00
FNMA	2002 A/B RMRB	5.49	09/02/04	08/01/34	225,703.45	223,908.57	{792.44}	226,957,95	-2.289.26	242.32	224.911.D1			
FNMA	2002 A/B RMRB	4.80	09/01/04	08/01/34	56,047,32	53,456.13	(360,49)	55,912.51	-279.11	33.43	55,668.83	226,392.82 54,113.23	3,276.69 1,037.59	0.00
FNMA	2002 A/B RMRB	4.60	11/10/04	10/01/34	56,541.07	53,928,69	(218.19)	56,573.16	-279.11 -276.89					0.00
FNMA	2002 A/B RMRB	5.49	04/07/05	01/01/35	83,460.56	82,275.66				26.61	58,322.86	54,752.64	1,042.14	0.00
FNMA	2002 A/B RMRB	5.49	07/14/05	05/01/35	35,669,65	35,184,78	(278.12)	83,557.37	-405.08	30,15	83,182.44	83,251.55	1,254,01	0.00
FNMA	2002 A/B RMRB	4.80	07/14/05	04/01/35	70,165.61		(115.97)	35,715.48	-172.54	10.74	35,553.68	35,584.78	535.97	0.00
FNMA	2002 A/B RMRB	5.49	11/03/05	10/01/35	226,111.32	65,515.89 222.921.76	(272.39)	69,691.41	1,071.64	-69.83	69,893.22	66,566,32	1,322.82	0.00
FNMA	2002 A/B RMRB	4.60	12/15/05	06/01/35			(1,342.35)	225,803,15	-1,094.83	60.65	224,768.97	224,976.72	3,397.31	0.00
FNMA	2002 A/B RMRB				105,510.43	100,429.35	(386.34)	105,609,37	-508.38	23.06	105,124.09	102,045.05	2,002.04	0.00
FNMA	2002 A/B RMRB	4.80	12/15/05	10/01/35	66,092.39	61,699,39	(248.35)	64,886.32	1,083.19	-45.47	65,844.04	62,698.40	1,245.36	0.00
FNMA		5.49	04/27/08	03/01/36	214,340.94	211,230.19	(718.67)	214,621.34	-1,029.00	29,93	213,622.27	213,734.96	3,223.44	0.00
1 1416173	2002 A/B RMRB	5.49	04/27/06	10/01/35	71,428.64	70,426.37	(225.65)	71,535.02	-342.41	B.48	71,202.99	71,274.11	1,073,39	0.00

Repo Aomt	2002 A/B RMRB				4,172.26	* **** 70		/4.470.00									
Repo Agmi	2002 A/B RMRB	5.29	11/30/06	12/01/06	46,538.65	4,172.26 48,538.65		(4,172.26) (41,222.91)			5,315,74	0.00	0.00	5,315.74	5,315.74	•	0.00 0.00
	2002 A/B RMRB Total				33,039,137.08	32,435,356.85	1,094,582.80	(46,041.51)	(609,281.77)	0.00				33,478,376.60	33,327,284.24	452,667.67	0,00
Repo Agmi	1999 B-D RMRB	5.29	11/30/08	12/01/08	22,670.39	22,670.39		(1,967.35)			20.703.04	0.00	0.00	20,703.04	20.703.04		0.00
GIC's Repa Agmit	1999 B-D RMRB 1999 B-D RMRB	6.40	12/02/99	07/01/32	845,768.15	845,788.15	1,738,933.18				2,584,701.33	0.00	0.00	2,584,701,33	2,584,701.33	-	0.00
GIC's	1999 B-D RMRB	6.40	12/02/99	07/01/32	8.37 1,851,255.29	8.37 1,651,255.29	8.37	(8.37)			1,651,263.68	0.00	B 64	4 054 050 00		-	0.00
GNMA	1999 B-D RMRB	8.18	04/01/91	01/20/21	30,034.02	32,017.23	0.31		(271,75)		29,833,04	-2.857.07	0.00 2,786.30	1,651,263.66 29,762.27	1,651,263.66 31.719.04	(25.44)	0.00 00,0
GNMA GNMA	1999 B-D RMRB	8.18	06/01/90	06/20/20	241,463.33	257,027.51			(28,417.88)		213,529.74	-5,412.83	4,928.54	213,045.45	226,706.63	(1,903.00)	0.00
GNMA	1999 B-D RMRB 1999 B-D RMRB	7.18 8.18	08/01/90 09/04/90	06/20/20 07/20/20	73,871.31 307,161.82	75,840,77 326,965,68			(982.08)		73,054,92	-1,752.13	1,586.44	72,889.23	75,135.53	276.84	0.08
GNMA	1999 B-D RMRB	8.18	07/02/90	05/20/20	89,844.82	95,634.71			(30,458.29) (1,441.79)		277,336.42 88,602.75	-12,500.85 -3,831.27	11,667.96 3,631.55	275,703.53 68,403.03	294,456,80 94,070,45	(2,056.59) (122.47)	00.0 00.0
GNMA GNMA	1999 B-D RMRB 1999 B-D RMRB	8.18	11/01/90	09/20/20	198,339.91	211,133.51			(3,019.82)		195,772.33	-4,387,38	3,935.14	195,320.09	207,853.38	(260,31)	0.00
GNMA	1999 B-D RMRB	8.18 8.18	09/04/90 09/04/90	08/20/20 07/20/20	199,647.59 115,548.41	212,521,35 122,998,28			(2,780.50) (1,591,79)		197,339,00	-6,677.53	6,225.62	196,887.09	209,516.79	(244.06)	0.00
GNMA	1999 B-D RMRB	8.18	11/01/90	08/20/20	119,525,39	127,234.17			(\$,117.15)		114,217.27 118,881,45	-2,397.28 -5,728.58	2,138,63 5,455.37	113,956.62 118,408,24	121,265,62 126,005.25	(140.87) (111.77)	0.00 0.00
GNMA GNMA	1999 B-D RMRB 1999 B-D RMRB	8.18 7.18	11/01/90 11/01/90	09/20/20	81,904.04	67,167.17			(4,375,78)		77,707.77	-6,510.74	6,331.23	77,528.26	82,503.13	(306.26)	B.00
GNMA	1999 B-D RMRB	7.16 8.18	12/03/90	09/20/20 10/20/20	104,187.27 99,648.64	106,969,54 106,077,67			(1,160,06) (49,815,15)		103,265.76	-2,523 Dt	2,284.48	103,027.21	108,208.73	397.25	0.00
GNMA	1999 B-D RMRB	8.75	12/28/89	09/20/18	1,131,837.56	1,205,684.17			(75,240.26)		49,949.58 1,058,773.08	-1,002.45 -25.566.12	1,666,36 23,490,34	49,833.49 1,050,597.30	53,032.00 1,125,115.80	(3,230.72) (5,328.11)	0,00 00,0
GNMA GNMA	1999 B-D RMRB 1999 B-D RMRB	8.75	11/30/89	10/20/18	100,918,78	107,503.60			(1,246.24)		99,878.09	-3,600.95	3,395.40	99,672.54	106,136.51	(120.85)	0.00
GNMA	1999 B-D RMRB	8.75 8.75	11/30/89 01/01/90	09/20/18 11/20/18	102,045.31 238,509.32	108,702.63 254,075,46			(1,284.39) (3,907.36)		100,967,81 235,089,31	-4,123.66 -4,692.06	3,916.77	100,760.92	107,294.49	(123.75)	0.00
GNMA	1999 B-D RMRB	8.75	01/01/90	12/20/18	116,530.90	124,137.14			(2,255.63)		114,513.58	-4,092.00 -2,140.95	4,204.71 1,902.64	234,601.96 114,275,27	249,820.04 121,688.95	(348.06) (192,56)	00,0 00.0
GNMA GNMA	1999 B-D RMRB 1999 B-D RMRB	8.75 8.75	02/27/90 05/29/90	01/20/19	116,436.53	124,244,50			(1,594.49)		115,083.84	-3,502.02	3,260.22	114,842.04	122,503.30	(146.71)	0.00
GNMA	1999 B-D RMRB	8.75 8.75	05/28/90	04/20/19 05/20/19	146,902.01 50.457.84	158,759.71 53,844.56			(2,328.26) (553.97)		144,884.24 50,011.80	-2,034.23	1,723.72	144,573.75	154,224.95	(206.50)	0,00
GNMA	1999 B-D RMRB	7.18	02/01/91	11/20/20	125,539.44	128,896.37			(2,936.41)		122,891.21	-783.90 -2,705.96	675.97 2,417.78	49,903.87 122,603,03	53,236.11 126,391.17	(54.48) 431.21	0.00 00.0
GNMA GNMA	1999 B-D RMRB 1999 B-D RMRB	8.18	02/25/91	11/20/20	102,445.20	109,057.62			(1,088.45)		101,615.55	-3,182.41	2,943.61	101,376.75	107,886.18	(102.99)	0.00
GNMA	1999 B-D RMRB	7.18 8.75	05/02/91 09/28/90	02/20/21 08/20/19	115,217.29 95,163.93	118,374.82 101,555.61			(1,668,44) (1,113.06)		113,820,43 94,258,34	-3,232.77	2,961,19	113,548.85	117,140.62	434.24	0.00
GNMA	1999 B-D RMRB	8.75	10/23/90	09/20/19	54,845.98	58,530.53			(1,168.93)		53,796.21	-1,871,34 -1,556,27	1,663.87 1,437.11	94,050,87 53,677,05	100,335.19 57,264.46	(107,36) (97.14)	0.00 0.00
GNMA GNMA	1999 B-D RMRB 1999 B-D RMRB	8.75 8.75	11/28/90 12/21/90	09/20/19	137,991.38	147,262.75			(1,395.79)		138,899.79	-1,133.02	828.82	136,595.59	145,725.69	(141.27)	0.00
GNMA	1999 B-D RMRB	8.75	01/25/91	09/20/19 12/20/19	53,168.07 142,443.74	56,740.60 152,019.85			(544.25) (1,846.76)		52,741.28 140,915.17	-664.72 -2,231.69	547,26 1,913,50	52,623.82	56,141,54	(54.81)	0.00
GNMA	1999 B-D RMRB	8.75	03/28/91	02/20/20	51,745.22	55,305.88			(545.68)		51,316.9 6	-2,231.09 -1,122.19	1,913.50 1,004.77	140,596,98 51,199.54	150,000.04 54,707.47	(173.05) (52.73)	0.00 0.00
GNMA GNMA	1999 B-D RMRB 1999 B-D RMRB	8.75	03/28/91	12/20/19	57,701.42	61,581,30			(572.61)		57,258,91	-508.09	377.99	57,128.81	60,950.39	(58.30)	0.00
GNMA	1999 B-D RMRB	8.18 8.10	05/02/91 07/28/00	03/20/21 07/20/30	200,661.59 1,720,416.93	213,916.46 1,729,982.46			(2,519.04) (10,141.20)		198,617.84	-8,855.73	8,380.43	198,142.54	211,174.45	(222.96)	0.00
FNMA	1999 B-D RMRB	0.10	04/28/00	04/01/30	166,762.61	167,491.35			(959.50)		1,710,275.73 165,803.11	0.00 00.0	0.00 00.0	1,710,275,73 165,803,11	1,731,021.40 168,160.63	11,180.14 1,628.97	0.00 0.00
GNMA GNMA	1999 8-D RMRB 1999 B-D RMRB	6.10 6.10	04/20/00 04/27/00	04/20/30	1,103,663.99	1,109,800.37			(19,937.59)		1,083,726.40	0.00	0.00	1,083,726.40	1,096,872.01	7,009.23	0.00
GNMA	1999 B-D RMRB	6.10	05/26/00	04/20/30 06/20/30	1,203,845.21 1,416,579,14	1,210,538,54 1,424,455.31			(176,871.55) (9,603.46)		1,026,973.65 1,406,975.68	0,00 0,00	0.00 0.00	1,026,973.65	1,039,430.79	5,763.81	0.00
GNMA	1999 B-D RMRB	6,10	05/30/00	03/20/30	2,141,990,88	2,153,900.38			(117,791.21)		2,024,199.67	0.00	0.00	1,408,975.65 2,024,199.67	1,424,042.28 2,048.753.25	9,190.43 12,644.08	. 0,00 00.0
FNMA FNMA	1999 B-D RMRB 1999 B-D RMRB	6.10 6.10	05/30/00 06/28/00	05/01/30 06/01/30	230,217.73	231,223.77			(2,818.71)		227,399.02	0.00	0.00	227,399,02	230,632.62	2,227.56	0.00
GNMA	1999 B-D RMRB	5.10 5.10	09/14/00	08/20/30	98,125.82 3,084,301,56	98,554.63 3,101,450.29			(714.73) (119,510.22)		97,411.09 2,964,791.34	0.00 0.00	0.00	97,411.09	99,795.27	956.37	0.00
GNMA	1999 B-D RMRB	6.1D	10/19/00	09/20/30	1,048,951.10	1,054,783.30			(5,301,85)		1.043.649.25	0.00	0.00 0.00	2,964,791.34 1,043,649.25	3,000,754.28 1,056,308.75	18,814.21 6,827.30	0.00 0.00
GNMA GNMA	1999 B-D RMRB 1999 B-D RMRB	6.1D 6.1D	10/23/00 10/27/00	10/20/30	378,215,19	378,306.95			(1,735,61)		374,479.58	0.00	0.00	374,479.58	379,022.02	2,450.68	0.00
GNMA	1999 B-D RMRB	6.19	19/30/00	10/20/30 10/20/30	265,554.08 266,597,60	267,030.55 268,079.85			(1,885.52) (1,203.41)		263,568.56 265,394.19	0.00 0.00	0.00 0.00	263,668.56	268,866,85	1,721.62	0.00
FNMA	1999 B-D RMRB	6.10	07/24/00	07/01/30	48,474,10	48,685.93			(274.99)		48,199,11	0.00	0.00	265,394.19 48,199,11	268,613,39 48,884,50	1,738.95 473.56	0.00 0.00
GNMA GNMA	1999 B-D RMRB 1999 B-D RMRB	6.10 6.10	01/16/01 01/29/01	12/20/30 12/20/30	110,194,20 58,069,86	110,806.88 58,392.75			(889.49)		109,304.71	0.00	0.00	109,304.71	110,630.58	713.19	0.00
GNMA	1999 E-D RMRB	6.10	12/21/00	11/20/30	548,507.12	551,556.78			(355.58) (3,138.00)		57,714.30 545,369.12	0.00 00.0	0,00	57,714.30	58,414.38	377.21	0.00
GNMA	1999 B-D RMRB	6.10	12/27/00	12/20/30	260,783.61	262,213.46			(2,823,65)		257,939.96	0.00	0.00 0.00	545,369.12 257,939.96	551,984,42 261,068,77	3,565,64 1,678.96	0.00 0.00
GNMA GNMA	1999 B-D RMRB 1999 B-D RMRB	6.10 6.10	02/20/01 03/15/01	01/20/31 03/20/31	114,414.45 205,188.89	114,971.63 206,188.17			(492.27)		113,922.18	0.00	0.00	113,922,18	115,251.63	772.27	0.00
GNMA	1999 B-D RMRB	5.10	03/29/01	03/20/31	106,780.19	107,300.21			(960.94) (445,31)		204,227.95 106,334.88	0.00 0.00	0.00 0.00	204,227,95 106,334.88	206,611.30	1,364.07	0.00
GNMA FNMA	1999 B-D RMRB	6.10	05/10/01	04/20/31	703,053.56	797,719.61			(3.693.97)		790,159.59	0.00	0.00	790,159.59	107,575.81 799,380.74	720.91 5,355.10	0.00 00.0
FNMA	1999 B-D RMRB 1999 B-D RMRB	6,10 6,10	09/11/00 10/06/00	98/01/39 10/01/30	919,945.06 113.660.61	923,965.25 114,157.31			(5,853.47)		914,091.61	0.00	0.00	914,091.B1	927,090.00	8,978.22	0.00
GNMA	1999 B-D RMRB	6.10	05/30/01	05/20/31	266,083,38	267,379,21			(1,284.39) (1,211.85)		112,376.22 264,871,53	0.00 0.00	0.00 0.00	112,376.22 264,871.53	113,974.21 267,962.58	1,101.29	0.00
GNMA GNMA	1999 B-D RMRB 1999 B-D RMRB	6.10	06/18/01	04/20/31	217,294.73	218,352.95			(1,387.19)		215,907.54	0.00	0.00	215,807,54	218,427.18	1,795.22 1,461.42	00,0 00,0
GNMA	1999 B-D RMRB	6.10 6.10	07/25/01 08/31/01	06/20/31 08/20/31	540,434,56 651,403.42	543,068.49 654,575,76			(2,701.81)		537,732.75	0.00	0.00	537,732.75	544,008,10	3,643.42	0.00
FNMA	1999 B-D RMRB	6.10	12/27/00	11/01/30	152,362.52	153,028.33			(90,350.85) (1,486.72)		561,052.57 150,875.60	0.00 00.0	0.00 0.00	561,052.57 150,875.80	587,600,06 153,021,25	3,375.15 1,479.64	0.00
FNMA FNMA	1999 B-D RMRB	6.10	01/12/01	12/01/30	110,900.81	111,385.45			(2,304,69)		108,596.12	0.00	8.00	108,596,12	110,140.35	1,059.60	0.00 0.00
GNMA	1999 B-D RMRB 1999 B-D RMRB	6.1D 6.1D	02/05/01 12/27/01	01/01/31 10/20/31	260,580.52 85.664.22	201,719.26 65,984,00			(2,148,77)		258,431.75	0.00	0.00	258,431.75	262,106.65	2,538.16	0.00
GNMA	1999 B-D RMRB	6.10	09/20/01	08/20/31	335,290.66	336,923.50			(1,327.57) (1,620.90)		04,336.55 333.669.76	0.00	0.00 0.00	64,336.55 333,669.76	65,087.36 227.582.66	431.03	0.00
GNMA GNMA	1999 B-D RMRB 1999 B-D RMRB	6.10	09/28/01	09/20/31	72,413.63	72,765,28			(656.08)		71,757.55	0.00	0.00	71,757.55	337,583.66 72,594,96	2,261.06 484.76	0,00 0.00
GNMA	1999 B-D RMRB	6,10 6,10	10/17/01 10/30/01	09/20/31 05/20/31	181,493,24 42,588,76	182,377.11 42,795.17			(788.07)		180,727.17	0.00	0.00	180,727.17	182,836,26	1,225.22	0.00
FNMA	1999 B-D RMRB	6.10	03/15/01	02/01/31	273,366.18	274,560,79			(202.66) (1,240.78)		42,386.08 272,125.40	0.00 0.00	0.00 0.00	42,386.08 272,125.40	42,880.73 275,995.02	267.24	0.00
GNMA GNMA	1999 B-D RMRB 1999 B-D RMRB	6.10	Anthrion	22/22/25	88,781.69	87,214,36			(86,791.69)					£1£,1£3,4U	\$15,683,UZ	2,675.01 (422.67)	0.00 0.00
GNMA	1999 B-D RMRB	6.10 6.10	02/25/02 05/24/02	02/20/32 05/20/32	954,176.00 240,350.88	958,307.58 241,391.60			(4,442.13) (1,015.12)		949,733.87	0.00	0.00	949,733.87	960,484.86	6,619,41	0.00
GNMA	1999 B-D RMRB	6.10	03/21/02	03/20/32	621,294.97	623,985.22			(1,015.12) (286,705.59)		239,335.76 334,589,38	0.00 0.00	0.00 0.00	239,335,76 334,589,38	242,045.04 338,376.98	1,666.56 1,097.35	00.0 00.0
											,	2.00	5.05	4,400,40	00,010,00	1,007,30	0.00

GNMA	1999 B-D RMRB	6.10	04/17/02	03/20/32	747,278.73	750,514.42			(57,032.35)		690.246.37	0.00	0.00	690,246.37	698,059.93	4,577,87	0.00
GNMA	1999 B-D RMRB	6.10	04/29/02	04/20/32	592,813.93	595,380.81			(2,728.74)		590,085.19	0.00	0.00	590,085.19	598,784.94	4,112.67	0.00
GNMA	1999 B-D RMRB	6,10	05/15/02	04/20/32	96,613.42	97,031.76			(363.79)		96,249,83	0,00	0.00	96,249.63	97,339.18	671.21	0.00
GNMA GNMA	1999 B-D RMRB 1999 B-D RMRB	6.10 6.10	06/03/02 06/19/02	05/20/32 04/20/32	312,868.00 212,499.72	314,222.72			(1,178.27)		311,689,73	0.00	8.00	311,689,73	315,218.06	2,173.61	0.00
GNMA	1999 B-D RMRB	6.10	08/28/02	06/20/32	148,056.60	213,419.84 148,697.69			(795.83) (589.69)		211,703.89 147,466.91	0.00 0.00	0.00 0.00	211,703,89 147,466,91	214,100.38 149.138.24	1,476.37 1.028.24	0.00 00.0
GNMA	1999 B-D RMRB	6,10	09/26/02	09/20/32	83,642,98	84,005,15			(303.86)		83,339.12	0.00	0.00	83,339,12	84,282,52	581.23	0.80
GNMA	1999 B-D RMRB	6.10	10/21/02	09/20/32	97,328,53	97,749.95			(353.61)		96,974,92	0,00	0.00	98,974.92	98,072,68	676.33	0.00
GNMA	1999 B-D RMRO	6.10	11/12/02	10/20/32	92,614.50	93,015.52			(338.61)		92,277.89	0.00	0.00	92,277,89	93,322.48	643.57	0.00
GNMA	1999 B-D RMRB	6,10	01/30/03	01/20/33	107,998,32	108,416.43			(382.02)		107,614.30	0.00	0.00	107,614.30	108,763,62	729.21	0.00
FNMA FNMA	1999 B-D RMRB 1999 B-D RMRB	6.10 6.10	10/17/01 01/28/02	09/01/31 11/01/31	80,336.93	80,604.45			(401.26)		78,935.67	0.00	0.00	79,935.67	81,015.60	B12.41	0.00
FNMA	1999 B-D RMRB	6.10	04/17/02	02/01/32	206,512.82 35.416.03	207,200.61 35,502.09			(945.79) (141.86)		205,567.13 35,274.17	0.00 0.00	0.00 0,00	205,567.13 35,274.17	208,344.34 35,721.45	2,089.52 381.22	0.00 0.00
Repo Agmt	1999 B-D RMRB	5.29	11/30/08	12/01/06	15.040.18	15,040.18		(14,729.81)	(141.00)		310,37	0.00	0.00	35,274.77	35,721.45	301.22	0.00
	1999 B-D RMRB Total			_	31,628,022.74	32,047,674.98	1,738,941.55	(10,705.53)	(1,269,802.97)	0,00	-,-,-,			32,078,455,79	32,644,594.66	144,486.63	0.00
Repa Aamt	2000 A RMRB	5.29	11/30/06	48104105	70.000.00												
Repo Agmt	2000 A RMRB	5.29 5.29	11/30/06	12/01/06 12/01/06	73,363.63 16,217.11	73,363.63 16,217,11	977.66	(1,703.31)			74,341.49 14.513.80	0.00 0.00	0.00	74,341.49 14.513.50	74,341.49	•	0.00
GIC's	2000 A RMRB	6,51	05/01/00	07/01/31	820,568.69	820,568.89	787,593.18	(1,703.31)			1,608,162.05	0.00	0.00	1,608,162,05	14,513,80 1,608,162,05	-	0.00 0.00
Repa Agmt	2000 A RMRB				5,42	5.42	107,000.10	(5.42)			1,000,102.00	0.00	5,02	1,000,104.00	1,000,102.00	-	0.00
GIC's	2000 A RMRB	6.51	05/01/00	07/01/31	154,631,97	154,631.97	5.42	, ,			154,637,39	0,00	0.00	154,637.39	154,837.39	•	0.00
GNMA	2000 A RMRB	6.45	07/28/00	07/20/30	534,444.87	544,877.21			(2,284.37)		532,160.50	0.00	0.00	532,160,50	545,991,33	3,398.49	0.00
GNMA GNMA	2000 A RMRB 2000 A RMRB	8.45 6.45	89/14/00 10/16/00	08/20/30	2,087,790.66	2,128,544.35			(96,810,82)		1,990,970.84	0.00	0.00	1,990,970,84	2,042,718.18	10,991.65	0.00
GNMA	2000 A RMRB	6.45	10/23/00	09/20/30 10/20/30	395,421.50 669,194,98	403,140.10 682,257.66			(1,811.22)		393,610.28	0.00	0.00	393,610.28	403,640.18	2,511.30	0.00
GNMA	2000 A RMRB	6.45	10/30/00	10/20/30	434,436.12	442,916.31			(2,816.44) (2,136.73)		656,378,54 432,299.39	0.00 0.00	0.00 00.0	666,378.54 432,299.39	683,697,71 443,534.84	4,256.49 2,755.26	0.00 0.00
FNMA	2000 A RMRB	6.45	07/28/00	06/01/30	220,137.35	224,108.64			(974.53)		219,162.83	9.00	0.00	219,162,83	224.685.73	1.551.52	0.00
GNMA	2000 A RMRB	6.45	D1/08/D1	12/20/30	165,022.76	168,243.99			(676.04)		164,346.72	0,00	0.00	164,346.72	168 618 08	1,050,13	0.00
GNMA	2000 A RMRB	6.45	01/29/01	01/20/31	121,305,56	123,618.84			(575.62)		120,729,94	0.00	0.00	120,729.94	123,838,30	793.06	0.00
GNMA GNMA	2006 A RMRB 2000 A RMRB	6.45 6.45	11/16/00 11/29/00	11/20/30 11/20/30	818,596,69 325,157,30	834,575.73 331.504.38			(3,764.85)		814,831.84	0.00	0.00	814,831,84	838,009.35	5,198.47	0.00
GNMA	2000 A RMRB	6.45	12/21/00	11/20/30	402,541.67	331,504,38 410,501.42			(1,497,37) (2,047,66)		323,659.93 400,594.21	0.00 0.00	0.00	323,659.93	332,071.88	2,084.85	0.00
GNMA	2000 A RMR8	6.45	12/27/00	11/20/30	210,590,40	214.781.18			(2,047.00) (71,095.37)		139,495,03	0.00	0.00 0.00	400,594.21 139,495.03	411,005.63 143,120,53	2,551.87 (485.26)	0.00 0.00
GNMA	2000 A RMRB	6.45	02/20/01	01/20/31	224,454.37	228,734.72			(974.08)		223,480.29	0.00	0.00	223,480.29	229,230.45	1,459.81	0.00
GNMA	2000 A RMRB	6.45	02/26/01	02/20/31	367,715.72	374,728.05			(1,868.55)		365,847.17	0.00	0.00	365,847.17	375,260.41	2,400.91	0,00
GNMA	2000 A RMRB	6.45	03/15/01	06/20/31	394,953.58	402,485.34			(1,796.30)		393,155.28	0.00	0.00	393,155.28	403,271.16	2,584.12	0.00
GNMA GNMA	2000 A RMRB 2000 A RMRB	6.45 6.45	03/29/01	02/20/31	173 769 19	177,082.97			(733.06)		173,036.13	0.00	0.00	173,036,13	177,488.35	1,138.44	0.00
FNMA	2000 A RMRB	0.45 8.45	04/30/01 09/11/00	04/20/31 08/01/30	283,790.30 354,278.55	289,202.20 360.669.73			(1,335.05) (3,403.86)		282,455.25	0.00 0.00	0,00	282,455.25	289,722.84	1,855.69	0.00
FNMA	2000 A RMRB	6.45	10/06/00	09/01/30	28,960.93	29,483,38			(120.06)		350,674.67 28,640.67	0.00	0.00 0.00	350,874.67 28,840.87	359,716.71 29,567,66	2,450,86 204,34	0.00 0.00
FNMA	2000 A RMRB	6.45	11/16/00	10/01/30	279,851.88	284,900.41			(1,254.72)		278,597,16	0.00	0.00	278,597,16	285 617.81	1,972.12	0.00
GNMA	2000 A RMRB	6.45	05/30/01	05/30/31	507,500.95	517,179.19			(2,084.38)		505,436.57	0.00	0,00	505,436.57	518,441.65	3,326.B4	0.00
GNMA GNMA	2000 A RMRB	6.45	06/16/01	03/20/31	219,317.67	223,500.06	+		(1,252.26)		218,665.41	0.00	0.00	218,965.41	223,678.23	1,428.43	0.00
GNMA	2000 A RMRB 2000 A RMRB	6.45 8.45	07/18/01 08/08/01	06/20/31 07/20/31	129,668.49 231,314,95	132,161,65			(551.79)		129,135.70	0.00	0.00	129,135.70	132,459.39	849.53	0.00
GNMA	2000 A RMRB	6,45	08/31/01	08/20/31	206,747.22	235,726.13 210,689.87			(874.84) (946.44)		230,440.11 205,806,78	0.00 0.00	0.00 0.00	230,440.11	236,369.33	1,518.04	0.00
FNMA	2000 A RMRB	6.45	12/27/00	11/01/30	209,689.20	213,472.01			(962.38)		208,726.82	0.00	0.00	205,800.78 208,726.82	211,096.02 213,986,76	1,352.59 1,477.13	00,0 06.0
FNMA	2000 A RMRB	5.45	02/05/01	01/01/31	89,310.87	90,922.04			(830.93)		88,679.94	0.00	0.00	88,679.94	90,914.67	623.56	0.00
GNMA	2000 A RMRB	8.45	11/29/01	11/20/31	406,706.61	414,462.48			(1,795.91)		404,909.70	8.00	0.00	404,909.70	415,327.97	2,682.42	0.00
GNMA GNMA	2000 A RMRB 2000 A RMRB	6.45	12/17/01	11/20/31	217,736.92	221,889.14			(2,892.06)		214,844.86	0.00	0.00	214,844.68	220,372.80	1,375.72	0.00
GNMA	2000 A RMRB	6.45 6.45	12/27/01 09/25/01	12/20/31 09/20/31	515,313.60 255,835.21	525,140.63 260,713.97			(79,185.74) (1,255,26)		436,127.66 254,579.95	0.00 0.00	0.00	436,127.86	447,349.43	1,394.54	0.00
GNMA	2000 A RMRB	6.45	09/28/01	09/20/31	651,732.60	684.181.13			(1,255.26) (3,561.84)		648,170.76	0.00	0.00 00,0	254,579,95 648,170,76	261,130.28 664.848.18	1,571.57 4,248.89	00.0 00.0
GNMA	2000 A RMRB	6.45	10/17/01	10/20/31	297,847.89	303,527.62			(2,573.31)		295,274.5B	0.00	0.00	295,274.58	302,871.98	1,917.47	0.00
GNMA	2000 A RMRB	8.45	10/30/01	10/20/31	309,472.37	315,374.04			(1,251.71)		308,220.66	0.00	0.00	308,220,66	315,151.21	2,028.88	0.00
GNMA FNMA	2000 A RMRB	6.45	11/15/01	11/20/31	203,822,49	207,709.41			(1,464.56)		202,357.93	0.00	0.00	202,357.93	207,564.62	1,319.77	0.00
GNMA	2000 A RMRB 2000 A RMRB	6.45 6.45	03/29/01	02/01/31 01/20/32	143,334.80	145,920.56			(2,595.69)		140,739.11	0,00	0.00	140,739,11	144,285.73	960.88	0.00
GNMA	2000 A RMRB	6.45	01/30/02	12/20/32	570,024,10 132,302,62	586,743.87 134,825.63			(2,493.53) (529.56)		573,539.57 131,773.06	0.00	0.00	573,530.57 131,773.06	588,144.09	3,893.75	0.80
GNMA	2000 A RMRB	6.45	02/25/02	02/20/32	1,480,531.14	1,508,083.80			(328.50) (110,774.70)		1,369,756.44	0.00 0.00	00,0 00.0	1,369,756.44	135,163.58 1,404,657.80	867,51 7,348,70	0.00 0.00
FNMA	2000 A RMRB	6.45	07/12/01	06/01/31	139,201.85	141,579.42			(541.40)		138,680.45	0.00	0.00	138,660,45	142,103.39	1,065.37	0.00
GNMA	2000 A RMRB	6.45	05/15/02	04/20/32	89,914.78	91,588.09			(321.66)		89,593.12	0.00	0,00	89,593.12	91,875.95	609,52	0.00
GNMA GNMA	2000 A RMRB 2000 A RMRB	6.45 6.45	05/24/02 03/21/02	05/20/32	211,757.52	215,698,33			(942.54)		210,814.98	0.00	0.00	210,814,98	216,186.54	1,430.75	0.00
GNMA	2000 A RMRB	6.45	03/23/02	02/20/32 03/20/32	392,244.96 409,243,60	399,544.66 416,859.83			(1,491.01)		390,753.95	0.00	0.05	390,753,95	400,710.38	2,656.73	0.00
GNMA	2000 A RMRB	6.45	04/29/02	04/20/32	92,697.48	94,422.5B			(1,638.08) (406.98)		407,605.72 92,290.50	0.00	0,00	407,605.72	417,991,51	2,789.76	0.00
GNMA	2000 A RMRB	6.45	05/15/02	03/20/32	66,922.87	68,168.30			(250.41)		68,672.46	0.00 0.00	0.00 0.00	92,290.50 65,672.46	94,642.06 68,371,27	626,46 453,38	0.00 0.00
GNMA	2000 A RMRB	0.45	08/29/02	08/20/32	64,353.17	65,550.78			(223.12)		84,130.05	0.00	0.00	64.130.05	65,764.08	453.36 436.42	0.00
GNMA	2000 A RMRB	6.45	06/03/02	05/20/32	65,658.46	66,880.36			(653.83)		65,004.63	0.00	0.00	65,004,63	66,660.95	434.42	0.00
GNMA GNMA	2000 A RMRB 2000 A RMRB	6.45 6.45	07/05/02 08/01/02	03/20/32 05/20/32	41,849.51	42,628.33			(494.80)		41,354,71	0.00	0.00	41,354.71	42,408.43	274,90	0.00
GNMA	2000 A RMRB	6.45	11/12/02	11/20/32	61,475.19 132,616,30	62,619,24 135,084,29			(217.86)		61,25B.13	0.00	0.00	61,258.13	62,818.99	416.B1	0.00
GNMA	2000 A RMR8	6.45	10/21/02	10/20/32	73,947.93	75,324.10			(456.40) (253.42)		132,159.90 73,894.51	0.00 0.00	0.00 0.00	132,159,90	135,527.33	899.44	0.00
GNMA	2000 A RMRB	6.45	10/29/02	10/20/32	64,416,08	65,614.88			(229.75)		73,894.51 64,186.33	0.00	0.00 0.00	73,694.51 64,186.33	75,572,25 65,821.80	501.57 436.69	0.00 0.00
GNMA	2000 A RMRB	6.45	11/26/02	11/20/32	40,284.61	40,952.82			(229,95)		39,974.66	0.00	D.00	39,974.66	40,993.21	270.34	0.00
GNMA GNMA	2000 A RMR8	6.45	12/30/02	12/26/32	66,944.54	68,190.38			(224.89)		66,719.65	0.00	0.00	66,719.65	68,419.67	454.18	0.00
GNMA	2000 A RMRB 2000 A RMRB	5.45 8.45	01/23/03 01/23/03	01/20/33 01/20/33	78,462.85	79,903.43			(283.51)		78,179.34	0.00	0.00	78,179.34	80,110.37	490.45	0.00
FNMA	2000 A RMRB	8.45	09/28/01	01/20/33 09/01/31	52,249,30 160,297,46	53,208,60 163,035,36			(188.04)		52,061.26	0.00 0.00	0.00	52,061.26	53,347.17	326.61	0.00
FNMA	2000 A RMRB	6.45	10/17/01	09/01/31	161,369,61	164,125.8D			(846.78) (820.89)		159,450.70 160,748.72	0.00 0.00	0.00 0.00	159,450,70	163,409.88	1,221.28	0.00
					,	, , , , , , , , , , , , , ,			(020.68)		100,140.12	טע.ט	0.00	160,748.72	154,740.11	1,235.20	0.00

GNMA	2000 A RMRB				70,326.70	71,617.90			(70,326,70)							(1,291.20)	0.00
FNMA FNMA	2000 A RMRB 2000 A RMRB	6.45 5.45	12/27/01 04/17/02	11/01/31 03/01/32	65,770.31 120,603.90	87,235.27 122,575,77			(524.74) (665.76)		85,245.57 119,938.14	0.00 0.00	0.00 00.0	85,245.57 119,938.14	87,362.22 122,773.48	651.69 863.47	0.00 0.00
Repo Agmt	2000 A RMRB	5.29	11/30/08	12/01/08	20,702.37	20,702.37		(20,300.44)	(005.70)		401.93	0.00	0.00	401.93	401.93	863.41	0.60
, ,	2000 A RMRB Total			_	19,104,762.88	19,446,377.89	788,578.44	(22,009.17)	(487,677.33)	0.00			-	19,373,652.82	19,823,482.51	108,214.68	00.0
Repo Agmt	2003A RMRB	5.29	11/30/06	12/01/06	38,993,92	38,993,92	519.79				39,513.71	0.00	0.00	39,513.71	39,513.71	_	0.00
Repo Agml	2003A RMR8				145,104.09	145,104.09		(145,104.09)			,						0,00
Repo Agmi	2003A RMRB	5.29	11/30/06	12/01/06	21,938.37	21,938.37	2,645,13				24,583.50	0.00	0.00	24,583.50	24,583.50	-	0.00
GIC's	2803A RMRB	4.13	08/20/03	06/28/34	1,615,972.12	1,615,972.12	2,417,037.00				4,033,009.12	0.00	0.00	4,033,009.12	4,033,009,12	-	0.00
Repo Agmt GNMA	2003A RMRB 2003A RMRB	5.29 4.49	11/30/06 03/25/04	12/01/06 03/20/34	2,041,85 11,745,097.45	2,041,85 10,997,981.37	27.31		(561,282.99)		2,069.16 11,283,993.76	0,00 124 757 41	0,00 24,578.11	2,069,16 11,183,814.46	2,069,16 10,705,801,94	269,103.56	0.00 0.00
GNMA	2003A RMRB	4.49	03/30/04	03/20/34	1,912,750.77	1,791,093.72			(110,305.67)		1,818,605.98	-19,596.71	3,443.85	1,802,453.10	1,725,420.60	44,632.55	0.00
GNMA	2003A RMRB	4.49	07/08/04	07/20/34	1,424,372.24	1,333,693.17			(6,489.61)		1,430,720.06	-14,5B3.27	1,745.84	1,417,883.63	1,357,409.95	30,005.39	0.00
GNMA	2003A RMRB	5.49	07/08/04	06/20/34	169,019,76	168,472.43			(737.27)		169,805.65	-1,712.52	189,36	168,282,49 181,108,71	169,686,79	1,951,63	0.00
GNMA GNMA	2003A RMRB 2003A RMRB	4.49 5.49	07/08/04 07/08/04	07/20/34 07/20/34	181,900.08 174,520.03	170,600.65 173,625.90			(791.37) (1,588.53)		182,748.33 174,497.09	-1,878.19 -1,765.13	236.57 200.54	172,931.50	173,844.83 174,045.89	3,835.55 2,009.52	00.0 00.0
GNMA	2003A RMRB	4.49	04/08/04	04/20/34	1,919,426.22	1,802,156,64			(149,086.41)			-21,070.83	5,189.53	1,770,339.B1	1,699,198.40	46,126.17	0.00
GNMA	2003A RMRB	4.49	04/15/04	04/20/34	1,142,653.44	1,072,848,21			(4,923.09)		1,147,943.61	-13,249.59	3,036.33	1,137,730.35	1,092,015.79	24,090.67	0.00
GNMA GNMA	2003A RMRB 2003A RMRB	5.49 4.49	04/15/04 04/22/04	04/20/34 04/20/34	63,250,23 1,348,346,99	63,040.77			(223.36)		63,592.66	-643.15	77,36	63,026,87 1,342,561.87	63,548.15	730.74 28.426.51	0.00 0.00
GNMA	2003A RMRB	4.49	04/22/04	04/20/34	1,074,581.31	1,265,963.51 1,006,256.70			(5,785.12) (4,516.38)		1,354,622.08 1,079,682.75	-15,134.4B -10,997.70	3,074.27 1,379.68	1,070,064.93	1,288,624.90 1,024,359.80	28,426.51 22,619.48	0.00
GNMA	2003A RMRB	5.49	04/29/04	04/20/34	60,279,59	60,060,63			{210.09}		60,609.41	-611.43	71.52	60,069,50	60,566,98	696,44	0.00
GNMA	2003A RMRB	4,49	05/06/04	05/20/34	667,887.04	625,426.13			(2,635.91)		671,034.07	-8,583.99	2,601.05	665,051.13	636,650.27	14,060.05	0.00
GNMA GNMA	2003A RMRB 2003A RMRB	4.49 5.49	05/13/04 05/01/04	05/20/34 04/20/34	535,164.58	501,144.53			(2,962.07)		538,993.57	-5,483.15 -860.14	692.09	532,202.51	509,478.02	11,295.56	0.00
GNMA	2003A RMRB	4.49	05/20/04	05/20/34	99,268.80 1,360,438.80	98,961.29 1,292,691.23			(537.74) (5,918.30)		99,638.85 1,388,900.75	-15,391,26	-27,65 3,009,01	98,751,06 1,374,518,50	99,589.10 1,315,835,97	1,145.55 29,063,04	0.00 0.00
GNMA	2003A RMRB	4.49	05/27/04	05/20/34	652,919,67	611,421.45			(2.760.42)		656,019.48	-6,673.68	813.65	650,159.25	622,405.07	13,744.04	0.00
GNMA	2003A RMRB	4,49	08/03/04	06/20/34	949,937.43	889,567.62			(3,933.12)		954,538.85	-10,849.28	2,314.74	948,004.31	905,620.28	19,993.78	0.00
GNMA GNMA	2003A RMRB 2003A RMRB	4.49 4.49	06/10/04 06/17/04	06/20/34 06/20/34	553,845.64 1,187,852.53	518,651.15 1,112,376.35			(2,284.20)		558,540.82 1,193,588,94	-5,642.00 -13,037,41	662.62	551,561.44	528,023.68 1,132,429,44	11,658.73 25,002.89	0.00 0.00
GNMA	2003A RMRB	4.49	06/24/04	06/20/34	1,434,774.22	1,343,616,76			(4,949.80) (162,904.04)			-14,629.36	2,351,20 3,131,66	1,182,902,73 1,271,870,18	1,217,608.10	36,895.38	0.00
GNMA	2003A RMRB	5.49	08/24/04	06/20/34	1,163,034.77	1,159,255.63			(4,178.33)		1,169,332.49	-12,479.69	2,003.64	1,158,858.44	1,168,513.96	13,438.66	0.00
GNMA	2003A RMRB	4,49	09/02/04	08/20/34	251,869.69	235,881.83			(117,958.66)		135,129,91	-2,557.64	1,338.76	133,911.03	128,205.85	10,282.68	0.00
GNMA GNMA	2003A RMRB 2003A RMRB	5.49 4.49	09/09/04 09/09/04	09/20/34 09/20/34	84,593.76 309,758.44	84,324.76 290,096.34			(769.10) (154,280.83)		84,588.33 156,894.05	-2,370.94 -3,146.77	1,607,27 1,739,33	83,824.66 155,477,61	84,529,12 148,654,80	973,46 13,037,29	00,0 00.0
GNMA	2003A RMRB	5.49	09/16/04	09/20/34	169,350,93	168.813.43			(571.52)		170,318.67	-1,707.79	169.13	168,779.41	170,198.85	1,958.94	0.00
GNMA	2003A RMRB	4.49	09/16/04	09/20/34	1,156,228.95	1,082,850.67			(5,030.52)		1,161,693.17	-12,575.54	2,080.80	1,151,198.43	1,102,168.03	24,347.89	0.00
GNMA GNMA	2003A RMRB 2003A RMRB	5.49	09/23/04	09/20/34	76,046.66	75,605.76			(257.39)		76,480.66	-1,302.08	610.69	75,789.27	76,427.12	878.75	0.00
GNMA	2003A RMRB	4,49 4,49	09/23/04 09/29/04	09/20/34 09/20/34	198,978.82 577,459.07	188,850.08 540,817.54			(928.09) (2,445.85)		199,857,45 580,261,69	-2,025,85 -6,760,29	219.13 1.511.82	198,050,73 575,013,22	190,120,40 550,529,10	4,198.41 12,157.41	0,00 0,00
GNMA	2003A RMRB	5,49	09/29/04	09/20/34	205,485.29	204,447.57			(866.13)		206,484.82	-2,079,19	211.53	204,617.16	205,952.09	2,372.65	0.00
GNMA	2003A RMRB	5.49	10/07/04	09/20/34	137,001.65	136,569,16			(452.34)		137,786.42	-1,380.19	133.08	138,539.31	137,089.07	1,583.15	0.00
GNMA GNMA	2003A RMRB	4.49	10/07/04	10/20/34	451,304.10	422,670.89			(2,198.23)		453,208.77	-4,812.01	509,11	449,105,87	429,986,35	9,513.69	0.00
GNMA	2003A RMRÐ 2003A RMRÐ	5.49 4.49	07/15/04 07/15/04	05/20/34 07/20/34	53,118.98 495,684.14	52,947.20 464.200.07			(182.66) (1,961.10)		53,415.76 498,195.85	-536.97 -5,044.97	57.51 572.16	52,936.30 493,723.04	53,378.37 472,668.29	613.76 10,429.32	0.00 0.00
GNMA	2003A RMRB	5,49	07/22/04	07/20/34	62,579.86	62,378.09			(214.03)		62,931.21	-632.59	67.21	62,365.83	62,887.16	723.10	0.00
GNMA	2003A RMRB	4,49	07/22/04	07/20/34	582,730.73	545,721.09			(2,402,36)		585,589.31	-5,937.0B	676.14	580,328.37	555,583.73	12,265.00	0.00
GNMA GNMA	2003A RMRB 2003A RMRB	4.49 5.49	07/29/04 07/29/04	07/20/34 07/20/34	555,148.59 256,163.32	522,221.69 255,338.68			(2,286.33) (877.56)		558,888.09 257,601.34	-5,662.03 -2,589.79	638.20 274.21	553,862.26 255,285,76	531,657.16 257,421,02	11,721.50 2,959.90	0.00 0.00
GNMA	2003A RMRB	4,49	08/05/04	08/20/34	335,162.93	314,719.43			(1,898.45)		336,189.18	-3,418.11	393.41	333,164,48	319,810,04	7,089.06	0.80
GNMA	2003A RMRB	5,49	08/05/04	07/20/34	109,150.90	108,800.18			(374.32)		109,763,91	-1,102.82	115,49	108,776.58	109,687.08	1,261.22	0.00
GNMA GNMA	2003A RMRB 2003A RMRB	4.49 5.49	08/12/04 08/12/04	08/20/34	391,328.76	367,461.61			(2,223,58)		392,640.12	-3,992.12	457.18	389,105.18	373,510.69	8,272.68	0.00
GNMA	2003A RMRB	4.49	06/19/04	07/20/34 08/20/34	85,660.80 386,369.85	85,386.08 362.806.41			(292.70) (1,663.28)		86,143.48 388.202.89	-854.91 -5,054.29	89.53 1,558.97	85,358.1D 384,705,57	88,083.18 369,289.65	989.80 8,146.52	00,0 00.0
GNMA	2003A RMRB	5.49	0B/19/04	08/20/34	361,077,04	359,921.93			(1,465,79)		352,880.44	-3,676.49	407.30	359,611.25	362,626.42	4,170.28	0.00
GNMA	2003A RMRB	4.49	12/02/04	10/20/34	140,840.57	131,911.13			(566.86)		141,561.93	-1,423.64	135.42	140,273.71	134,308.30	2,964.03	0.00
GNMA GNMA	2003A RMRB 2003A RMRB	4,49 5,49	12/09/04 12/16/04	11/20/34 12/20/34	283,978.07 157,993.42	265,975.43 157,504.84			(1,150.43) (556.88)		285,427.03 158,874.69	•2,876.80 •1,608,64	277,41 160,49	282,827.64 157,426.54	270,801.75 158,763,48	5,976.75 1,825.52	0.00 0.00
GNMA	2003A RMRB	4.49	12/18/04	12/20/34	307,690.54	288,186.99			(1,929.95)		308,573.24	-3,126.82	314.17	137,420.54 305,780.59	292,761,95	1,025.52 6.504.91	0.00
GNMA	2003A RMRÐ	4.49	10/14/04	09/20/34	444,724.17	418,510.10			(1,931.52)		446,839.68	-4,528.19	479.16	442,792.65	423,943.62	9,385.04	0.00
GNMA GNMA	2003A RMRB 2003A RMRB	5.49 5.49	10/14/04 10/21/04	09/20/34 10/20/34	41,131.94	41,002.34			(151.10)		41,355.40	-421.06	46.50	40,980,84	41,326.45	475.21	0.00
GNMA	2003A RMRB	4.49	10/21/04	10/20/34	185,894.12 193,739,87	185,309,81 181,935,06		. •	(658,19) (777,01)		186,932.48 194,728.07	-1,867.26 -1,960.73	192.71 195.52	185,237.93 192,962.86	185,801.63 185,240,92	2,147,91 4,062,87	0,00 0.00
GNMA	2003A RMRB	4.49	10/28/04	10/20/34	476,015.52	445,822.58			(1,966.93)		478,388.05	-4,848.75	509.29	474,048.59	453,875,45	10.019.60	0.00
GNMA	2003A RMRB	5.49	10/28/04	10/20/34	54,244.07	54,073.93			(290.07)		54,447.90	-551.07	57.17	53 954 00	54,409.79	625.93	0.00
GNMA GNMA	2003A RMRB 2003A RMRB	5.49 4.49	11/04/04 11/04/04	11/20/34 10/20/34	623,304.10 587,920.86	620,177.02 550,632.71			(110,278.87)		517,725.14	-6,311.31	1,611.40	513,025.23	516,389.41	6,491,26	0.00
GNMA	2003A RMRB	5.49	11/10/04	11/20/34	66,151,11	65,944,42			(2,593.20) (248.87)		590,688.76 66,506,32	-5,952.48 -666.50	591,36 62,42	585,327.66 65,902.24	560,421.87 66,459.77	12,382.36 764,22	0.00 0.00
GNMA	2003A RMRB	4.49	11/10/04	10/20/34	116,492.76	109,396.48			(490.79)		117,065.04	-1,192.27	129.20	110,001.97	111,361.63	2,455.94	0.00
GNMA	2003A RMRB	5.49	11/18/04	11/20/34	107,083.03	106,729,28			(359.22)		107,682.65	-1,07B.20	99.36	105,703,81	107,607.27	1,237.23	0.00
GNMA GNMA	2003A RMRB 2003A RMRB	4.49 5.49	11/18/04 11/23/04	10/20/34 11/20/34	241,809,94 267,791.66	227,081.43 266,957,88			(972.96)		243,045.79	-2,445.37	236.56	240,836.98	231,204.60	5,096.13	0.00
GNMA	2003A RMRB	4.49	11/01/04	11/20/34	437,146.42	409,420.95			(912.63) (1,816.86)		269,328.31 439,316,80	-2,698.52 -4,459.55	249.24 472.31	266,879.03 435,329,56	269,139.78 416,806,21	3,094.53 9,202.12	0.00 0.00
GNMA	2003A RMRB	5.49	12/29/04	12/20/34	330,245.01	329,227.41			(1,100.34)		332,176.11	3,322.86	291.42	329,144.67	331,943.59	3,616.52	0.00
GNMA GNMA	2003A RMRB 2003A RMRB	4.49	12/29/04	12/20/34	160,452.14	150,283.25			(1,151.55)		160,767.76	-2,962.59	1,495.42	159,300.59	152,530.02	3,398.32	00,0
GNMA GNMA	2003A RMRB 2003A RMRB	5.49 4.49	01/06/05 03/30/05	01/20/35 01/20/35	99,600,45 287,579,70	99,219.96 269,196.20			(47,187.05) (1,816.77)		52,896.56 266,417.53	-2,048,96 0.00	1,565.80 -2,654.60	52,413.40 285,762.93	52,840.49	807.58 6 148 14	0.00
GNMA	2003A RMRB	5.49	03/30/05	01/20/35	223,472.54	222,620.18			(1,816.77) (747.73)		288,417.53	-2,247,72	-2,654.60 193.23	285,762.93 222,724.81	273,529.57 224,541.03	6,145.14 2,668.58	0.00 0.00
GNMA	2003A RMRB	4.49	01/19/05	01/20/35	108,606.91	101,930.72			(432.77)		109,172.53	-1,094.90	96.51	108,174.14	103,009.98	2,312.03	0.00

GNMA	2003A RMRH	4 49	01/27/05	01/20/35	790.915.97	740.322.98		(3,266.46)	794,924.67	-7,999,37	724,21	787,649,51	753.890.85	16.834.15	0.00
GNMA	2003A RMRB	5.49	02/03/05	01/20/35	216,971.83	215,738.67		(738.23)	218.231.95	-2 188 94	190.59	216,233.60	217,592.53	2,592.09	0.00
GNMA	2003A RMRB	4.49	02/03/05	02/20/35	766,167.64	720,957.69		(4,044.79)	771,186.15	-7,791.49	728.19	764,122.65	733,305.48	18,392.58	0.00
GNMA	2003A RMRB	4.49	02/17/05	02/20/35	294.149.78	275.339.00		(1,166.57)	295,695.03	-2,963.99	252.17	292,983.21	280,431,25	6,258.82	0.00
GNMA	2003A RMRB	5.49	02/17/05	01/20/35	55,083.32	55,472.58		(183.24)	56,013,67	·558.50	44 91	55,500.08	55.954.30	664.98	0.00
GNMA	2003A RMRB	5.49	03/10/05	02/20/35	104,795,30	104,400.76		(343.24)	105,420.67	-1,050,29	80.18	104,452.06	105,308.92	1,251.40	0.00
GNMA	2003A RMRB	4.49	03/17/05	01/20/35	27,787,59	26,080.72		(109,41)	27,934,99	-279,43	22.62	27,678.18	26,562.82	591.51	0.00
GNMA	2003A RMRB	5.49	03/17/05	03/20/35	119,519.66	119,070.72		(389,77)	120,235,78	-1,197,43	91.74	119.130.09	120,108,33	1.427.38	0.00
GNMA	2003A RMRB	5.49	04/07/05	04/20/35	315,497.74	314,318.18		(1,716.48)	316,699.65	-3,166.94	250.55	313,781.26	316,363.95	3,762.25	0.90
GNMA	2003A RMRÐ	5,49	04/21/05	04/20/35	226,609.00	225,764,51		(915.99)	227,794.88	-2,272.27	170.40	225,693.01	227,553.42	2,704.90	0.00
GNMA	2003A RMRB	4.49	04/28/05	03/20/35	62,397.90	58,567.32		(243.67)	62,733,33	-627.03	47.93	62.154.23	59,651,67	1.328.22	0.00
GNMA	2003A RMRB	5.49	04/28/05	04/20/35	182,753.44	182,073.48		(509.46)	183,841.39	-1,839.35	141.94	182,143.98	183,846.52	2,182.50	0.00
GNMA	2003A RMRB	5.49	05/12/05	05/20/35	184,485,96	153,801.97		(1,525.77)	184,667.63	-1,B61.21	153.77	182,960.19	184,471.88	2,195,68	0.00
GNMA	2003A RMRB	4.49	05/19/05	05/20/35	1,378,149,37	1,288,250.43		(5,668,34)	1,383,281,15	-13,840,28	1,042,16	1,370,483,03	1,311,676,19	29,292,10	0.00
GNMA	2003A RMRB	5.49	07/07/05	07/20/35	576,136.91	673,664.08		(2,175.99)	680,284.85	-6,753.12	429.19	673 960 92	679,563,74	8,075.65	0,00
GNMA	2003A RMRB	5.49	07/14/05	07/20/35	359,333.82	357,343.48		(1,177.50)	361,519.18	-3,584.81	221.75	358,156,32	360,459.93	4,293,95	0.00
GNMA	2003A RMRB	4.49	05/26/05	04/20/35	127,292.56	119,481.27		(495.88)	127,981,30	-1,278.52	93,92	126,796.70	121,694.86	2,709.47	0.00
GNMA	2003A RMRB	5.49	05/26/05	05/20/35	385,487.55	385,059.39		(1,276.28)	388,811.00	-3,873.61	273.99	385,211.38	388,398.88	4,615.75	0.00
GNMA	2003A RMRB	5.49	06/09/05	05/20/35	265,319.76	284,268,80		(969.94)	287,010.12	-2,657.87	197.57	264,349.62	286,705.69	3,467.03	0.00
GNMA	2003A RMRB	5.49	06/15/05	06/20/35	322,031.83	320,847.59		(1,038.23)	324,001.04	-3,999,08	993.64	320,995,60	323,657,60	3,846.24	0.00
GNMA	2003A RMRB	5.49	06/23/05	06/20/35	299,690.80	298,025.11		(988.02)	301,501.62	-2,999,60	200.76	298,702.78	300,618.22	3,581.13	0.00
GNMA	2003A RMRB	5.49	09/08/05	09/20/35	278,477.42	277,474.64		(1,512.43)	279,579.62	-2,787.43	172.80	276,964.99	279,283.26	3,321.05	B.00
GNMA	2003A RMRB	5.49	09/15/05	09/20/35	707,504.28	704,980.85		(2,320.00)	711,845.74	-7,071.31	409.85	705,184.28	711,091.19	8,450,34	0,00
GNMA	2003A RMRB	5.49	09/22/05	09/20/35	204,090,63	203,358.17		(561.17)	205,352.38	-2,043.06	120,14	203,429,46	205,134.71	2,437.71	0.00
GNMA	2003A RMRB	4.49	07/28/05	07/20/35	87,745.10	82,365.37		(354.40)	86,212.31	-887.54	65.93	87,390.70	83,879.32	1,888.35	0.00
GNMA	2003A RMRÐ	5,49	07/21/05	07/20/35	587,320.55	585,179.64		(2,224.25)	590,593.55	-5,873.74	376.49	585,096.30	589,967.52	7,012.13	0.00
GNMA	2003A RMRØ	5.49	07/28/05	07/20/35	229,140.92	228,307.04		(730.55)	230,557.78	-2,287.00	139.58	228,410.37	230,313.40	2,738.91	0.00
GNMA	2003A RMRB	5.49	08/04/05	07/20/35	442,443.96	440,836.49		(1,945.56)	444,642.47	-4,425.88	281.81	440,498.40	444,171.15	5,280.22	0.00
GNMA	2003A RMRB	5.49	08/11/05	08/20/35	260,311.11	259,367.20		(883.98)	261,869.59	-2,599.00	157.34	259,427.13	261,592.01	3,108.79	0.00
GNMA	2003A RMRB	5.49	08/18/05	07/20/35	311,293.71	310,166.50		(995.45)	313,221.22	-3,103.39	180.40	310,298.23	312,889.20	3,718.18	0.00
GNMA GNMA	2003A RMRB	5.49	08/30/05	08/20/35	939,778.55	938,385,95		(3,059.14)	945,553.72	-9,373.83	539.52	936,719.41	944,551,44	11,224.63	0.00
	2003A RMRB	5.49	06/30/05	08/20/35	412,030,83	410,543.39		(1,437.68)	414,465.51	-4,124.04	251.66	410,593.15	414,026.18	4,920.47	0.00
GNMA	2003A RMRB	5.49	10/27/05	10/20/35	411,144.76	409,682.03		(1,310.16)	413,721.52	-4,103.38	216.48	409,834.60	413,282.98	4,911.11	0.00
GNMA GNMA	2003A RMRB 2003A RMRB	5.49	09/29/05	09/20/35	619,330.10	617,111.13		(1,963.41)	623,206.14	-6,177.25	337.60	617,366.69	822,545.54	7,397.82	0,00
GNMA	2003A RMRB 2003A RMRB	5.49	10/06/05	09/20/35	528,567.78	526,677.17		(1,651.27)	531,893.53	-5,257.14	270.10	526,906.49	531,329,72	6,313,82	0.00
GNMA		5,49	10/13/05	10/20/35	384,835.48	383,461.71		(1,231.48)	387,237,45	-3,829.60	198,15	383,604.00	366,826,98	4,596.75	0.00
GNMA	2003A RMRB 2003A RMRB	5.49 5.49	10/20/05 10/20/05	10/20/35 10/20/35	329,886,00	328,710.37		(1,055.18)	331,947.48	-3,288.90	172.24	328,830.82	331,595.62	3,940.43	0.00
GNMA	2003A RMRB	5.49	12/15/05	12/20/35	385,004.66 154,493,48	383,632.61 153,950.68		(1,318,84)	387,322.40	-3,847.09	210.51	383,685.82	386,911.84	4,598.07	0.00
GNMA	2003A RMRB	5.49	11/03/05	09/20/35	208,073.33	205,341,22		(546.62)	155,413.82	-1,534.33	67.37	153,946.86	155,249.08	1,845.02	0.00
GNMA	2003A RMRB	5.49	11/03/05	10/20/35	275.051.85	274.074.98		(646.75) (859.30)	207,375.92 276,794.70	-2,048.22 -2,733.18	98.88 131.03	205,426.58 274,192.55	207,156,10 276,501,30	2,461,63 3,285.64	0.00 0.00
GNMA	2003A RMRB	5,49	11/10/05	11/20/35	161,681.62	161,108,52		(571.58)	162,640,16	-1.606.25	76.13	161,110.04	162,467,76	3,205.04 1.930.82	0.00
GNMA	2003A RMRB	5.49	11/17/05	07/20/35	231,332.64	230,513.36		(733.27)	232,789,93	-2,298.73	10B.17	230,599.37	232,543.17	2,763.08	0.00
GNMA	2003A RMRB	5.49	11/17/05	10/20/35	432,911.66	431,379.33		(1,476.97)	435,534.3B	-4,317,50	217,81	431,434.69	435,072,71	5,170.35	0.00
GNMA	2003A RMRB	5.49	11/22/05	11/20/35	220,985.41	220,204.33		(714,61)	222,365.B4	-2,19B.03	103.79	220,270,50	222,129,33	2.639.61	0.00
GNMA	2003A RMRB	5.49	12/29/05	12/20/35	610,525.64	607,235.30		(63,827.64)	551,914.15	-6,062.12	845.97	545,698.00	550,297.04	6,889.38	0.00
GNMA	2003A RMRB	5.49	01/12/06	01/20/36	214,807.18	214,029.68		(659.33)	216,193.91	-2,129.71	B3.65	214,147.85	215 921.51	2,551.16	0.00
GNMA	2003A RMRB	5.49	01/12/06	12/20/35	79.313.15	79,036.40		(243.79)	79,824.75	-786.36	30.97	79,069.36	79.740.14	947.53	0.00
GNMA	2003A RMRB	5.49	03/09/06	02/20/36	320,361.66	318.616.45		(989.51)	322,439,72	-3,177.71	110.34	319,372.35	321,430.48	3,803.54	0.00
GNMA	2003A RMRB	5.49	03/09/06	02/20/36	202,848.59	201,923,10		(622,34)	203,964.57	-2.005.52	65.20	202,024.25	203,707,57	2,406.81	0.00
GNMA	2003A RMRB	5.49	02/09/06	01/20/36	208,555.03	207,805,20		(637.03)	209,909.63	-2,065.64	74.01	207,918.00	209,645,14	2,476,97	0.00
GNMA	2003A RMRB	5.49	02/23/06	01/20/36	241,511.35	240,645,94		(738.57)	243,082.06	-2,392.14	82.66	240,772.78	242,775.78	2,868,41	0.00
GNMA	2003A RMRB	5.49	03/09/06	02/20/38	367,853.30	366,539.98		(1,114.99)	370,260.60	-3,639.72	117,43	366,738.31	369,794.07	4,369.08	0.00
GNMA	2003A RMRB	5,49	03/30/06	03/20/36	465,926,18	464,271.62		(1,421.32)	469,975.14	-4,610.21	139.93	464,504.06	468,384,23	5,533.93	0.00
GNMA	2003A RMRB	5.49	04/27/06	03/20/36	141,279.41	140,781.27		(435.18)	142,203,13	-1,396.62	37.72	140,844.23	142,023.95	1,677,86	0.00
GNMA	2003A RMRB	4.49	04/27/06	03/20/36	122,042.77	114,248.20		(444.58)	122,771.40	-1,207.37	34.15	121,598.19	116,426,57	2,622.95	0.00
FNMA	2003A RMRB	4.49	03/25/04	02/01/34	300,511,13	281,502.91		(1,528.53)	300,280.72	-1,499.07	200.95	298,982.60	285,981.35	6,005.97	0.00
FNMA	2003A RMRB	4.49	07/29/04	07/01/34	311,812.83	292,105,66		(1,388.77)	311,789.39	-1,542.37	177.04	310,424.06	298,941,98	6,224.87	0.00
FNMA	2003A RMRB	4.49	08/20/04	08/01/34	272,747.53	255,512.90		(1,123.42)	272,822.05	-1,342.53	144.56	271,624.11	259,830,29	5,440.81	0.00
FNMA	2003A RMRB	5.49	09/23/04	08/01/34	203,737.60	201,171.75		(758,52)	203,876.55	-995.74	99.27	202,979.08	203,368.90	2,955.67	0.00
FNMA FNMA	2003A RMRB	4.49	09/29/04	09/01/34	331,160,33	310,257.74		(1,364.02)	331,275,92	-1,631.57	171.96	329,816.31	315,500.56	6,606,84	0.00
FNMA	2003A RMRB	4.49	11/10/04	10/01/34	165,068.92	154,662.09		(683.74)	165,135.75	-812.70	82.13	164,405.18	157,271.99	3,293.64	0.00
FNMA	2003A RMRB	4.49	03/29/05	01/20/35	230,141.33	215,221.22		(1,318.68)	229,853.09	-1,124.00	93,56	228,822.65	218,606.38	4,703.84	0.00
FNMA	2003A RMRB 2003A RMRB	5.49	06/23/05 08/18/05	06/01/35	355,063.64	350,034.66		(1,185.84)	355,485.31	-1,721.21	113.70	353,877.80	354,184,23	5,335.41	0.00
FNMA		5.49		06/01/35	320,158.81	315,631.82		(1,665.75)	319,947.23	-1,559.29	105.12	315,493.06	318,776.22	4,810.15	0.00
FNMA	2003A RMR8 2003A RMR8	5,49	09/08/05 10/06/05	08/01/35	254,984.01	251,381.11		(824,92)	255,322.09	-1,231.42	68.42	254,159.09	254,387.61	3,831.42	0.00
FNMA	2003A RMR9	5.49 5.49	10/06/05	10/01/35 10/01/35	270,081,87	266,269.85		(1,578.60)	269,735.43	-1,308.41	76.25	268,503.27	268,748.20	4,057.95	0.00
FNMA	2003A RMRB 2003A RMRB	4.49	10/20/05	08/01/35	252,265.81 90,751.89	248,705.81		(1,111.82)	252,308.05	-1,221.45	67.39	251,153.99	251,384.60	3,790.61	0.00
FNMA	2003A RMRB	5.49		12/01/35		84,878.06		(351.50)	90,817.70	-437.49	20.18	80,400.39	56,373.99	1,847.43	0.00
FNMA	2003A RMRB	4.49	12/29/05 01/12/08	12/01/35	338,251.65 74.893.38	333,488.60		(1,065.78)	338,745.46	-1,827.54	67.95	337.185 B7	337,505.65	5,082.83	0.00
FNMA	2003A RMRB	5.49	02/02/08	01/01/36	114,537,31	70,046.90		(280.82)	74,958.12	-360.56	15.00	74,612.56	71,290.42	1,524,34	0.00
Repo Agmit	2003A RMRB	5.49 5.29	11/30/06	12/01/06	17,514.97	112,870.93 17,514.97		(354.69)	114,712.48	-549.97	20.11	114 182 62	114,238.72	1,722.48	0.00
. topo riginit	2003A RMRB Total	3.23	Howard	12/01/00	67,764,698.46	64,941,511.64	2,420,229.23	(159,483.82) (1,867,985,23) 0,00	3,135.24	0,00	0.00	3,135.24	3,135.24	1 004 050 44	0.00
					07,F04,000.40	D4,841,211,04	£,420,£23.23	(105,400.02) (1,001,805.23) (0.00				68,357,458.64	68,765,924,96	1,231,653.14	0.00
GNMA	1999 A RMRB	7.50	08/31/89	07/20/18	346.676.19	358,205.08		(4,764.84)	342,501.35	-5,481,09	4.791.09	744 044 75	754 074 03	1 224 20	0.00
GNMA	1999 A RMRB	7.50	10/31/89	09/20/18	758,941.97	784,204,54		(40.315.17)	720,097,97	-15,606.00	4,791.09 14,134.83	341,911.35 718,626.60	354,674.63 745,474.28	1,234.39 1,584.91	0.00 0.00
GNMA	1999 A RMRB	8.75	10/31/89	09/20/18	130,541.76	139,057.50		(2.805.40)	127,997,88	-3,827,47	3.365.97	127,735.36	139,018.30	(233,80)	0.00
GNMA	1999 A RMRB	7.50	11/30/89	10/20/18	722,B42.11	749,329.66		(11,105.69)		-10,291,20	6,225.94	711,538.42	740,819.57	2,595.40	0.00
GNMA	1999 A RMRB	8.75	11/30/89	09/20/18	112,868.57	120,818.24		(22,674.37)	90,794.21	-2,379,86	1,779.85	90.194.20	96.483.38	(1,460,49)	0.00
								• • •					,	4	

GNMA	1999 A RMRB	7.50	01/01/90	11/20/18	452,594.10	467,672.94			(34,000.19)		419,463.46	-5,730.73	4,881.18	418,593,91	434,245,34	572.59	0.00
GNMA	1999 A RMRB	8.75	01/01/90	11/20/18	127,013,29	135,302.73			(1,538.58)		125,735.38	-1,318.90	1,058.25	125,474,71	133,613,96	(150.19)	0.00
GNMA	1999 A RMRB	7.50	01/01/90	12/20/18	250,181.73	258,519.02			(3,187,27)		247,509,53	-4.584.12	4,069.05	246,994,46	256,231.80	900.05	0.00
GNMA	1999 A RMRB	7.50	02/27/90	12/20/18	62,473.05	84,555.74			(783,48)		61,818,90	-2,419,68	2,290.35	61,569,57	63,997,48	225.22	0.00
GNMA	1999 A RMRB	8.75	05/29/90	02/20/19	174,112.08	185,792.79			(4,381.52)		170,092.35	-2,604.14	2,242.35	169,730.56	181,058.31	(352.96)	0.00
GNMA	1999 A RMRB	7.50	03/30/90	01/20/19	289,621,56	299,579.90			(4,570.07)		285,553.16	-4,417.27	3,815.60	284,951,49	295,938.74	1,028.91	0.00
GNMA	1999 A RMRB	8.75	03/30/90	01/20/19	73,264.37	78,177.81			(809.85)		72,607.51	-3,715.62	3,562,63	72,454,52	77,288.54	(79.42)	0.00
GNMA	1999 A RMRB	7.50	04/26/90	03/20/19	302,568.31	312,978.51			(26,459.66)		276,697.47	-6,252.26	5,663.44	275,108.65	285,761.06	242.21	0.80
GNMA	1999 A RMRB	B.75	04/26/90	03/20/19	170,949,28	182,417,76			(2,439.37)		168,869.27	-2,890.10	2,530.74	168,509.91	179,756.34	(222.05)	0.00
GNMA	1999 A RMRB	7.50	05/29/90	04/20/19	370,555.94	383,311.37			(4,934.37)		366,406,78	-4,636,53	3,651.32	365,621,57	379,733.03	1,356.03	0.00
GNMA	1999 A RMRB	7.50	06/28/90	04/20/19	8,357.44	8,678.28			(1,257.74)		7,135.05	-1,719.73	1,704.38	7,119.70	7,394.50	(13.92)	0.00
GNMA	1999 A RMRB	8.75	06/28/90	04/20/19	93,435.17	99,705.64			(1,467.25)		92,166.08	-1.471.57	1,273.41	91,967,92	98,108.04	(130.35)	0.00
GNMA	1999 A RMRB	7.50	10/31/90	07/20/19	55,971.53	57,901,49			(658,78)		55,434,71	-1,911.11	1,789,15	55,312.75	57,450,90	208.19	0.00
GNMA	1999 A RMRB	7,50	12/21/90	08/20/19	48,504.33	50,177.74			(670.88)		47,939.83	-725.75	619.37	47,833.45	49,683.40	176.54	0.00
GNMA	1999 A RMRB	8.75	12/21/90	08/20/19	20,339.99	21,705.54			(240.70)		20,143.99	-778.07	731.37	20,099.29	21,442.69	(23.15)	0.00
GNMA	1999 A RMRB	7.50	03/28/91	11/20/19	41,063.00	42,481.60			(483,61)		40,691.52	-1,366,16	1,274.03	40,599.39	42,171.47	153.48	0.00
GNMA	1999 A RMRB	8.75	04/26/91	01/20/20	162,185.90	173,345.84			(1,636.25)		160,917.51	-2,153.37	1,785.51	160,549.65	171,549.37	(160.22)	0.00
GNMA	1999 A RMRB	8.75	04/29/91	02/20/20	34,420.34	36,789.16			(371.48)		34,127.19	-1,614.90	1,536.57	34,048.86	36,362.01	(35.67)	0.00
GNMA	1999 A RMRB	7.50	04/29/91	12/20/19	114,817.07	118,785.48			(1,358.67)		113,717.57	-2,181.81	1,922.64	113,458.40	117,853.55	426.74	0.00
GNMA	1999 A RMRB	5.35	01/31/01	08/20/30	42,371.99	41,588.23			(211.53)		42,160.46	0.00	0.00	42,160.46	41,896.58	539.88	0.00
GNMA	1999 A RMRB	5.35	01/31/01	01/20/31	393,712.01	386,180,30			(1,951.35)		391,760.66	0.00	0.00	391,760.66	389,186,79	4,957.84	0.00
GNMA	1999 A RMRB	5.35	05/10/01	04/20/31	63,419.63	62,206.41			(50,782.34)		12,637.29	0.00	0.00	12,637.29	12,554.26	1,130.19	0.00
GNMA	1999 A RMRB	5.35	06/22/01	05/20/31	54,742.04	53,694.82			(294.48)		54,447.56	0.00	0.00	54,447.56	54,089.84	689.50	0.00
GNMA	1999 A RMRB	5.35	06/29/01	05/20/31	99,900.39	97,989.30			(533,16)		99,367.23	0.00	0.00	99,367,23	98,714,39	1,258.25	0.00
FNMA	1999 A RMRB	5.35	03/15/01	10/01/30	248,541,69	243,285.03			(1,461.73)		247,059.96	0.00	00.0	247,059.96	245,342.89	3,539.59	0.00
FNMA	1999 A RMRB	5.35	08/18/01	03/01/31	68,094,69	66,588.44			(658.15)		67,436.54	0.00	0.00	67,438.54	65,917.28	956.99	0.00
GNMA	1999 A RMRB	5,35	03/18/02	02/20/32	39,796.71	39,029.43			(190.08)		39,606.63	0.00	0.00	39,606.63	39,334,93	495,58	0.00
Repo Agmt	1999 A RMRB	5.29	11/30/06	12/01/06	401,199.23	401,199.23	0.00				401,199.23	0.00	0.00	401,199.23	401,199.23	<u> </u>	0.00
	1989 A RMRB Total				6,335,907.46	6,521,034.73	0,00	0.00	(229,108.01)	0.00				6,106,799.45	6,313,366.98	21,440.26	0.00
To	tal Residential Mortgage Reve	nue Bonds Investm	ent Summary	,	355,221,741.03	351,578,182.48	14,692,163.69	(454,669,48)	(9,645,643.77)	0.00				359,813,591.47	360,028,481.44	3,858,448.52	0.00

Texas Department of Housing and Community Affairs Collatealized Home Mortgage Revenue Bonds Investment Summary For Period Ending November 30, 2006

lavontana		Current	Current	Current Maturity	Beginning Carrying Value	Beginning	A							Ending	Ending	Change In	
Investment Type	1ssue	Interest Rate	Purchase Date	Date	OB/31/06	Market Value 08/31/06	Accretions/ Purchases	Amortizations/ Sales		T	Des Velve	9	A	Carrying Value	Market Value	In Market	Recognized
Repo Agmt	1990 A&B CHMRB	5.29	11/30/08	12/01/06	49,358,19	49,358.19	657.65	Sales	Maturities	Transfers	Par Value	Prem/Disc 0,00	Amertization 0.00	11/30/06 50.016.04	11/30/06 50.016.04	Value	Gain
Repo Agmi	1990 A&B CHMRB	5.29	11/30/06	12/01/06	79,807,24	79,807,24	1,063,78				50,016,04 80,871,00					-	0.00
Mulual Fund	1990 A&B CHMRB	4.89	11/01/06	12/01/06	23.15	23.15	00.00				23.15	0.00	00.0 00.0	80,871.00 23,15	60,671,00	•	0.00
Repo Agmi	1990 A&B CHMRB	4.09 5.29	11/30/06	12/01/06	23.15 220,467,90	23.15 220,467,90	2,938.32				23,15	0.00	0.00 00.0	23,15 223,406,22	23.15 223.406.22	-	0.00
repo Agna	1990 A&B CHMRB Total	5.29	11/30/00	1201/08	349,656,48	349,656,48	4,659.93	0.00	0.00	0.00	223,406.22	u.uu	u.00 _				0.00
	1330 HAD CHMIND TULA				349,020,40	249,020,40	4,008,93	1.00	0.00	0.00				354,318.41	354,318.41	0.00	0.00
Repo Agmt	1991 A CHMRB	5.29	11/30/08	12/01/08	104,151.84	104,151,84	1,388,09				105,539.93	0.00	0.00	105,539.93	105,539.93	-	0.00
Repo Agmt	1991 A CHMRB	5.29	11/30/06	12/01/06	6,943,15	6,943.15	92.63				7,035.78	0.00	0.00	7,035.78	7,035,78		0.00
	1991 A CHMRE Total				111,094.99	111,094.99	1,480.72	0.00	0.00	0,00			•	112,575.71	112,575.71	0.80	0.00
Repo Agml	1992 A-C CHMRB	5.29	11/30/06	12/01/06	111,201.12	111,201.12		(05,670.46)			45,521.68	0.00	0.00	45,521.66	45,521.66	-	0.00
GIC's	1992 A-C CHMRB	6.09	06/29/92	07/02/24	611,460.35	611,460.35	714,842.25				1,326,302.60	0.00	0.00	1,326,302.60	1,326,302.60	-	0.00
FNMA	1992 A-C CHMRB	6.91	06/30/95	12/01/23	30,845.02	31,957.98			(245.55)		30,702.33	-2,894.19	2,791.33	30,599.47	31,803.03	90.60	0.60
FNMA	1992 A-C CHMRB	6.91	06/30/95	05/01/23	153,5B2.72	159,116.93			(1,567.87)		152,518.62	-4,002.32	3,498.55	152,014.85	157,986,45	437,39	0.00
FNMA	1992 A-C CHMRB	6.91	08/30/95	08/01/23	299,874.36	310,865.67			(38,948.69)		261,792.21	-4,982.15	4,095,61	260,925,67	271,313.56	(603.42)	0.00
FNMA	1992 A-C CHMRB	6.91	06/30/95	02/01/25	1,203,546.25	1,248,071.43			(10,414.71)		1,197,248.88		24,101.82	1,193,131.54	1,241,331.61	3,674.89	0.00
FNMA	1992 A-C CHMRB	6.91	06/30/95	03/01/25	789,516.78	818,729.84			(80,720.93)		711,246.10		23,632.95	708,795.85	737,434.18	(574.75)	0.00
FNMA	1992 A-C CHMRB	6.91	06/30/95	03/01/25	191,112.35	198,183.76			(2,057.74)		189,708.15		7,615.22	189,054.61	196,893.23	567.21	0.00
FNMA	1992 A-C CHMRB	6.91	06/30/95	05/01/25	711,660.73	738,001.14			(49,601.30)		664,356.11		16,045.28	662,059.43	686,817.65	417.81	0.00
FNMA	1992 A-C CHMRB	6.91	06/30/95	05/01/25	979,296.84	1,015,680.79			(18,307.01)		964,323.50		21,059.77	960,989.63	1,000,215.60	2,841.82	0.00
GNMA	1992 A-C CHMRB	6.91	06/30/96	12/20/22	291,891.59	300,689.67			(3,087.87)		290,344.58		19,831.97	288,603.72	298,041.65	439,85	0.00
GNMA	1992 A-C CHMRB	6.91	06/30/95	01/20/23	297,707,05	306,736.75			(2,985.18)		296,239,61	-12,081.62	10,563.68	294,721.87	304,229.38	477.81	0.00
GNMA	1992 A-C CHMR8	6.91	06/30/95	04/20/23	216,823,17	223,406.82			(3,029.89)		214,901.32	-22,372.36	21,264.32	213,793.28	220,697.24	320.31	0.00
GNMA	1992 A-C CHMRB	0.91	08/30/95	07/20/23	384,364.01	398,047.20			(9,289.37)		377,030.68	-25,200.10	23,244.05	375,074.64	387,199.23	441.40	0.00
GNMA	1992 A-C CHMRB	6.91	08/30/95	08/20/23	198,389.71	204,401.69			(1,609.29)		197,788.73	-12,168.04	11,139.73	196,760.42	203,123.15	330,75	0.00
GNMA	1992 A-C CHMRB	6.91	06/30/95	09/20/23	42,199.65	43,483.48			(702.93)		41,714.26	-9,967,25	9,749,91	41,496,92	42,839,30	58.75	0.00
GNMA	1992 A-C CHMRB	6.91	06/30/95	12/20/23	323,546.66	333,398.48			(18,560.96)		306,592.78	-22,522.02	20,915.16	304,985.90	314,861.55	24.03	0.00
GNMA	1992 A-C CHMRB	6.91	06/30/95	05/20/23	60,534.44	62,373.13			(1,793,35)		59,046.19	-1,196.66	891.56	58,741.09	60,638.67	58.89	0.00
GNMA	1992 A-C CHMRB	6.9t	08/30/95	04/20/25	541,522.8B	661,758.68			(40,685.09)		604,199.26	-33,959.04	30,697.57	600,937.79	621,068.45	(5.14)	0.00
GNMA	1992 A-C CHMRB	6.91	06/30/95	05/20/25	657,024.98	677,650.37			(48,011.65)		612,324,17	38,387,65	35,076.81	609,013,33	629,420.30	(218.42)	0.00
GNMA	1992 A-C CHMRB	6.91	06/30/95	08/20/25	410,845,02	423,746.13			(3,189,44)		409,875.47	-40,225.77	38,005.88	407,855.58	421,319.20	782.51	0.00
GIC's	1992 A-C CHMRB	6.09	06/29/92	07/02/24	100,000,05	100,000.05	0.00		• • • •		100,000.05	0.00	0.00	100,000.05	100,000,05	-	0.00
FNMA	1992 A-C CHMR8	6.91	04/28/95	06/01/23	124,623,28	129,112.14			(1,809,33)		123,219.22	-2,881.95	2,475.68	122,813.95	127,636.65	333.84	0,00
GNMA	1992 A-C CHMR8	6.91	04/28/95	03/20/23	937,356.93	965,777.06			(40,957.21)		901,007,48	-48,008,99	41,399.23	898,399.72	925,307,68	487.61	0.00
GNMA	1992 A-C CHMR8	6.91	04/28/95	01/20/25	2,077,789.60	2,142,889.11			(105,535.98)		1,982,840.01	-108,198,25	97,611.86	1,972,253.62	2,036,200,90	867.77	0.00
GNMA	1992 A-C CHMRB	6.91	04/28/95	02/20/25	1,910,716.66	1,970,581.03			(110,524.03)		1,809,871,83		69,585,78	1.800.192.63	1,050,403,44	348.44	0.00
GNMA	1992 A-C CHMRB	6.91	04/28/95	03/20/25	2,146,690.56	2,213,968.25			(73,554.10)		2,084,302.07		117,735.38	2,073,136,48	2,142,495.80	2.081.65	0.00
Repo Agml	1992 A-C CHMRB	5.29	11/30/08	12/01/06	14,657.72	14,657,72		(2.572.90)	•		12,084.82	0.00	0,00	12,084,82	12,084.82		0.00
	1992 A-C CHMRB Total			-	15,918,880,88	18,413,926.77	714,842.25	(68,252.35)	(667,189.47)	0.00			,	15,898,261.30	16,406,986.99	13,659,80	0.00
	Total CHMRB investm	ent Summary			16,379,612.35	16,874,678.24	720,982.90	(68,252.36)	(667,189.47)	6.00				16,365,153.42	16,873,879.11	13,659.60	0.90

Texas Department of Housing and Community Affairs Multi Family Investment Summary For Period Ending November 30, 2006

Investment Type Mutual Fund Mutual Fund		Current Interest Rate 4.89 4.89	Current Purchase Date 11/01/05 11/01/05	Current Maturity Date 12/01/06 12/01/06	Beginning Carrying Value 08/31/06 40,333.68 8,467.08	Beginning Market Value 08/31/05 40,333.68 8.467.08	Accretions/ Purchases 9,665.10 6.461.37	Amortizations <i>i</i> Sales	Maturities	Transiers	Par Value 49,998.78 18,928.45	Prem/D(sc 0.00 0.00	Amortization 0.00 0.00	Ending Carrying Value 11/30/05 49,998.78 16,928.45	Ending Market Value 11/30/06 49,999.78 16,928,45	Change in In Market Value	Recognized Gain 0.00 0.00
andidar, und	1996 A&B MF (Brighton/LasColi) To		1,,0,,00	(150)	48,800.76	48,800.76	18,126.47	0.00	0.00	0.00	10,320.73	0.00	4.60	68,927.23	66,927.23	0.00	0.00
Mutual Fund Mutual Fund	1996 M/F (Dallas-Oxford Rfdg) 1996 M/F (Dallas-Oxford Rfdg)	4.89	11/01/06	12/01/06	143,491.02 1,221.58	143,491,02 1,221,58	191,885,97	(1,221.58)			335,356.99	0.00	0.00	335,356.99	335,356.99		0.00 0.00
Mutual Fund	1998 M/F (Dallas-Oxford Rfdg)	4.52	11/01/06	12/01/06	484.54	484.54	5.26				489.90	0.00	0.00	489,90	489,90		0.00
	1998 M/F (Dallas-Oxford Rfdg) Total	1			145,197,24	145,197.24	191,871,23	(1,221,58)	0.00	0.00				335,846.89	335,846.89	0.00	0,00
Mutual Fund	1996 A&B MF (Braxion's)	4.89	11/01/06	12/01/06	10,127.22	10,127.22		(324.67)			9,802.55	0.00	0.00	9,802.55	9,802.55		
Mutual Fund	1996 A&B MF (Braxton's) 1996 A&B MF (Braxton's) Total	4.89	11/01/06	12/01/06	17,909.34 28,036.56	17,909.34 28,036.56	13,504.29 13,504.29	(324.67)	0.00	0.00	31,413.63	0.00	0.00	31,413.63 41,216.18	31,413.83 41,216.18	0.00	0.00
	1990 No INL (DISKIND) 10101				20,030.50	28,030.50	13,304.29	(324.07)	6.00	0.00				41,210,10	41,210.10	0.00	0.00
T-Note	1993 A&B M/F(Reming, Hill/HP)	4.87	11/15/06	12/28/06	303,866.24	303,886.24		(284,989.97)			19,000.00	-123.73	00,00	18,878.27	18,876.27	-	0.00
T-Note Repo Agmi	1993 A&B M/F(Reming, Hill/HP) 1993 A&B M/F(Reming, Hill/HP)	5.73 5.29	08/24/06 \$1/30/06	12/28/06 12/01/06	17,595.97 586.79	17,696.97 566.79	37,512.58 7.31				55,000.00 574.10	-790.45 0.00	0.00 0.00	55,209.55 574.10	55,209,55 574,10	•	
7-BIII	1993 A&B M/F(Reming, Hill/HP)	5.81	11/15/06	12/14/06	81.678.75	81,676,75	1.000.37				83,000,00	-322.BB	0.00	82,677.12	82,677.12		0.00
Repo Agml	1993 A&B M/F(Reming, Hill/HP)	5.29	11/30/06	12/01/06	24,416.15	24,415.15	325.46				24,741.81	0.00	0.00	24,741.61	24,741.61		0.90
	1993 A&B M/F(Reming, Hill/HP) Total	al			428,222.90	428,222.90	38,645.72	(284,989.97)	0.00	0.00				182,078.65	182,078.65	0,00	0.00
Repo Agmt	1987 South Tx. Rental Housing	5.29	11/30/06	12/01/06	812,798.00	812,798.00	10,832.60				823,630.80	0.00	0.00	623,630,80	823,630,80		0.00
	1987 South Tx. Rental Housing Total	a!		-	812,798.00	812,798.00	10,832.80	0.00	0.00	0.00	,		•	623,630.60	823,630.80	0.00	0.00
Mutual Fund	1996 A-D M/F(Dallas-Ft Worth)	4.89	11/01/08	12/01/06	4.26	4.26	0.00				4.26	0.00	0.00	4.26	4.26	_	0.00
Wildelf End	1996 A-D M/F(Dallas-Ft Worth) Total		(,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	1201100	4.26	4.26	0.00	0.00	0.00	0.00	7.23	0.00	0.00 _	4.26	4.26	0.00	0.00
Mutual Fund	1996 A&B M/F(NHP Project)	4,52	11/01/06	12/01/06	0.02	0.02	0.00				0.02	0.00	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	0.00	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)	4.52	11/01/06	12/01/06	3.38	3.38	0.00				3.38	0.00	0.00	3.38	3.38		0.00
	1997 M/F (Meadow Ridge) Total				3.38	3.35	0.00	0.90	0.00	0.00		-,		3.38	3.38	0.00	0.00
Mutual Fund	1998 M/F (Pebble Brook)	4.89	11/01/06	12/01/06	167,785.90	187,785.90		(1,494.05)			185,291.85	0.00	0.00	185,291.85	186,291.85	_	0.00
Inv Agmt	1998 M/F (Pebble Brook)	5.20	04/30/98	12/01/30	7,313.69	7,313.89	180,918,91	(1,454.55)			188,232.80	0,00	00,0	188,232.80	188,232.80	_	0.00
Mutual Fund	1998 M/F (Pebble Brook)	4.52	11/01/06	12/01/06	36,343,63	36,343.63	401.36				36,744.99	0.00	0.00	35,744.99	36,744.99	-	0.00
	1998 M/F (Pebble Brook) Total				231,443.42	231,443.42	181,320.27	(1,494.05)	0.00	0.00				411,269.64	411,269.64	0.00	0.00
Mulual Fund	1998 M/F (Residence Oaks Proj)	4.89	11/01/08	12/01/06	273,97	273.97	3.18				277.15	0.00	0.00	277.15	277.15	-	0.00
Mulual Fund	1998 M/F (Residence Oaks Proj)	4.89	11/01/08	12/01/06	0.11	0.11	0.00				0.11	0.00	0.00	0.11	0.11	•	0.80
Mulual Fund Mulual Fund	1998 M/F (Residence Oaks Proj) 1998 M/F (Residence Oaks Proj)	4.89 4.89	11/01/06 11/01/08	12/01/06 12/01/06	12,029.16 77,668.50	12,029.16 77,668.50	52,477.81 11,885.57				64,506,97 89,554.07	0,00 00,0	0.00	64,506.97 89,554.07	64,506.97	-	0.00 0,00
Mutual Fund	1998 M/F (Residence Oaks Proj)	4.89	11/01/06	12/01/06	46,297.47	48,297.47	11,002.37	(45,786.48)			510.99	0.00	0.00 0.00	89,554.01 510.99	89,554.07 510.99	-	
Mulual Fund	1998 M/F (Residence Oaks Proj)	4.89	11/01/06	12/01/06	151,898.28	151,898,26		(150,132.25)			1,765.01	0.00	0.00	1,756.01	1,766.01	-	0.00
Mutual Fund	1998 M/F (Residence Oaks Proj.)	4.89	11/01/06	12/01/06	8,580.49	8,580.49	8,404.49				16,984.98	0.00	0.00	16,984.98	16,984.98		0.00
	1996 M/F (Residence Oaks Proj) Tota	al			298,747.96	296,747.96	72,771.05	(195,918.73)	0.00	0.00				173,600.28	173,600,28	0,00	0.00
Mutual Fund	1998 M/F (Volente Project)	4.52	11/01/06	12/01/06	9,456.88	9,456.88	2,291.69				11,748.57	0.00	0.00	11,748.57	11,748,57		0.00
Mutual Fund	1998 M/F (Volente Project)	4.52	11/01/06	12/01/06			151.97				151.97	0.00	0.00	151.97	151.97	-	0.00
Inv Agmt Mutual Fund	1998 M/F (Volente Project) 1998 M/F (Volente Project)	5.22 4.52	05/14/98 11/01/06	01/01/31 12/01/06	149,787.96 4,116.58	149,767.96 4,116.56	181,260.67 46.74				331,048.63 4,163.30	0.00	0.00 0.00	331,048.63 4,163.30	331,046.63	-	0.00 0.00
Mutual Fund	1998 M/F (Volente Project)	4.52	11/01/06	12/01/06	1.24	1.24	0.00				1.24	0.00	0.00	4,103.30	4,163.30 1.24	-	0.00
	1998 M/F (Volente Project) Total			-	163,362.64	163,362.64	183,751.07	0.00	0.00	0.00				347,113.71	347,113.71	0.00	0.00
Mulual Fund	1998 M/F (Greens-Hickory Trail	4,89	11/01/06	12/01/06	6,389.59	6,389.59	9,446.57				15,836,16	0.00	0.00	15,836.16	15,836.16		0.00
Mulual Fund	1998 M/F (Greens-Hickory Trail	4.89	11/01/06	12/01/06	265,806.10	265,805.10	97,185.88				362,991.96	0.00	0.00	362,991.96	362,991.96	-	0.00
Mutual Fund	1998 M/F (Greens-Hickory Trail	4.89	11/01/06	12/01/08	128,505,29	128,505.29		(2,409.64)			126,095.65	00,0	0.00	126,095.65	126,095.65	-	0.00
Mulual Fund	1998 M/F (Greens-Hickory Trail				111,484.30	111,484.30		(111,484.30)									00.0
Inv Agmi Mulual Fund	1998 M/F (Greens-Hickory Trail 1998 M/F (Greens-Hickory Trail	4.94	03/22/01	09/01/30	1.51 340,039.03	1.51 340,039.03	54,999.99	(340,039.03)			55,001.50	0.00	0.00	55,001.50	55,001.50	•	0.00 0.00
Inv Agmi	1998 M/F (Greens-Hickory Trail	4.94	09/10/98	09/01/30	5.75	5.75	166,097.64	(540,055,05)			166,103.39	0.00	0.00	166,103,39	166,103.39	-	0.00
Mutual Fund	1998 M/F (Greens-Hickory Trail				13,142.68	13,142.68	,00,001,00	(13,142.68)			-	0.50	0.00	100,100,39	100,100.39	-	0.00
Inv Agmt	1998 M/F (Greens-Hickory Trail	4.94	03/22/01	09/01/30	21,738.72	21,738.72		(2,409.58)			19,329.14	0.00	0.00	19,329.14	19,329.14		0.00
	1998 M/F (Greens-Hickory Trail Total	ı			887,112.97	887,112.97	327,730.96	(469,485.23)	0.00	00,0				745,357,80	745,357,80	0,00	0.00
Mutual Fund	1999 M/F (Mayfield ApIs)	4.89	11/01/08	12/01/06	177,082.34	177,082.34		(9,555.71)			167,516.63	0.00	0.00	167,516,63	167,516.63		0.00
Mutual Fund Mutual Fund	1999 M/F (Maylield Apts) 1999 M/F (Maylield Apts)	4.89 4.89	11/01/06 11/01/06	12/01/06 12/01/06	1.78 0,01	1.78 0.01	0.00 149,701.53				1.78	0.00	00,0	1.78	1.78	-	0.00
Mutual Fund	1999 M/F (Mayfield Apls)	4.89	11/01/06	12/01/06	78,011,53	78,011.53	149,701.53	(67,259,56)			149,701.54 10,751.97	0.00 00.0	0.00 00.0	149,761.54 10,751.97	149,701.54 10,751.97	-	0.00 0.80
Mutual Fund	1999 M/F (Mayfield Apts)	4.52	11/01/06	12/01/06	B5,394.93	65,394.93		(65,031.38)			363.55	0.00	0.00	363.55	363,55	-	0.00
Mutual Fund	1999 M/F (Mayfield Apts)	4.89	11/01/06	12/01/06	204,400.79	204,400.79		(200,572.73)			3,828.06	0.00	0.00	3,828.06	3,828,66	-	0.00

Mulual Fund	1999 M/F (Mayfield Apts) 1999 M/F (Mayfield Apts) Total	4,89	11/01/06	12/01/06	0.16 524,891.54	0.16 524,891.54	0,00 149,701.53	(342,429.38)	0.00	0.00	0.16	0.00	6.00	0.16 332,163.69	0.16 332,163,69	0.00	G.00 G.00
Mulual Fund	1999 M/F (Woodgien Village)	4.89	11/01/06	12/01/06	2,507.71	2,507.71	0.00				2.507.71	0.00	0.00	2,507,71	2,507.71		0.00
Mulual Fund	1999 M/F (Woodglen Village)	4.67	11/01/06	12/01/06	7,202.18	7,202.18	57.79				7,289.97	0.00	0.00	2,507.71 7,289.97	7,289.97	-	0.00
Mutual Fund	1999 M/F (Woodglen Village)	4 67	11/01/06	12/01/06	398.38	399.38	4,60				402.98	0.00	0.00	402.98	402.98	•	0.00
Mulual Fund	1999 M/F (Woodglen Village)	4.89	11/01/06	12/01/06	0.01	0.01	0.00				0.01	0.00	0.00	0.01	D.81		0.00
Mutual Fund	1999 MF (Woodgien Village)	4.89	11/01/06	12/01/06	304,981.09	304,981.09	112,367,18				417.348.25	0.00	0.00	417,348,25	417,348.25		0.00
Mutual Fund	1999 M/F (Woodglen Village)	4.89	11/01/06	12/01/06	26,551.99	26,551,99	0.00			-	26,551.99	0.00	0.00	28,551,99	26,551.99	-	0.00
Muteal Fund	1999 M/F (Woodglen Village)	4.57	11/01/06	12/01/06	16,194,53	16,194.53	0.00				16,194.53	0.00	0.00	16,194.53	16,194.53		D.80
Mutual Fund	1999 M/F (Woodglen Village)	4.67	11/01/06	12/01/06	10,347.00	10,347.00	5,112.12				15,459,12	0,00	0,00	15,459,12	15,459.12	_	0.00
	1999 M/F (Woodglen Village) Total				368,182.89	368,182.89	117,571,67	0.00	0.00	0.00				485,754.56	485,754.55	0.00	0.00
Mulual Fund	2000 M/F (Timber Point Apts)	4.69	11/01/06	12/01/06	13,340.73	13,340,73	5,183.08				18,523.81	0.00	0.00	18,523.81	18,523.81	-	0.00
Mutual Fund	2000 M/F (Timber Point Apts)	4.52	11/01/08	12/01/08	3,668,32	3,668.32	39.75				3,708.07	0.00	0.00	3,706.07	3,708.07	•	0.00
Mutual Fund	2000 M/F (Timber Point Apts)	4.52	11/01/06	12/01/06	2.33	2.33	0.00				2.33	0.00	0.00	2.33	2.33	-	0.00
Mulual Fund	2000 M/F (Timber Point Apts)	4.52	11/01/05	12/01/06	3,53	3.53	0.00				3.53	0.00	0.00	3.53	3.53	-	0.00
Mutual Fund	2000 M/F (Timber Point Apts)	4.52	11/01/08	12/01/06	57,419,39	57,419.39	27,707.37				85,126.76	0.00	0.00	85,126.76	85,126.76		0.00
	2000 M/F (Timber Point Apts) Total				74,434.30	74,434.30	32,930.20	0.00	0.00	0,00				107,364,50	107,364.50	0.00	00.0
Mutual Fund	2000 A&B M/F (Oaks at Hampion)	4.52	11/01/06	12/01/08	183,958,39	183.958.39	7.748.15				191,708,54	0.00	0.00	191,706,54	191,706,54		0.00
Mutual Fund	2000 A&B M/F (Oaks at Hampion)	4.52	11/01/06	12/01/06	166,219.31	156,219.31	15,545.58				181,764,89	0.00	0.00	181,764,69	181,764.89	•	0.00
Mutual Fund	2000 A&B M/F (Oaks at Hampton)	4.52	11/01/06	12/01/06	0.04	0.04	0.00				0.04	0.00	0.00	0.04	0.04	-	0.00
Muteal Fund	2000 A&B M/F (Oaks at Hampion)	4.52	11/01/06	12/01/06	95,163.15	95,163.15	108.63				95,271.78	0.00	0.00	95,271,78	95,271.78		0.00
Mutual Fund	2000 A&B M/F (Oaks at Hampton)	4.52	11/01/06	12/01/06	18,716.88	18,716.88	2,403.64				21,120.50	0,00	0.00	21,120.50	21,120.50	-	0.00
	2000 A&B M/F (Oaks at Hampton) Total	ıJ			464,057.75	464,057.75	25,808.00	0.00	0.00	0.00	•			489,663.75	489,863.75	0.00	0.00
Mutual Fund	2000 M/F (Deerwood Apts)	4.52	11/01/06	12/01/06	3,260.00	3,260.00	2,990.17				6,250.17	0.00	0.00	6,250.17	6,250.17	-	0.00
Mutual Fund	2000 M/F (Deerwood Apts)	4.52	11/01/06	12/01/06	0.02	0.02	0.00				0.02	0.00	0.00	0.02	0.02	-	0.00
Inv Agmt	2000 M/F (Deerwood Apts)	6.15	05/23/00	06/01/32	97,041.24	97,041.24	122,153.67				219,194,91	0,00	0.00	219,194.91	219,194.91	<u> </u>	0.00
	2000 M/F (Deerwood Apts) Total				100,301.26	100,301.26	125,143.84	0,00	0,00	0.00				225,445.10	225,445.10	0.00	0.00
Mulual Fund	2000 M/F (Creek Point Apts)	4.89	11/01/08	12/01/06	16,277.72	16,277.72	0.000.00				24,607,35	0.00		04.007.00			
Mulual Fund	2000 M/F (Creek Point Apts)	4.89	11/01/06	12/01/06	11.63	11.63	8,329.63	(0.01)			24,607.35 11.62	0.00	0.00 0.00	24,807.35 11.62	24,807.35 \$1.62	-	0.00 0.00
Mutual Fund	2000 M/F (Creek Point Apts)	4.89	11/01/06	12/01/06	103,034.85	103,034.85		(76,227.80)			26,807.05	0.00	0.00	26,807,05	26.807.05	-	0.00
Mutual Fund	2000 M/F (Creek Point Apts)	4.89	11/01/06	12/01/06	235.82	235.82	3.30	(10,227.00)			239,12	0.00	0.00	239.12	239.12		0.00
	2000 M/F (Creek Point Apts) Total				119,560.02	119,560.02	8,332.93	(78,227.81)	0.00	0.00		0.00	u.vu	51,565,14	51,665,14	0.00	0.00
								, , ,									
Mutual Fund	2000 M/F (Parks @ Westmoreld)	4.52	11/01/06	12/01/06	8,222.31	8,222.31	7,664.68				15,886.99	0.00	0.00	15,886.99	15,886.99	-	0.00
Mutual Fund	2000 M/F (Parks @ Westmoreld)	4.52	11/01/06	12/01/08	149,572.71	149,572.71	15,336.51				164,909.22	0.00	0.00	164,909.22	164,909.22		0.00
Mutual Fund	2000 M/F (Parks @ Westmoreld)	4.52	11/01/08	12/01/05	11.47	11.47	0.12				11.59	0.00	0.00	11.59	11,59	•	0.80
Mulual Fund	2000 M/F (Parks @ Westmoreld)	4.52	11/01/08	12/01/06	274.45	274.45	3.12				277.57	0.00	0.00	277,57	277.57	-	0.00
Mulual Fund	2000 M/F (Parks @ Westmoreld)	4.52	11/01/06	12/01/06	91,884.44	91,884.44	537.65				92,422.09	0.00	0.00	92,422.09	92,422.09	-	0.00
Mutual Fund	2000 M/F (Parks @ Westmoreld) 2000 M/F (Parks @ Westmoreld) Total	4.52	11/01/06	12/01/08	171,141.83	171,141,83	3,197.22				174,329.05	0.00	0.00	174,329.05	174,329.05		0.00
	SODA WAS ILBURE (© MERUIDIESO) 10591				421,107,21	421,107.21	26,729.30	0.00	0.00	0.00				447,838.51	447,836.51	0.00	0.00
Mutual Fund	2000 M/F (Honey Creek)				10,689,88	10,669.88		(10,669.88)									0,00
Mutual Fund	2000 M/F (Honey Creek)				0,55	0.55		(0.55)								-	0.00
Mutual Fund	2000 M/F (Honey Creek)				0.06	0.06		(0.06)								-	0.00
Mutual Fund	2000 M/F (Honey Creek)				21.63	21.83		(21.63)								_	0.00
	2000 M/F (Honey Creek) Total				10,692.12	10,692.12	0.00	(10,692.12)	0.00	0,00				0.09	0.00	0.00	0.00
Mutual Fund	2000 A-C MF Highland Meadows	4.09	11/01/08	12/01/06	166,185.52	166,185.52	29,757.72				195,943.24	0.00	0.00	195,943.24	195,943.24		0.00
Mutual Fund	2000 A-C MF Highland Meadows	4.09	11/01/08	12/01/06	3,312.40	3,312.40	99,533.24				102,845.64	0.00	0.08	102,845.64	102,845.84	-	0.00
Mulual Fund	2000 A-C MF Highland Meadows	4.89	11/01/06	12/01/06	40,533.07	40,533.07	8,513.01				49,045.08	0.00	0.00	49,046.06	49,046.08	-	0.00
Mulual Fund Mulual Fund	2000 A.C MF Highland Meadows 2000 A.C MF Highland Meadows	4.89	11/01/06	12/01/06	47,226.13	47,228.13	23,904.79				71,130.92	0.00	0.00	71,130.92	71,130.92	-	0.00
meing tang	2000 A-C MF Highland Meadows Total	4.89	11/01/06	12/01/06	248,764.77 506,021.89	248,764.77 508,021,89	125,250.51 286,959.27	0.80	0.00	0.00	374,015.28	0.00	0.00	374,015.28 792,981,16	374,015,28	0.00	0.00
	Total Transfer and medical total				300,021.00	200,021,03	200,035.27	0.00	0.00	0.00				782,981.10	792,981.16	0.00	0.00
Mutual Fund	2000 A/B MF Greenbridge	4.89	11/01/08	12/01/06	12,013.91	12,013.91	44,032,00				56,045.91	0.00	0.00	56,045,91	56,045.91	_	0.00
Mutual Fund	2000 A/B MF Greenbridge	4.52	11/01/06	12/01/06	274,818.81	274,819.81	, ,,	(243,713.24)			31,105,57	0.00	0.00	31,105,57	31,105.57	-	0.00
Mutual Fund	2000 A/B MF Greenbridge	4.52	11/01/06	12/01/06	11,770.00	11,770.00	0.00	,=			11,770.00	0.00	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	0.00	0.00	5.45	5.45	-	0.00
	2000 A/B MF Greenbridge Total			,,,,,,,,,,	298,608.17	298,508.17	44,032.00	(243,713.24)	0.00	0,00			*************	98,926,93	98,926.93	0.00	0.00
Make Come	2000 A O ME Calliant	4 6															
Mulual Fund Mulual Fund	2000 A-C MF Collingham Park	4.89	11/01/08	12/01/06	187,475.12	187,475.12	41,037.80				228,512.92	0.00	0,00	228,512.92	228,512.92	•	0.00
Mutual Fund	2000 A-C MF Collingham Park 2000 A-C MF Collingham Park	4.89 4.52	11/01/06 11/01/06	12/01/06 12/01/06	35,334.15 4,883.43	35,334.15 4,883.43	9,327.02 119,913,79				44,681.17	0.00	00.0	44,661.17	44,661.17	-	0.00
Mulual Fund	2000 A-C MF Collingham Park	4.89	11/01/06	12/01/08	56,667.93	56,667.93	110,010,10	(56,381.43)			124,797.22	0.00	00,0	124,797.22	124,797.22	-	0.00
Mutual Fund	2000 A-C MF Collingham Park	4.89	11/01/06	12/01/06	294.993.86	294,993.86		(56,381.43) (293,507.87)			288.50 1,485.99	0.00 0.00	0.00 0.00	286.50 1,485.99	286.50 1,485.89	•	0.00 0.00
	2000 A-C MF Collingham Park Total				579,354.49	579 354 49	170,278.61	(349,889.30)	8.00	0.00	1,400.00	0.55	J.BD	399,743,80	399,743.80	0.00	0.00
	-							/!/						322,172,00	300,170.00	0.00	0.00
Mutual Fund	2000 A/B MF Willams Run	4.52	11/01/06	12/01/06	4,513.09	4,513.09	5,500.00				10,013.09	B.00	0.00	10,013.09	10,013.09		0.00
Mutual Fund	2000 A/B MF Willams Run	4.52	11/01/08	12/01/06	14.72	14.72	0.00				14,72	0.00	0.00	14.72	14.72	-	0.00
Mutual Fund	2000 A/B MF Willams Run	4.52	11/01/06	12/01/06	109,541.32	109,541,32	9,030.91				118,572.23	0.00	0.00	118,572,23	118.572.23		0.00
													0.00		110,312.23	-	
Mutual Fund	2000 A/B MF Willams Run	4.52	11/01/06	12/01/06	1,480.63	1,480.63	16.81				1,497.44	0.00	0.00	1,497,44	1,497.44	:	0.00
Mutual Fund Mutual Fund								0.00	0,00	0.00						0.00	

Muluel Fund Muluel Fund Muluel Fund Muluel Fund Muluel Fund	2000 A/B MF Rod Hills Villas 2000 A/B MF Rod Hills Villas			_	772,113.15 18,183.04 156,656.19 83,056.11 186,310.21 1,216,298.70	772,113.15 18,163.04 156,656.19 63,056.11 186,310.21 1,216,298.70	0.00	(772,113.15) (18,163.04) (158,656.19) (83,056.11) (186,310.21) (1,218,298.70)	0.00	0.00			_	0.00	0.00	0.00	0.00 00.0 00.0 00.0 00.0
Mutual Fund Mutual Fund Mutual Fund Mutual Fund Mutual Fund	2001A MF Bluffview Sr. Apts. 2001A MF Bluffview Sr. Apts. Total	4.52 4.52 4.52 4.52 4.52	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	20,265,47 171,030,35 105,747,67 97,575,06 39,076,76 433,695,31	20,265.47 171,030.35 105,747.67 97,575.06 39,076.76 433,695.31	2,568.43 5,863.62 15,179.76 2,573.47 443.69 26,928.97	0.00	0.00	0.00	23,133.90 176,893.97 120,927,43 100,148.53 39,520.45	0.08 0.09 0.09 0.00 0.00	0.00 0.00 0.00 0.00 0.00	23,133.90 178,693.97 120,927.43 100,148.53 39,520.45 460,624.28	23,133.90 176,893.97 120,927.43 100,148.53 39.520.45 460,624.28	9.00	0.00 0.00 0.00 0.00 0.00
Mulual Fund Mulual Fund Mulual Fund Mulual Fund	2001A MF Knollwood Villas Apts 2001A MF Knollwood Villas Apts 2001A MF Knollwood Villas Apts 2001A MF Knollwood Villas Apts 2001A MF Knollwood Villas Apts Total	4.52 4.52 4.52 4.52	11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06	9,652,28 177,126,88 54,041,71 119,573,61 380,394,48	9,652.28 177,128.88 54,041.71 119,573.61 360,394.48	3,438.16 6,821.91 15,494.34 3,457.69 29,212.10	8.00	0.00	0.00	13,090.44 183,948.79 89,536.05 123,031.30	0,00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	13,090.44 183,948.79 69,536,05 123,031.30 389,608.58	13,090,44 183,948,78 69,536,05 123,831,30 389,606,58	0.00	0.00 0.00 0.00 0.00 0.00
Matual Fund Mutual Fund Mutual Fund Mutual Fund Mutual Fund Inv Agmit Mutual Fund Inv Agmit Mutual Fund Inv Agmit	2001A MF Skyway Villas 2001A MF Skyway Villas	4.52 4.52 4.52 4.52 4.52 5.00 4.52 5.00 4.52 5.00	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 04/17/03 11/01/06 08/30/04 11/01/06 04/17/03	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/34 12/01/06 12/01/06 12/01/06 12/01/34	2,850.48 125,666.62 237,204.49 104,433.33 31,447.50 7,500.02 10,833.31	2,850.46 125,666.62 237,204.49 104,433.33 31,447.50 7,500.02 10,833.31	18,735.84 84,224.02 14,795.02 9,911.34 9,166.64 0.00 60,562.08 3,455.58	(184,458.41) (29,272.83)			21,586.30 209,890.64 52,746.08 119,226.35 9,911.34 2,174.67 16,666.66 10,833.31 60,562.08 118,674.41	0.08 0.00 0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	21,586.30 209,880.64 52,746.08 119,228.35 9,911.34 2,174.67 16,060.66 10,833.31 60,662.08 118.674.41	21,586.30 209,690.64 52,746.08 119,228.35 9,911.34 2,174.67 16,666.68 10,633.31 60,562.08 118,674.41		0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Mulual Fund Matual Fund Mutual Fund Mutual Fund Mutual Fund	2001A MF Skyway Vittas Total 2001AB Cobb Park Apis	4.52 4.52 4.52 4.52 4.52	11/01/06 11/01/06 11/01/08 11/01/08 11/01/08	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	635,154.58 2,348.96 194,670.65 95,463.38 8.76 54,202.72 346,694,47	635,154.56 2,348.96 194,670.65 95,483.38 8.76 54,202.72 346,694.47	200,850.52 6,096.28 35,884.95 10,263.89 9.12 615.45 52,669.69	(213,731.24)	0.00	0.00	8,445.24 230,355.60 105,727.27 17.08 54,818.17	0.00 0.00 0.00 0.00 0.00	0.00 0.06 0.00 0.00 0.00	622,273,84 8,445,24 230,355,60 105,727,27 17,88 54,818,17 399,364,16	622,273.84 8,445.24 230,355.60 105,727,27 17.86 54,818.17 399,364.18	9.00 - - - -	0.00 0.00 0.00 0.00 0.00 0.00
Mutua) Fund Mutua) Fund Inv Agmt	2001A MF Greens Road Apls 2001A MF Greens Road Apls 2001A MF Greens Road Apls 2001A MF Greens Road Apls Total	4.89 4.89 4.D1	11/01/06 11/01/06 09/14/01	12/01/06 12/01/06 06/01/34	30.71 32,529.41 106,863,27 139,423.39	30.71 32,529.41 106.863.27 139,423.39	0.00 135,834,63 0.00 135,834.03	0.00	0.00	0.00	30,71 168,364.04 106,663.27	0.00 0.00 0.00	0.00 0.00 0.00	30.71 168,364,04 106,663.27 275,258.02	30.71 168,364.04 186,863.27 275,258.02	- - - 0,00	0.80 0.80 0.80 0.80
Mulual Fund Mulual Fund Mulual Fund Mulual Fund Mulual Fund	2001AB MF Meridian Apts 2001AB MF Meridian Apts	4.89 4.89 4.89 4.89 4.89	11/01/06 11/01/06 11/01/06 11/01/08 11/01/06	12/01/06 12/01/05 12/01/06 12/01/06 12/01/06	152.64 2.78 0.01 9.11 79.90 244.44	152.64 2.78 0.01 9.11 78.90 244.44	2.42 6.00 6.00 8.00 1.18 3.60	0.00	0.00	D.00	155,06 2,78 0,01 9,11 81,08	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	155.06 2.78 0.01 9.11 81.08 248.04	155.06 2.78 0.01 9.11 81.08 248.04	0.00	0.00 0.00 0.00 0.00 0.00
Mutual Fund Mutual Fund Mutual Fund Mutual Fund Mutual Fund	2001AB MF Wildwood Branch 2001AB MF Wildwood Branch Total	4.89 4.89 4.89 4.89 4.89	13/01/06 11/01/06 11/01/06 11/01/06 11/01/08	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	2.62 0.02 542.98 14,106.84 977.36 15,629.82	2.62 0.02 542.98 14,109.84 977.36	0.08 0.00 8.34 0.00 323,069.15 323,075.49	0.00	0.00	0.60	2.62 0.02 546.32 14,106.84 324,046.51	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	2.62 0.02 549.32 14,106.84 324,046.51 338,705.31	2.62 0.02 549.32 14,106.84 324,046.51 338,705.31	0.00	00.0 00.0 00.0 00.0 00.0
Mutua) Fund Mutua) Fund Mutua) Fund Mutua) Fund Mutua) Fund Mutual Fund	2001ABC MF Fallbrook Apts 2001ABC MF Fallbrook Apts	4.39 4.89 4.52 4.69 4.52	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06	204,245.84 16,218.95 722.94 105,734.29 49,026.68 231.693.44 607,644.14	204,245,84 16,218,95 722,94 105,734,29 49,028,68 231,693,44	64,597.19 15,296.29 45,126.86 223,316.11	(1,780.07) (722.94)			288,843.03 14,438.88 121,030.58 97,155.54 455,009.55	00.0 00.0 00.0 00.0 08.0	0.00 0.00 0.00 0.00 0.00	268,843.03 14,438.88 121,030.58 97,155.54 455,089.55	268,843.03 14,438.88 121,030.58 97,155.54 455,009.55	-	0,00 8,00 0,00 0,00 0,00 0,00
Mutual Fund Mutual Fund Mutual Fund Mutual Fund Mutual Fund	2001 MF Oak Hollow Apis	4.52 4.52 4.52 4.52 4.52	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/05 12/01/06 12/01/06 12/01/06 12/01/06	21,007,04 21,007,05 32,676,42 41,34 105,351,98 1,893,70	607,644.14 21,007.05 32,670.42 41.34 105,351.98 1,893.70	351,338.45 6,929.35 58,396.22 4,167.77 21.51 71,514.85	(2,568.70) (2,566.70)	0.00	0.00	18,440,35 41,808,77 58,437,56 109,519,75 1,915,21	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.09	956,477,58 18,440,35 41,808,77 58,437,56 109,519,75 1,915,21 230,121,64	956,477.58 18,440.35 41,808.77 58,437.56 109,519.75 1,915.21 230,121.64	0.00	0.00 0.00 0.00 0.00 0.00 0.00
Mutual Fund Mutual Fund Mutual Fund Mutual Fund Mutual Fund	2001AB MF Hillside Apts 2001AB MF Hillside Apts Total	4.52 4.52 4.52 4.52	11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06	101,750.09 20,927.87 84,342.57 108,541_15 187,240.30 502,801.98	101,750,09 20,927.87 84,342.57 108,541.15 187,240.30 502,801.98	13,410.50 16,959.77 30,370.27	(181,750,09) (8,367,45) (131,41) (110,248,95)	0.00	0.00	12,560,42 97,753,07 108,409,74 204,200,07	00.0 00.0 00.0 00.0	0.00 00.00 00.0 00.0	12,560.42 97,753.07 108,409.74 204,200.07 422,923.30	12,560.42 97,753.07 108,409.74 204,200.07 422,923.30	0.00	0.00 0.00 0.00 0.00 0.00

Mutual Fund	2002A MF Milistone Apts	4.39	11/01/06	12/01/06	9,872.47	9,872.47	8,319.81				18,192.28	0.00	0.00	18,192.28	18,192.28		0.00
Mutual Fund Mutual Fund	2002A MF Milistone Apts	4,39	11/01/06	12/01/06			15,529,76				15,529.76	0.00	0.00	15,529.76	15,529.76	-	0.00
Mutual Fund	2002A MF Millstone Apts 2002A MF Millstone Apts	4.39	11/01/06	12/01/05	0.98 90.872.52	0.98 90,872.52	0.00	(90,872.52)			0.98	0.00	0,00	0.98	0.98	-	0.00 0.00
Mutual Fund	2002A MF Milistone Apts	4.39	11/01/08	12/01/06	37,601.35	37,601,35		(27,147.11)			10.454.24	0.00	0.00	10.454.24	10.454.24	-	0.00
Mulual Fund	2002A MF Milistone Apts	4.89	11/01/06	12/01/06	57.99	67,99	74,932.01				75,000.00	0.00	0.00	75,000,00	75,000.00	-	0.00
Mulual Fund	2002A MF Milistone Apts	4.52	11/01/06	12/01/06	98,929.12	98,929.12	170,578.38				269,507,50	0.00	0.00	269,507.50	269,507.50	-	0.00
Mutual Fund	2002A MF Millstone Apts	4,39	11/01/06	12/01/06	150,452.10	150,452.10	37,347.90				187,800.00	0.00	0.00	187,800.00	187,800.00	•	0.00
Mulual Fund Mut⊭al Fund	2002A MF Milistone Apts 2002A MF Milistone Apts	4.39 4.39	11/01/06 11/01/06	12/01/06 12/01/06	2.42 13,627.49	2.42 13,627,49	8.00	(283.32)			2.42 13,344.17	0.00 0.00	0.00 0.00	2.42 13,344.17	2.42 13,344.17	-	0.00 0.00
maison and	2002A MF Milistone Apts Total	4.55	11701100	12:01:00	401,426.44	401,426.44	306,707.86	(118,302.95)	0.00	0.00	13,244.11	0.00	0.00	589,831.35	589,631.35	0.00	0.00
								(,						,	,		
Mulual Fund	2002 MF SugarCreek Apls	4.52	11/01/08	12/01/06	256.49	256.49	3.54				260.03	0.00	0.00	260.03	260.03	-	0.00
Muluat Fund Muluat Fund	2002 MF SugarCreek Apts 2002 MF SugarCreek Apts	4.39 4.39	11/01/06 11/01/06	12/01/06 12/01/06	137,414.64 17.58	137,414.64 17.58	241,717.40				379,132.04	0,00	0.00	379,132.04	379,132.04	-	0.00
Mulual Fund	2002 MF SugarCreek Apis 2002 MF SugarCreek Apis	4.39 4.39	11/01/08	12/01/06	17.58 6.48	17,58 6,48	00.0 00.0				17.58 6.48	0.00	0.00 0.00	17.59 6.49	17.58 6.48	-	0.00 0.00
Mulual Fund	2002 MF SugarCreek Apls	4.39	11/01/06	12/01/06	77.03	77.03	0.00				77,03	0.00	0.00	77.03	77.03	-	0.00
	2002 MF SugarCreek Apts Total			_	137,772.22	137,772.22	241,720.94	0.00	0.00	0.00				379,493.16	379,493.16	0.00	0.00
Mujual Fund Mujual Fund	2002 MF West Oaks Apts 2002 MF West Oaks Apts	4.52 4.52	11/01/05 11/01/06	12/01/06 12/01/06	817.79	817.79	9.29				827.06	0.00	0.00	627.0B	527.08	-	0.00
Mutual Fund	2002 MF West Oaks Apts 2002 MF West Oaks Apts	4.52	11/01/06	12/01/06	99,311.73 88,951.49	99,311.73 86,951.49	22,739.41	(88,949.17)			122,051.14 2.32	0.00 0.00	0.00 0.00	122,051.14 2.32	122,051.14 2.32	:	0.00 0.00
Mutual Fund	2002 MF West Oaks Apts	4.52	11/01/06	12/01/06	7,030.27	7,030.27	9,764,57	(45,545.17)			16,794.84	0.00	0.00	16,794,84	16,794.84	-	- 0.00
Mutual Fund	2002 MF West Oaks Apts	4.52	11/01/06	12/01/06	4,720.34	4,720.34	156,724.55				161,444.89	0.00	0.00	161,444.89	181,444.89	•	0.00
	2002 MF West Oaks Apts Total				200,831.62	200,831.62	189,237.82	(88,949.17)	0.00	0.00				301,120.27	301,120.27	0.00	0.00
Mutual Fund	2002 MF Park Meadows	4,39	11/01/06	12/01/06	7,458.91	7,458.91	7,535.88				14,894,79	0,00	0.00	14.994.79	44 004 70		0.00
Mutual Fund	2002 MF Park Meadows	4.89	11/01/06	12/01/06	100,370.40	100,370.40	54,733.52				155,103.92	0.00	0.00	155,103.92	14,994.79 155,103.92	- :	0.00
Mutual Fund	2002 MF Park Meadows	4.89	11/01/06	12/01/06	14,729.45	14,729,45	30,174.52				44,903.97	0.00	0.00	44,903.97	44,903.97		00,0
	2002 MF Park Meadows Total			*****	122,558.76	122,558.76	92,443.92	0.90	0,00	0.00			_	215,002.68	215,002.68	0.00	0.00
Mutual Fund Mutual Fund	2002 MF Clarkridge Villas Apts 2002 MF Clarkridge Villas Apts	4.52 4.52	11/01/06 11/01/06	12/01/06 12/01/06	224,365.06 101,231.06	224,365.06 101,231.06	21,290.00 14,770,39				245,655.06	0.00	0.00	245,655.06	245,655.06	-	0.00
Mutual Fund	2002 MF Clarkridge Villas Apts	4.52	11/01/06	12/01/05	122,624.53	122,624,53	14,110,39	(1.478.50)			116,001.45 121,146.03	0.00 0.00	0.00 0.00	116,001.45 121,146.03	116,001.45 121,146,03		0.00 0.00
	2002 MF Clarkridge Villas Apts Total				448,220.65	448,220.65	36,060.39	(1,478.50)	0.00	0.00	121,112.00			482,802.54	482,802.54	0.00	0.00
	*																
Mutual Fund	2002 MF Hickory Trace Apts	4.52	11/01/06	12/01/08	18,003.14	18,003.14		(16,507.67)			1,495.47	0.00	0.00	1,495.47	1,495.47	-	0.00
Mutual Fund Money Market	2002 MF Hickory Trace Apts 2002 MF Hickory Trace Apts	4.52 4.52	11/01/06 11/01/06	12/01/06 12/01/06	44,344,03 93,041.56	44,344.03 93,041.56	10,308.76 1,163.40				54,652.79 94,204.96	0.00	00.0 00.0	54,652.79 94,204.96	54,652.79 94,204.96	•	0.00 0.00
Mutual Fund	2002 MF Hickory Trace Apis	4.52	11/01/06	12/01/06	148.857.17	146,857,17	10,091.30				158,948.47	0.00	0.00	158,948,47	156,948.47		0.00
	2002 MF Hickory Trace Apts Total			_	302,245.90	302,245,90	21,563.48	(16,507.67)	0.00	0.00	,-			307,301.69	307,301.69	B.00	0.00
														301,301.08	סט.נטכן נטנ	0.00	
					·			(10,001.01)	2,55					•		0.00	
Mutual Fund	2002 MF Green Crest Apls	4.52	11/01/06	12/01/08	120,771.15	120,771.15	1,371.29	(10,201.21)	2,22		122,142.44	0.00	0.00	122,142.44	122,142.44	-	0.60
Mutual Fund	2002 MF Green Crest Apts	4.52	11/01/06	12/01/06	80,113.98	120,771.15 80,113.98	1,371.29 909.65	(10,201.21)	2,22		81,023.63	0.00	0.00	122,142.44 81,023.63	122,142.44 81,023.63	-	0.00 0.00
						120,771.15	1,371.29	(10,101)	-,		81,023.63 240.71	0.00 0.00	0.00 0.00	122,142,44 81,023.63 240.71	122,142.44 81,023.63 240.71		0.60 0.00 0.00
Mutual Fund Mutual Fund	2002 MF Green Crest Apts 2002 MF Green Crest Apts	4.52 4.52	11/01/06 11/01/06	12/01/06 12/01/06	80,113,98 238.00	120,771.15 80,113.98 238.00	1,371.29 909.65 2.71	0.90	0.00	0.00	81,023.63	0.00	0.00	122,142.44 81,023.63	122,142.44 81,023.63	0.00	0.00 0.00
Muteal Fund Muteal Fund Muteal Fend	2002 MF Green Crest Apts 2002 MF Green Crest Apts 2002 MF Green Crest Apts 2002 MF Green Crest Apts Total	4.52 4.52 4.52	11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06	50,113,98 238.00 11,019.79 212,142.92	120,771.15 80,113.98 238.00 11,019.79 212,142.92	1,371.29 909.65 2.71 125.13 2,408.78			0.80	81,023.63 240.71 11,144.92	0.00 0.00 0.00	0.00 0.00 0.00	122,142.44 81,023.63 240.71 11,144.92 214,551.70	122,142.44 81,023.63 240,71 11,144.92 214,551.70	- - - -	0.60 0.60 0.60 0.60
Mutual Fund Mutual Fund Mutual Fund Mutual Fund	2002 MF Green Crest Apts Total 2002 MF Green Crest Apts Total	4.52 4.52 4.52 4.52	11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06	50,113,98 238,00 11,019,78 212,142,92 213,023,45	120,771.15 80,113.98 238.00 11,019.79 212,142.92 213,623.48	1,371.29 909.85 2.71 125.13 2,408.78 298,759.22			0.00	81,023.63 240.71 11,144.92 512,382.70	0.00 0.00 0.00 0.00	0.00 0.00 0.00	122,142.44 81,023.63 240.71 11,144.92 214,551.70 512,382.70	122,142.44 81,023.63 240.71 11,144.92 214,551.70 512,382.70	- - - -	0.00 0.00 0.00 0.00 0.00
Muteal Fund Muteal Fund Muleal Fend	2002 MF Green Crest Apts 2002 MF Green Crest Apts 2002 MF Green Crest Apts 2002 MF Green Crest Apts Total 2002 M/Fironwood Crossing Apts 2002 M/Fironwood Crossing Apts	4.52 4.52 4.52 4.52 4.52	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	80,113,98 238,00 11,619,78 212,142,92 213,623,48 3,713,95	120,771.15 80,113.98 238.00 11,019.79 212,142.92 213,623.48 3,713.95	1,371.29 909.65 2.71 125.13 2,408.78	0.00		0.00	81,023.63 240.71 11,144.92 512,382.70 3,756.13	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	122,142,44 81,023.63 240.71 11,144.92 214,551.70 512,382.70 3,756.13	122,142.44 B1,023.63 240.73 11,144.92 214,551.70 512,382.70 3,756,13	- - - -	0.00 0.00 0.00 0.00 0.00
Muteal Fund Muteal Fund Muteal Fund Muteal Fund Muteal Fund Muteal Fund	2002 MF Green Crest Apts Total 2002 MF Green Crest Apts Total 2002 MF Green Crest Apts Total 2002 MF Green Crest Apts	4.52 4.52 4.52 4.52 4.52 4.52 4.52	11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06	80,113,98 238,00 11,019,79 212,142,92 213,623,48 3,713,95 274,934,39 28,494,94	120,771.15 80,113.98 238.00 11,019.79 212,142.92 213,623.48	1,371.29 909.85 2.71 125.13 2,408.78 298,759.22			0.00	81,023.63 240.71 11,144.92 512,382.70	0.00 0.00 0.00 0.00	0.00 0.00 0.00	122,142.44 81,023.63 240.71 11,144.92 214,551.70 512,382.70 3,756.13 14,593.36	122,142.44 81,023.63 240.71 11,144.92 214,551.70 512,382.70	- - - -	0.00 0.00 0.00 0.00 0.00 0.00 6.00 0.00
Muteal Fund Muteal Fund Muteal Fund Muteal Fund Muteal Fund Muteal Fund	2002 MF Green Crest Apts Total 2002 M/Fironwood Crossing Apts 2002 M/Fironwood Crossing Apts 2002 M/Fironwood Crossing Apts	4.52 4.52 4.52 4.52 4.52 4.52 4.52	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	80,113.98 238.00 11,019.78 212,142.82 213,023.48 3,713.95 274,934.39	120,771.15 80,113.98 238.00 11,019.79 212,142.92 213,623.48 3,713.95 274,934.39	1,371.29 909.05 2,71 125.13 2,408.78 298,759.22 42.18	0.00		0.00	81,023.63 240.71 11,144.92 512,382.70 3,756.13 14,593.38	0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00	122,142,44 81,023.63 240.71 11,144.92 214,551.70 512,382.70 3,756.13	122,142,44 B1,023.63 240.71 11,144.92 214,551.70 512,382.70 3,756.13 14,593.38	- - - -	0.00 0.00 0.00 0.00 0.00
Mutual Fund Mutual Fund Mutual Fund Mutual Fund Mutual Fund Mutual Fund Mutual Fund	2002 MF Green Crest Apts Total 2002 M/Fironwood Crossing Apts	4.52 4.52 4.52 4.52 4.52 4.52 4.52 4.52	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/08 12/01/08	80,113.98 238.00 11,019.79 212,142.82 213,623.48 3,713.95 274,934.39 28,494.94 520,766.76	120,771.15 80,113.98 238.00 11,019.79 212,142.92 213,623.48 3,713.95 274,934.39 28,484.94 520,786.78	1,371.29 909.05 2,71 125.13 2,408.76 298,759.22 42.18	(260,341.03) (260,341.03)	0.00		81,023.63 240.71 11,144.92 512,382.70 3,756.13 14,593.38 43,294.68	0.00 0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00	122,142,44 81,023,63 240,71 11,144,92 214,551,70 512,362,70 3,756,13 14,553,36 43,294,68 574,026,87	122,142.44 81,023.63 240.71 11,144.02 214,551.70 512,382.70 3,756.13 14,593.36 43,294.68	0,00	0.60 0.00 0.00 0.00 0.00 0.00 0.00 0.00
Muteal Fund Muteal Fund Muteal Fund Muteal Fund Muteal Fund Muteal Fund	2002 MF Green Crest Apts 2002 MF/Ironwood Crossing Apts	4.52 4.52 4.52 4.52 4.52 4.52 4.52 4.52	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/08 12/01/08	80,113,98 238,00 11,019,79 212,142,92 213,823,48 3,713,95 274,934,39 28,494,94 520,766,76	120,771.15 80,113.98 238.00 11,019.79 212,142.92 213,623.48 3,713.95 274,934.39 28,494.94 520,766.76	1,371.29 909.05 2,71 125.13 2,409.78 296,759.22 42.18 14,799.74 313,601.14	0.00 (250,341.03)	0.00		81,023,63 240,71 11,144,02 512,382,70 3,756,13 14,593,38 43,294,69	0.00 0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00	122,142.44 81,023.63 240.71 11,144.92 214,551.70 512,382.70 3,756.13 14,593.36 43,294.68 574,026.87	122,142.44 81,023.65 240.71 11,144.92 214,551.70 512,382.70 3,756.13 14,593.36 43,294.68 574,026.87	0,00	0.60 0.00 0.00 0.00 0.00 0.00 0.00 0.00
Mutual Fund Mutual Fund Mutual Fund Mutual Fund Mutual Fund Mutual Fund Mutual Fund	2002 MF Green Crest Apts Total 2002 M/Fironwood Crossing Apts	4.52 4.52 4.52 4.52 4.52 4.52 4.52 4.52	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/08 12/01/08	80,113.98 238.00 11,019.79 212,142.82 213,623.48 3,713.95 274,934.39 28,494.94 520,766.76	120,771.15 80,113.98 238.00 11,019.79 212,142.92 213,623.48 3,713.95 274,934.39 28,494.94 520,786.78	1,371.29 909.05 2,71 125.13 2,408.76 298,759.22 42.18 14,789.74 313,601.14	(260,341.03) (260,341.03)	0.00		81,023,63 240,71 11,144,92 512,382,70 3,756,13 14,593,36 43,294,68	0.00 0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	122,142.44 81,023.63 240.71 11,144.92 214,551.70 512,382.70 3,756.13 14,593.36 43,294.68 574,026.87	122,142.44 81,023.63 240.71 11,144.92 214,551.70 512,382.70 3,756.13 14,593.30 43,294.68 574,026.87	0,00	0.60 0.00 0.00 0.00 0.00 0.00 0.00 0.00
Mutual Fund Mutual Fund	2002 MF Green Crest Apts 2002 MF/Ironwood Crossing 2002	4.52 4.52 4.52 4.52 4.52 4.52 4.52 4.52	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	80,113,98 238,00 11,019,79 212,142,92 213,823,48 3,713,95 274,934,39 28,494,94 520,766,76	120,771.15 80,113.98 238.00 11,019.79 212,142.92 213,623.48 3,713.95 274,934.39 28,494.94 520,766.76	1,371.29 909.05 2,71 125.13 2,409.78 296,759.22 42.18 14,799.74 313,601.14	(260,341.03) (260,341.03)	0.00		81,023,63 240,71 11,144,02 512,382,70 3,756,13 14,593,38 43,294,69	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00	122,142.44 81,023.63 240.71 11,144.92 214,551.70 512,382.70 3,756.13 14,593.36 43,294.68 574,026.87	122,142.44 81,023.65 240.71 11,144.92 214,551.70 512,382.70 3,756.13 14,593.36 43,294.68 574,026.87	0,00	0.60 0.00 0.00 0.00 0.00 0.00 0.00 0.00
Mutual Fund Mutual Fund Mutual Fund Mutual Fund Mutual Fund Mutual Fund Mutual Fund Mutual Fund Mutual Fund	2002 MF Green Crest Apts 2002 MFIronwood Crossing Apts 2002 MF Woodway Village	4.52 4.52 4.52 4.52 4.52 4.52 4.52 4.52	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/08 12/01/08 12/01/06 12/01/06	80,113,98 238,00 11,019,79 212,142,92 213,023,48 3,713,95 274,934,39 28,494,94 520,766,76 1,644,40 8,20 104,718,04 554,748,04	120,771.15 80,113.98 238.00 11,019.79 212,142.92 213,623.48 3,713.95 274,934.39 28,494.94 520,786.78 1,644.40 104,718.04 55.47 41,24	1,371.29 909.05 2.71 125.13 2,408.76 296,759.22 42.18 14,799.74 313,601.14 0.00 127,870.35 1.02	(260,341.03) (260,341.03) (6.89)	0.00	9.00	81,023,63 240,71 11,144,02 512,382,70 3,756,13 14,593,39 43,294,68 1,637,51 8,20 232,588,39	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	122,142.44 81,023.63 240.71 11,144.92 214,551.70 512,382.70 3,756.13 14,593.36 43,294.68 574,020.67 1,637.51 8,20 232,588.39 56,49 42,27	122,142.44 81,023.63 240.71 11,1144.02 214,551.70 512,382.70 3,756.13 14,593.36 43,284.68 574,026.87 1,837.51 8,20 232,588.39 58.49	0.00	0.60 0.00 0.00 0.00 0.00 0.00 0.00 0.00
Mutual Fund Mutual Fund	2002 MF Green Crest Apts 2002 MF/Ironwood Crossing 2002	4.52 4.52 4.52 4.52 4.52 4.52 4.52 4.52	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	80,113,98 238,00 11,019,79 212,142,92 213,023,48 3,713,95 274,934,39 28,494,94 520,766,76 1,644,40 8,20 104,718,04 55,47	120,771.15 80,113.98 238.00 11,019.79 212,142.92 213,623.48 3,713.95 274,934.39 28,494.94 520,766.78 1,644.40 8,20 104,718.04 55.47	1,371.29 909.05 2,71 125.13 2,409.78 296,759.22 42.19 14,799.74 313,601.14 0.00 127,870.35 1.02	(260,341.03) (260,341.03)	0.00		81,023,63 240,71 11,144,92 512,382,70 3,756,13 14,593,38 43,294,68 1,637,51 8,20 232,588,39 56,49	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	122,142.44 81,023.63 240.71 11,144.92 214,551.70 512,382.70 3,756.13 14,593.36 43,294.68 574,026.87 1,637.51 8,20 232,588.39 56.49	122,142.44 81,023.63 240.71 11,144.92 214,551.70 512,382.70 3,756.13 14,593.36 43,294.68 574,026.87 1,637.51 8,20 232,588.39 56.49	0,00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Mutual Fund Mutual Fund	2002 MF Green Crest Apts 2002 MF Green Cresting Apts 2002 MF Growood Crossing Apts 2002 MF Growood Crossing Apts 2002 MF Honwood Crossing Apts 2002 MF Woodway Village	4.52 4.52 4.52 4.52 4.52 4.52 4.52 4.52	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	80,113,98 238,00 11,019,79 212,142,92 213,623,48 2,713,85 274,934,39 28,494,94 520,766,76 1,644,40 8,20 104,718,04 41,24 106,467,35	120,771.15 80,113.98 238.00 11,019.79 212,142.92 213,623.48 3,713.95 274,934.39 28,494.94 520,760.78 1,644.40 8.20 104,718.04 41,24 106,467.35	1,371.29 909.05 2,71 125.13 2,408.78 298,759.22 42.18 14,789.74 313,601.14 0.00 127,870.35 1.02 1.03	(260,341.03) (260,341.03) (6.89)	0.00	9.00	81,023,63 240,71 11,144,92 512,382,70 3,756,13 14,593,38 43,294,68 1,637,51 6,20 232,588,39 56,49 42,27	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	122,142,44 81,023,63 240,71 11,144,92 214,551,70 512,382,70 3,756,13 14,593,36 43,294,68 574,026,87 1,637,51 8,20 232,588,39 42,27 234,332,86	122,142.44 81,023.63 240.71 11,144.92 214,551.70 512,382.70 3,756.13 14,593.36 43,294.68 574,026.87 1,637.51 8.20 232,588.99 58.49 42.27 234,332.86	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Mutual Fund Mutual Fund	2002 MF Green Crest Apts 2002 MFIronwood Crossing Apts 2002 MF Woodway Village Total	4.52 4.52 4.52 4.52 4.52 4.52 4.52 4.52	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	80,113,98 238,00 11,019,79 212,142,62 213,623,48 3,713,85 274,934,39 26,494,94 520,766,76 1,644,40 8,20 104,718,04 41,24 106,467,35	120,771.15 80,113.98 238.00 11,019.79 212,142.92 213,623.48 3,713.95 274,934.39 28,494.94 520,786.78 1,644.40 104,718.04 55.47 41,24	1,371.29 909.05 2,71 125.13 2,408.76 296,759.22 42.18 14,799.74 313,601.14 0.00 127,870.35 1.02	(250,341.03) (250,341.03) (6.89)	0.00	9.00	81,023,63 240,71 11,144,92 512,382,70 3,756,13 14,593,35 43,294,68 1,637,51 8,20 232,588,39 56,49 42,27	0.80 0.80 0.80 0.90 0.90 0.90 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	122,142.44 81,023.63 240.71 11,144.92 214,551.70 512,382.70 3,756.13 14,593.36 43,294.68 574,020.87 1,637.51 1,637.51 2,520 232,588.39 56.49 42.27 234,332.88	122,142.44 81,023.63 240.71 11,1144.02 214,551.70 512,382.70 3,756.13 14,593.36 43,284.68 574,026.87 1,837.51 8,20 232,588.39 58.49	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Mutual Fund	2002 MF Green Crest Apts 2002 MFIronwood Crossing Apts 2002 MF Woodway Village	4.52 4.52 4.52 4.52 4.52 4.52 4.52 4.52	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	80,113,98 238,00 11,019,78 212,142,92 213,023,48 3,713,95 274,934,39 28,494,94 520,766,76 1,644,40 8,20 104,718,04 55,47 41,24 106,467,35	120,771.15 80,113.98 238.00 11,019.79 212,142.92 213,623.48 3,713.95 274,934.39 20,494.94 520,786.78 1,644.40 104,710.04 55.47 41,24	1,371.29 909.05 2.71 125.13 2,408.76 298,759.22 42.18 14,789.74 313,601.14 0.00 127,870.35 1.02 1.03 127,672.40	(260,341.03) (260,341.03) (6.89)	0.00	9.00	81,023,63 240,71 11,144,92 512,382,70 3,756,13 14,593,38 43,294,68 1,637,51 6,20 232,588,39 56,49 42,27	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	122,142,44 81,023,63 240,71 11,144,92 214,551,70 512,382,70 3,756,13 14,593,36 43,294,68 574,026,87 1,637,51 8,20 232,588,39 42,27 234,332,86	122,142.44 B1,023.63 240.71 11,1144.02 214,551.70 512,382.70 3,756.13 14,593.36 43,294.68 574,026.87 1,837.51 8,20 232,588.39 56.49 42,27 234,332.86 37,354.94	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Mutual Fund	2002 MF Green Crest Apts 2002 MFironwood Crossing Apts 2002 MF Woodway Village 2002 MF Reading Road 2003 AB MF Reading Road	4.52 4.52 4.52 4.52 4.52 4.52 4.52 4.52	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	80,113,98 238,00 11,019,79 212,142,62 213,623,48 3,713,85 274,934,39 26,494,94 520,766,76 1,644,40 8,20 104,718,04 41,24 106,467,35	120,771.15 80,113.98 238.00 11,019.79 212,142.92 213,623.48 3,713.95 274,934.39 28,494.94 520,766.78 1,644.40 8,20 104,718.04 55.47 41,24 106,467.35	1,371.29 900.05 2.71 125.13 2,408.78 296,759.22 42.19 14,799.74 313,601.14 0.00 127,870.35 1.02 1.03 127,672.40 24,316.42 0.00 24,316.42	(250,341.03) (250,341.03) (6.89)	0.00	0.00	81,023,63 240,71 11,144,02 512,382,70 3,756,13 14,593,33 43,294,68 1,637,51 8,20 232,588,39 56,49 42,27 37,354,94 0.18	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	122,142.44 81,023.63 240.71 11,144.92 214,551.70 512,382.70 3,756.13 14,593.36 43,294.69 574,020.87 1,637.51 8.20 232,588.39 256.49 42.27 234,332.86 37,354.94 0,18 37,355.10	122,142,44 81,023,63 240,71 11,1144,92 214,551,70 512,382,70 3,756,13 14,593,36 43,294,68 574,026,87 1,837,51 0,20 232,588,39 58,49 42,27 234,332,66 37,354,04 0,16 37,355,10	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Mutual Fund	2002 MF Green Crest Apts 2002 MFIronwood Crossing Apts 2002 MF Woodway Village Total	4.52 4.52 4.52 4.52 4.52 4.52 4.52 4.52	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	80,113,98 238,00 11,019,79 212,142,92 213,623,48 3,713,95 27,934,39 28,494,94 520,766,79 1,644,40 8,20 104,718,04 41,24 106,467,35 13,036,68	120,771.15 80,113.98 238.00 11,019.79 212,142.92 213,623.48 3,713.95 274,934.39 28,494.94 520,766.78 1,644.40 8.20 104,718.04 55.47 41.24 106,467.35 13,036.68	1,371.29 909.05 2,71 125.13 2,409.78 296,759.22 42.18 14,799.74 313,601.14 0.00 127,870.35 1.02 1.03 127,672.40 24,318.42 0.00 24,318.42 108,520.68	(250,341.03) (250,341.03) (6.89)	0.00	0.00	81,023,63 240,71 11,144,02 512,382,70 3,756,13 14,593,38 43,294,68 1,637,51 6,20 232,588,39 56,49 42,27 37,354,94 0.16	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	122,142.44 81,023.63 240.71 11.144.92 214,551.70 512,362.70 3,756.13 14,593.36 43,294.68 574,026.87 1,637.51 8,20 232,588.39 42,27 234,332.69 37,354.94 0,16 37,355.10 108,520.68	122,142,44 81,023,63 240,71 11,144,92 214,551,70 512,382,70 3,756,13 14,593,38 43,294,68 574,026,87 1,837,51 8,20 232,588,39 54,227 234,332,88 37,354,94 0,16 37,355,10 108,520,68	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Mutual Fund	2002 MF Green Crest Apts 2002 MF Green Cresting Apts 2002 MF Fronwood Crossing Apts 2002 MF Fronwood Crossing Apts 2002 MF Fronwood Crossing Apts 2002 MF Woodway Village 2003 AB MF Reading Road 2003 AB MF Reading Road 2003 AB MF Reading Road 2003 AB MF North Vista Apts 2003 AB MF North Vista Apts 2003 AB MF North Vista Apts	4.52 4.52 4.52 4.52 4.52 4.52 4.52 4.52	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	80,113,98 238,00 11,019,79 212,142,62 213,623,48 3,713,85 274,934,39 26,494,94 520,766,76 1,644,40 8,20 104,718,04 41,24 106,467,35	120,771.15 80,113.98 238.00 11,019.79 212,142.92 213,623.48 3,713.95 274,934.39 28,494.94 520,766.78 1,644.40 8,20 104,718.04 55.47 41,24 106,467.35	1,371.29 900.05 2.71 125.13 2,408.78 296,759.22 42.19 14,799.74 313,601.14 0.00 127,870.35 1.02 1.03 127,672.40 24,316.42 0.00 24,316.42	(260,341.03) (260,341.03) (260,341.03) (6.89)	0.00	0.00	81,023,63 240,71 11,144,92 512,382,70 3,756,13 14,593,38 43,294,68 1,637,51 6,20 232,588,39 56,49 42,27 37,354,94 0,16	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	122,142,44 81,023,63 240,71 11,144,92 214,551,70 512,382,70 3,756,13 14,593,36 43,294,68 574,026,87 1,637,51 1,637,51 232,588,39 56,49 42,27 234,332,88 37,354,94 0,16 37,355,10 109,520,88	122,142,44 81,023,63 240,71 11,114,02 214,551,70 512,392,70 3,756,13 14,593,39 43,294,68 574,028,87 1,837,51 8,20 232,588,39 58,49 42,27 234,332,86 37,355,10 108,520,68 757,009,47	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Mutual Fund	2002 MF Green Crest Apts 2002 MFIronwood Crossing Apts 2002 MF Woodway Village 2003 AB MF Reading Road 2003 AB MF Reading Road 2003 AB MF North Vista Apts 2003 AB MF North Vista Apts 2003 AB MF North Vista Apts	4.52 4.52 4.52 4.52 4.52 4.52 4.52 4.52	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06	80,113,88 238,00 11,019,78 212,142,02 213,023,48 3,713,85 274,934,39 28,494,94 520,766,76 1,644,40 8,20 104,718,04 55,47 41,24 106,467,35 13,036,52 0,16 13,036,68	120,771.15 80,113.98 238.00 11,019.79 212,142.92 213,623.48 3,713.95 274,934.39 28,494.94 520,786.78 1,644.40 55.47 41.24 106,467.35 13,036.52 0.16 13,036.88	1,371.29 909.05 2,71 125.13 2,408.79 298,759.22 42.18 14,799.74 313,601.14 0.00 127,870.35 1.02 1.03 127,672.40 24,318.42 0.00 24,318.42 108,520.68 8,986.94 20,970.15	(250,341.03) (250,341.03) (6.89)	0.00	0.00	81,023,63 240,71 11,144,02 512,382,70 3,756,13 14,593,35 43,294,68 1,637,51 8,20 232,588,39 56,49 42,27 37,354,94 0,18 106,520,68 757,009,47 35,603,98 42,000,00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00	122,142.44 81,023.63 240.71 11.144.92 214,551.70 512,362.70 3,756.13 14,593.36 43,294.68 574,026.87 1,637.51 8,20 232,588.39 42,27 234,332.69 37,354.94 0,16 37,355.10 108,520.68	122,142,44 81,023,63 240,71 11,144,92 214,551,70 512,382,70 3,756,13 14,593,38 43,294,68 574,026,87 1,837,51 8,20 232,588,39 54,227 234,332,88 37,354,94 0,16 37,355,10 108,520,68	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Mutual Fund	2002 MF Green Crest Apts 2002 MF Green Cresting Apts 2002 MF Green Cresting Apts 2002 MF Woodway Village 2002 MF Reading Road 2003 AB MF Reading Road 2003 AB MF Reading Road 2003 AB MF North Vista Apts	4.52 4.52 4.52 4.52 4.52 4.52 4.52 4.52	11/01/05 11/01/05 11/01/05 11/01/05 11/01/05 11/01/05 11/01/05 11/01/05 11/01/05 11/01/05 11/01/05 11/01/05 11/01/05 11/01/05 11/01/05 11/01/05 11/01/05	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	80,113,98 238,00 11,019,78 212,142,92 213,023,48 3,713,95 274,934,39 28,494,94 520,766,76 1,644,40 8,20 104,718,04 55,47 41,24 106,467,35 13,036,52 0,16 13,030,68 748,012,63 240,701,77 21,020,65 27,43	120,771.15 80,113.98 238.00 11,019.79 212,142.92 213,623.48 3,713.95 274,934.39 28,464.04 520,766.76 1,644.40 6,20 104,716.04 55.47 41.24 106,467.35 13,036.68 748,012.63 240,701.77 21,020.63	1,371.29 909.05 2.71 125.13 2,408.76 298,759.22 42.18 14,799.74 313,601.14 0.00 127,870.35 1.02 1.03 127,672.40 24,318.42 0.00 24,318.42 108,520.68 8,996.94 20,070.15 15,839.08	(260,341.03) (260,341.03) (260,341.03) (6.89)	0.00	0.00	81,023,63 240,71 11,144,92 512,382,70 3,756,13 14,593,35 43,294,68 1,637,51 8,20 232,588,39 56,49 42,27 37,354,94 0.16	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	122,142,44 81,023,63 240,71 11,144,92 214,551,70 512,382,70 3,756,13 14,593,36 43,294,69 574,020,87 1,637,51 8,20 232,588,39 56,49 42,27 234,332,06 37,354,94 0,18 37,355,10 108,520,88 757,009,47 35,603,98 42,000,00 15,606,51	122,142,44 81,023,63 240,71 11,1144,92 214,551,70 512,382,70 3,756,13 14,593,36 43,294,68 574,026,67 1,637,61 8,20 232,588,99 58,49 42,27 234,332,66 37,354,94 0,16 37,355,10 106,520,68 757,009,47 35,603,98 42,000,00	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Mutual Fund	2002 MF Green Crest Apts 2002 MF Green Cresting Apts 2002 MF Green Crossing Apts 2002 MF Growood Crossing Apts 2002 MF Growood Crossing Apts 2002 MF Woodway Village 2002 MF Reading Road 2003 AB MF North Vista Apts	4.52 4.52 4.52 4.52 4.52 4.52 4.52 4.52	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06	80,113,88 238,00 11,019,79 212,142,92 213,623,48 3,713,85 27,934,39 28,494,94 520,766,79 1,644,40 8,20 104,718,04 41,24 106,467,35 13,036,62 0,18 13,030,68 748,012,63 240,761,77 21,028,65 27,43 18,966,93	120,771.15 80,113.98 238.00 11,019.79 212,142.92 213,623.48 3,713.95 274,934.39 520,766.76 1,644.40 8.20 104,718.04 755.47 41.24 106,467.35 13,030.52 0.18 13,036.68 748,012.63 240,791.77 21,029.65 27.43 18,988.93	1,371.29 900.05 2,71 125.13 2,408.79 296,759.22 42.19 14,799.74 313,601.14 0.00 127,870.35 1.02 1.03 127,672.40 24,316.42 0.00 24,316.42 108,520.66 8,996.84 20,670.15 15,839.08 254,663.57	(260,341.03) (260,341.03) (260,341.03) (6.89)	0.00	0.00	81,023,63 240,71 11,144.02 512,382,70 3,756,13 14,593,38 43,294.68 1,637,51 8,20 232,588,39 56,49 42,27 37,354,94 0.18	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	122,142,44 81,023,63 240,71 11,144,92 214,551,70 512,382,70 3,756,13 14,593,36 43,294,68 574,026,87 1,637,51 8,20 232,588,39 42,27 234,332,68 37,354,94 0,18 37,355,10 108,520,88 757,009,47 35,603,98 42,000,00 15,868,51 273,652,50	122,142,44 81,023,63 240,71 214,451,70 512,382,70 3,756,13 14,593,38 43,284,68 574,026,87 1,837,51 8,20 232,588,39 42,27 234,332,86 37,354,94 0,16 37,355,10 108,520,68 757,009,47 15,803,88 42,900,00 15,866,51 273,632,50	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Mutual Fund	2002 MF Green Crest Apts 2002 MFIronwood Crossing Apts 2002 MF Woodway Village 2003 AB MF Reading Road 2003 AB MF Reading Road 2003 AB MF North Vista Apts	4.52 4.52 4.52 4.52 4.52 4.52 4.52 4.52	11/01/05 11/01/05 11/01/05 11/01/05 11/01/05 11/01/05 11/01/05 11/01/05 11/01/05 11/01/05 11/01/05 11/01/05 11/01/05 11/01/05 11/01/05 11/01/05 11/01/05	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	80,113,88 238,00 11,019,78 212,142,02 213,023,48 3,713,95 274,934,39 28,494,94 520,766,76 1,644,40 8,20 104,718,04 55,47 41,24 108,467,35 13,036,52 0,16 13,030,68 748,012,63 240,761,77 21,020,65 27,43 18,960,93 357,23	120,771.15 80,113.98 238.00 11,019.79 212,142.92 213,623.48 3,713.95 274,934.39 20,494.94 520,786.78 1,644.40 55.47 41,24 106,467.35 13,036.68 748,012.63 240,791.77 21,020.95 27.43 18,898.63 3,57.23	1,371.29 909.05 2.71 125.13 2.408.76 298,759.22 42.18 14,789.74 313,601.14 0.00 127,870.35 1.02 1,03 127,872.40 24,318.42 0.00 24,318.42 108,520.68 8,996.94 20,876.15 15,839.08 254,603.57 13,473.76	(260,341.03) (260,341.03) (6.89) (6.89)	0.00	0.00	81,023,63 240,71 11,144,92 512,382,70 3,756,13 14,593,35 43,294,68 1,637,51 8,20 232,588,39 56,49 42,27 37,354,94 0.16	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	122,142,44 81,023,63 240,71 11,144,92 214,551,70 512,382,70 3,756,13 14,593,36 43,294,68 574,026,87 1,637,51 1,637,51 232,588,39 56,49 42,27 234,332,88 37,354,94 0,16 37,355,10 109,520,88 757,009,47 35,603,99 42,000,00 15,866,51 273,632,50	122,142,44 81,023,63 240,71 11,1144,92 214,551,70 512,392,70 3,756,13 14,593,39 43,294,69 574,026,87 1,837,51 8,20 232,588,39 56,49 42,27 234,332,86 37,354,94 0,16 37,355,10 108,520,68 757,009,47 35,803,88 42,900,00 15,865,51 273,032,50	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Mutual Fund	2002 MF Green Crest Apts 2002 MF Woodway Village 2003 AB MF Reading Road 2003 AB MF North Vista Apts	4.52 4.52 4.52 4.52 4.52 4.52 4.52 4.52	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06	80,113,88 238,00 11,019,78 212,142,02 213,023,48 3,713,85 274,934,39 28,494,94 520,766,76 1,644,40 8,20 104,718,04 55,47 41,24 106,467,35 13,036,52 0,18 13,036,68 748,012,63 240,761,77 21,029,65 27,43 18,968,93 357,23	120,771.15 80,113.98 238.00 11,019.79 212,142.92 213,623.48 3,713.95 274,934.39 520,766.76 1,644.40 8.20 104,718.04 755.47 41.24 106,467.35 13,030.52 0.18 13,036.68 748,012.63 240,791.77 21,029.65 27.43 18,988.93	1,371.29 900.05 2,71 125.13 2,408.79 296,759.22 42.19 14,799.74 313,601.14 0.00 127,870.35 1.02 1.03 127,672.40 24,316.42 0.00 24,316.42 108,520.66 8,996.84 20,670.15 15,839.08 254,663.57	(260,341.03) (260,341.03) (260,341.03) (6.89)	0.00	0.00	81,023,63 240,71 11,144.02 512,382,70 3,756,13 14,593,38 43,294.68 1,637,51 8,20 232,588,39 56,49 42,27 37,354,94 0.18	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	122,142,44 81,023,63 240,71 11,144,92 214,551,70 512,382,70 3,756,13 14,593,36 43,294,68 574,026,87 1,637,51 8,20 232,588,39 42,27 234,332,68 37,354,94 0,18 37,355,10 108,520,88 757,009,47 35,603,98 42,000,00 15,868,51 273,652,50	122,142,44 81,023,63 240,71 214,451,70 512,382,70 3,756,13 14,593,38 43,284,68 574,026,87 1,837,51 8,20 232,588,39 42,27 234,332,86 37,354,94 0,16 37,355,10 108,520,68 757,009,47 15,803,88 42,900,00 15,866,51 273,632,50	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Mutual Fund	2002 MF Green Crest Apts 2002 MF Green Cresting Apts 2002 MF Woodway Village 2003 AB MF Reading Road 2003 AB MF Reading Road 2003 AB MF North Vista Apts	4.52 4.52 4.52 4.52 4.52 4.52 4.52 4.52	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06	80,113,88 238,00 11,019,78 212,142,02 213,023,48 3,713,95 274,934,39 28,494,94 520,766,76 1,644,40 8,20 104,718,04 55,47 41,24 108,467,35 13,036,52 0,16 13,030,68 748,012,63 240,761,77 21,020,65 27,43 18,960,93 357,23	120,771.15 80,113.98 238.00 11,019.79 212,142.92 213,623.48 3,713.95 274,934.39 20,494.94 520,786.78 1,644.40 55.47 41,24 106,467.35 13,036.68 748,012.63 240,791.77 21,020.95 27.43 18,898.63 3,57.23	1,371.29 909.05 2.71 125.13 2,408.76 298,759.22 42.18 14,789.74 313,601.14 0.00 127,870.35 1.02 1.03 127,672.40 24,318.42 0.00 24,318.42 108,520.68 8,996.84 20,670.15 15,839.08 254,663.57 13,473.76 422,464.08	(260,341.03) (260,341.03) (6.89) (6.89)	0.00	0.00	81,023,63 240,71 11,144,92 512,382,70 3,756,13 14,593,35 43,294,68 1,637,51 6,20 232,588,39 56,49 42,27 37,354,94 0,16 106,520,68 757,009,47 35,603,99 42,000,00 15,866,51 273,832,50 13,830,99	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	122,142,44 81,023,63 240,71 11,144,92 214,551,70 512,382,70 3,756,13 14,593,36 43,294,68 574,026,87 1,637,51 1,637,51 232,588,39 56,49 42,27 234,332,88 37,354,94 0,16 37,355,10 109,520,88 757,009,47 35,603,99 42,000,00 15,866,51 273,632,50	122,142,44 81,023,63 240,71 11,1144,92 214,551,70 512,392,70 3,756,13 14,593,39 43,294,69 574,026,87 1,837,51 8,20 232,588,39 56,49 42,27 234,332,86 37,354,94 0,16 37,355,10 108,520,68 757,009,47 35,803,88 42,900,00 15,865,51 273,032,50	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Mutual Fund	2002 MF Green Crest Apts 2002 MF Green Cresting Apts 2002 MF Green Cresting Apts 2002 MF Green Cresting Apts 2002 MF Woodway Village 2003 AB MF Reading Road 2003 AB MF Reading Road 2003 AB MF North Vista Apts	4.52 4.52 4.52 4.52 4.52 4.52 4.52 4.52	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	80,113,88 238,00 11,019,78 212,142,02 213,023,48 3,713,85 274,934,39 28,494,94 520,766,76 1,644,40 8,20 104,718,04 55,47 41,24 106,467,35 13,036,52 0,18 13,036,68 748,012,63 240,761,77 21,029,65 27,43 18,968,93 357,23	120,771.15 80,113.98 238.00 11,019.79 212,142.92 213,623.48 3,713.95 274,934.39 28,494.04 520,786.78 1,644.40 55.47 41.24 106,467.35 13,036.52 0.16 13,036.88 748,012.83 240,791.77 21,020.95 27.43 18,988.93 357.23	1,371.29 909.05 2.71 125.13 2,408.76 296,759.22 42.18 14,799.74 313,601.14 0.00 127,870.35 1.02 1.03 127,672.40 24,318.42 0.00 24,318.42 108,520.66 8,996.84 20,876.15 15,839.08 254,663.57 13,473.76 422,464.08	(260,341.03) (260,341.03) (6.89) (6.89)	0.00	0.00	81,023,63 240,71 11,144.02 512,382,70 3,756,13 14,593,38 43,294.68 1,637,51 6,20 232,588,39 56,49 42,27 37,354.94 0.18 106,520,68 757,009,47 25,603.09 42,000.00 15,666.51 273,632,50 13,830.99	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00	122,142,44 81,023,63 240,71 11,144,92 214,551,70 512,382,70 3,756,13 14,593,36 43,294,68 574,026,87 1,637,51 8,20 232,586,39 42,27 234,532,56 37,354,94 0,16 37,355,10 108,520,88 757,009,47 35,603,98 42,000,00 15,696,51 273,632,50 13,630,98 1,246,484,13	122,142,44 81,023,63 240,71 11,1144,02 214,551,70 512,382,70 3,756,13 14,593,36 43,294,68 574,026,87 1,837,51 0,20 232,588,39 58,49 42,27 234,332,86 37,354,04 0,16 37,355,10 106,520,68 757,009,47 25,603,38 42,000,00 15,866,51 273,632,50 13,830,39 1,246,464,13 12,850,86 17,000,00	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Mutual Fund	2002 MF Green Crest Apts 2002 MF Green Cresting Apts 2002 MF Woodway Village 2003 AB MF Reading Road 2003 AB MF Reading Road 2003 AB MF North Vista Apts	4.52 4.52 4.52 4.52 4.52 4.52 4.52 4.52	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06	80,113,88 238,00 11,019,78 212,142,02 213,023,48 3,713,85 274,934,39 28,494,94 520,766,76 1,644,40 8,20 104,718,04 55,47 41,24 106,467,35 13,036,52 0,18 13,036,68 748,012,63 240,761,77 21,029,65 27,43 18,968,93 357,23	120,771.15 80,113.98 238.00 11,019.79 212,142.92 213,623.48 3,713.95 274,934.39 28,494.04 520,786.78 1,644.40 55.47 41.24 106,467.35 13,036.52 0.16 13,036.88 748,012.83 240,791.77 21,020.95 27.43 18,988.93 357.23	1,371.29 909.05 2.71 125.13 2,408.76 298,759.22 42.18 14,789.74 313,601.14 0.00 127,870.35 1.02 1.03 127,672.40 24,318.42 0.00 24,318.42 108,520.68 8,996.84 20,670.15 15,839.08 254,663.57 13,473.76 422,464.08	(260,341.03) (260,341.03) (6.89) (6.89)	0.00	0.00	81,023,63 240,71 11,144,92 512,382,70 3,756,13 14,593,35 43,294,68 1,637,51 6,20 232,588,39 56,49 42,27 37,354,94 0,16 106,520,68 757,009,47 35,603,99 42,000,00 15,866,51 273,832,50 13,830,99	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00	122,142,44 81,023,63 240,71 11,144,92 214,551,70 512,382,70 3,756,13 14,593,36 43,294,68 574,026,87 1,637,51 232,588,39 56,49 42,27 234,332,86 37,354,94 0,16 37,355,10 108,520,88 42,000,00 15,663,98 42,000,00 15,663,98 42,000,00 15,666,51 273,632,50 12,863,98 12,46,464,13	122,142,44 81,023,63 240,71 11,1144,92 214,551,70 512,392,70 3,756,13 14,593,39 43,294,68 574,026,87 1,837,51 8,20 232,588,39 58,49 42,27 234,332,86 37,354,94 0,16 37,355,10 108,520,68 757,009,47 55,803,88 42,000,00 15,865,51 273,632,50 13,830,99 1,246,464,13	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0

Mulual Fund Money Market Mulual Fund	2003 AB MF West Virginia Apts 2003 AB MF West Virginia Apts 2003 AB MF West Virginia Apts	4.89 4.89 4.89	11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06	61.55 2,590.93	61.55 2.590.93	10,959,20 55,000.00 182,350,32				11,020,75 55,000,00 184,941,25	0.00 0.00 0.00	0.00 0.00 0.00	11,020.75 55,000,00 184,941.25	11,020.75 55,000.00 184,941.25	:	0.00 0.00 00.0
	2003 AB MF West Virginia Apts Total			•	386,879.03	386,879.03	347,437.17	(170,343.97)	0.00	0.00	154,541.25	0.00		563,972.23	563,972.23	0.00	0.00
GNMA Inv Agmt	2003AB MF Sphinx @ Murdeaux 2003AB MF Sphinx @ Murdeaux 2003AB MF Sphinx @ Murdeaux Totat	5.10 2.51	12/30/04 05/13/03	12/15/42 12/01/42	14,872,808.84 169,193.57 15,042,092.41	14,672,608.64 169,193.57 15,042,002.41	223,184.40 223,184.40	0.00	(33,551,58)	0,00	14,839,257.26 392,377,97	0.00 0.00	0.00 0.00	14,839,257,26 392,377,97 15,231,635,23	14,839,257.26 392,377.97 15,231,635.23	9.00	0.00 0.00 0.00
Mutual Fund Mulual Fund	2003 Atl MF Primrose Houston 2003 Atl MF Primrose Houston	4.67	11/01/06	12/01/06	105,133.90	105,133.90	6,471.95	(1.20)	(55,551.25)	2,00	111,605.85	0.00	0.00	111,605.85	111,605.85		0.00 0.00
Mutual Fund	2003 AB MF Primrose Houston 2003 AB MF Primrose Houston Total			_	13,685.39 118,800.49	13,665,39 118,800.49	8,471.95	(13,665.39) (13,666.59)	0.00	0.00			-	111,605.85	111,605.85	0.00	0.00
Mutual Fund	2003 AB MF Timber Oaks Apis	4.52	11/01/06	12/01/06	51.328.00	51,328,00	-,.,	(44,304.71)			7,023.29	0.00	0.00	7,023.20	7,023,29	-	0.00
Mutual Fund Mutual Fund	2003 AB MF Timber Oaks Apls 2003 AB MF Timber Oaks Apls	4.52	11/01/06	12/01/06	90,100.55 0.02	90,100.55 0.02	12,379,86	(0.02)			102,480.41	0.00	0.00	102,480.41	102,480.41	-	0.00 0.00
Mutual Fund Mutual Fund	2003 AB MF Timber Oaks Apts 2003 AB MF Timber Oaks Apts	4.52	11/01/06	12/01/06	141.66	141.56	93,560.41	(2.22)			93,702.07	0.00	0.00	93,702.07	93,702.07	-	0.00
Muttai Fund	2003 AB MF Timber Oaks Apts 2003 AB MF Timber Oaks Apts Total	4.52	11/01/06	12/01/06 _	6,520.34 148,090,57	6,520.34 148,090.57	4,512.08 110,452.35	(44,304.73)	0.00	0.00	11,032.42	0.00	0,00	11,032.42 214,238.19	11,032.42 214,238,19	0.00	0.00 00,0
Muluat Fund	2003 AB MF Ash Creek	4.52	11/01/06	12/01/06	788.18	788.18	63.76				851,94	0.00	0.00	851.94	851.94	-	0.00
Mutual Fund Mutual Fund	2003 AB MF Ash Creek 2003 AB MF Ash Creek	4.52 4.52	11/01/06 11/01/06	12/01/05 12/01/05	4,828,48 107,891,56	4,828.48 107,891.58	0.00 6,380.22				4,828.48 114,271,78	0.00 0.00	0.00 00.0	4,829.48 114,271.78	4,828.48 114.271.78	•	00.0 00.0
	2003 AB MF Ash Creek Total			_	113,508.22	113,508.22	6,443.98	0.00	0.00	0.00	,	5.25		119,952.20	119,952.20	0.00	D.00
Mutual Fund Mutual Fund	2003 AB MF Peninsula 2003 AB MF Peninsula	4.52 4.52	11/01/06 11/01/06	12/01/06 12/01/06	52.66 478,501,15	52.68 476,501,15		(5.04) (334,489.33)			47.62 142,011.82	0.00 00.0	0.00 0.00	47.62 142,011.82	47.52 142,011,82		0.00 00.0
	2003 AB MF Peninsula Total	7.34	110000	1201100 _	476,553,81	476,553.81	0.00	(334,494,37)	0.00	0.00	142,011.02	0.00	9.00	142,059,44	142,059.44	0.00	0.00
Mutual Fund Mutual Fund	2003 A MF Evergreen @ Mesquite 2003 A MF Evergreen @ Mesquite	4.52	11/01/06	12/01/06	11.18	11.18	10.51				21.69	0.00	0.00	21.69	21.69	-	0.00
Mutual Fund	2003 A MF Evergreen @ Mesquite	4.52 4.52	11/01/06	12/01/06 12/01/06	5,206.36 1,190.06	5,206.36 1,190.06	3,444.88 13.51				6,651.24 1,203.57	0.00 0.00	0.00 0.00	8,651.24 1,203.57	8,651.24 1,203.57		0.00 0.00
Mulual Fund Mulual Fund	2003 A MF Evergreen @ Mesquite 2003 A MF Evergreen @ Mesquite	4.52 4.52	11/01/06 11/01/06	12/01/06 12/01/06	77.96 19.064,94	77.96 19,064.94	3,557.02	(62.11)			15.85 22,821,96	0.00 0.00	0.00 0.00	15.85 22,621.96	15.85 22,621.98	-	0.00 0.00
	2003 A MF Evergreen @ Mesquite Tota				25,550.50	25,550.50	7,025.92	(62.11)	0.00	0.00	22,021,00	0,00	U.UU	32,514.31	32,514.31	0.00	0.00
Mulual Fund Mulual Fund	2003 AB Arlington Villas 2003 AB Arlington Villas	4.52 4.52	11/01/06 11/01/06	12/01/06 12/01/06	134,683.37 273.47	134,683.37 273.47	1,529.26				136,212.63	0.00	0.00	138,212.63	136,212.63	-	0.00
Mutual Fund	2003 AB Arlington Villas	4.52	11/01/06	12/01/06	278,837.01	278,837.01	3.10 3,168.05				276.57 282,003.06	0.00 0.00	0.00 0.00	276,57 282,003.06	276.57 282,003.08	-	0.00 0.00
Mutual Fund Mutual Fund	2003 AB Arlington Villas 2003 AB Arlington Villas	4.52 4.52	11/01/05 11/01/08	12/01/06 12/01/06	105,147.22 15.923.22	105,147.22 15.923.22	748.63	(5.949.90)			105,895,85 8,973,32	0.00 0.00	0.00 00.0	105,895.85 8,973,32	105,895.85 8,973.32	-	0.00 00.0
	2003 AB Arlington Villas Total			_	534,884.29	534,884.29	5,447.04	(8,949,90)	0.00	0.00	0,010.02	0.00		533,361.43	533,381.43	0.00	0.00
Muluat Fund Muluat Fund	2003 AB Parkview Twohms 2003 AB Parkview Twohms	4.52 4.52	11/01/06 11/01/06	12/01/06 12/01/06	25,402.32 59,054.50	25,402.32 59,054.50	14,866.54	(1,313.82)			24,088.50	0,00	0.00	24,088.50	24,088.50		0.00
Mulual Fund	2003 AB Parkyjew Twnhms	4.52	11/01/06	12/01/06	11.67	11.67		(B.80)			73,921.04 2.87	0.00 00.0	00.0 00,0	73,921.04 2.87	73,921.04 2.67	:	0.00 0.00
Mulual Fund Mulual Fund	2003 AB Parkview Twithms 2003 AB Parkview Twithms	4.52 4.52	11/01/06 11/01/06	12/01/06 12/01/06	150,981.52 205,423.90	150,081.52 205,423.90	08,609.37 2,332.48				218,690,89 207,756.38	0.00 0.00	0.00 0.00	218,690.89 207,756.38	218,690.89 207,756.38	-	0.00 0.00
	2003 AB Parkview Twnhms Total				439,973.91	439,973.91	85,808,39	(1,322.62)	0,00	0.00	257,100,00	5.22		524,459.68	524,459.68	0.00	0.00
Money Market Money Market	2003 MF NHP-Asmara-Refunding 2003 MF NHP-Asmara-Refunding	4.52 4.52	11/01/06 11/01/06	12/01/06 12/01/08	88,119.75 64.81	66,119.75 64.81	72,600.78 0.80				158,720.53	0.00	0.00	158,720.53	150,720.53	-	0.00
T-Note	2003 MF NHP-Asmara-Refunding	2.59	12/15/03	01/01/07	24,349,975.00	24,349,975.00	0.00				65.61 24,349,975.00	0.00 0.00	0,00 0.00	65.61 24,349,975.00	65.61 24,349,975,00		0.00 0.00
Money Market Money Market	2003 MF NHP-Asmara-Refunding 2003 MF NHP-Asmara-Refunding	4.67 4.52	11/01/06 11/01/06	12/01/06 12/01/06	93,44 5,253,43	93.44 5,253.43	2,849.25 55.75				2,942.69 5,309.18	0.00 0.00	00.0 00.0	2,942.69 5,309.18	2,942.69 5,309,18	-	0.00 0.00
Money Market	2003 MF NHP-Asmara-Refunding 2003 MF NHP-Asmara-Refunding Total	4.52	11/01/06	12/01/06 _	114,479.69 24,555,986,32	114,479.89 24,555,986.32	1,299.85 78,808.43	0.00	0.00	0.00	115,779.74	0.00	0.00	115,779.74	115,779.74		0.00
Money Markel		4,52	11/01/06	12/01/06			•	0.00	0.03	B,00				24,632,792.75	24,032,792.75	0.00	0.00
Money Market	2004 A&B Timber Ridge	4.52	11/01/06	12/01/08	9,339.36 44,241.12	9,339.36 44,241.12	3,156.83 980.85				12,506.19 45,221.97	00.0 00.0	00,0 00,0	12,506.19 45,221.97	12,506,19 45,221.97	-	0.00 0.00
	2004 A&B Timber Ridge Total				53,580.48	53,580.48	4,147,68	0.00	0.00	0.00				57,728.16	57,728.16	0.00	0.00
Money Market Money Market	2004 A&B Century Park 2004 A&B Century Park	4.52 4.52	11/01/06 11/01/06	12/01/06 12/01/06	12,689,38 49,833,52	12,689.38 49.833.52	7,750.05	(37,374.98)			20,439.43 12,458.54	0.00 0.00	00.0 00,0	20,439.43 12,458.54	20,439.43 12,459.54	-	0.00 0.00
Money Market Money Market	2004 A&B Century Park 2004 A&B Century Park	4.52 4.52	11/01/06 11/01/06	12/01/08 12/01/08	111,698,90 975,28	111,696.90 975.28	50,799.35 3.214.22	(27)211129			168,496.25	0.00	0.00	168,498.25	168,496.25		0.00
Money Market	2004 A&B Century Park	4.52	11/01/06	12/01/06	183,733.53	183,733.53	137,800.02				4,189.50 321,533.55	0.00 0.00	0.00 00.0	4,189.50 321,533.55	4,189.50 321,533,55	-	0.00 00.0
	2004 A&B Century Park Total				358,928.61	358,928.61	205,563.64	(37,374.98)	0.00	0.00				527,117.27	527,117.27	0.00	0.00
Money Market Money Market	2004 A Addison Park 2004 A Addison Park	4.52 4.52	11/01/06 11/01/06	12/01/06 12/01/06	547.28 1,183.78	547.28 1,183.78	7.08 13.44				554.36 1,197.22	0.00 0.00	0,00 00.0	554.36 1,197.22	554.36	-	0.00
Money Market Money Market	2004 A Addison Park 2004 A Addison Park	4.52	11/01/06	12/01/06	60,28	60.28	107.88				168.16	0.00	0.00	168.16	1,197.22 168.16	-	0.00 0.00
muncy Market	2004 A Addison Park Total	4.52	11/01/05	12/01/06	11.25 1,802.59	11.25 1,802.59	0.15 128.55	0.00	0.00	0.00	11.40	0.00	0.00	11.40 1,931.14	11.40 1,931.14	0.00	0.00
Money Market	2004 A&B MF Velerans Memorial 2004 A&B MF Velerans Memorial	4.52 4.52	11/01/06 11/01/08	12/01/06 12/01/06	117.90 137,770.87	117,90 137,770.87	1.34 53,631.95				119.24 191,402.82	0.00 0.00	0.00 00.0	119.24 191,402.82	119.24 191,402.82	-	0.00 0.00
MINIST MINIST	2004 A&B MF Veterans Memorial	4.52	11/01/06	12/01/06	54,916.48	54,916.48	13,497.73				68,414.21	0.00	0.00	66,414.21	68,414.21	-	0.00

Money Market																	
Money Market		4.52 4.52	11/01/06 11/01/06	12/01/06 12/01/06	53.80 16.707.99	63.80 16.707.99	0.047.00	(63.77)			0.03	0.00	0.00	0.03	0.03	•	0.00
Mottey Market	2004 A&B MF Veterans Memorial To		11/01/00	12/01/00	209,577.04	209,577.04	8,947.29 76,078.31	(63.77)	0.00	0.00	25,655.28	0.00	0.00	25,655,28 285,591.58	25,855.28 285,591,58	0.00	00.0
					200,011.01	200,017.04	10,070.21	(03.17)	4.00	0.00				200,001.00	200,000,000	0.00	0.00
Money Market		4.57	11/01/08	12/01/06	12,081,65	12,081.65	7,375.74				19,457.39	0.00	0.00	19,457.39	19,457.39		0.00
Money Market		4,52	11/01/06	12/01/06	365,590.82	365,590.82	4,451.61				370,042.43	0.00	0.00	370,042.43	370,042.43	-	0.00
Money Market		4.52 4.52	11/01/06 11/01/06	12/01/06 12/01/06	37.63 66 31	37,63	0.46				38.09	0.00	0.00	38.09	38.09	-	0.00
Money Market Money Market		4.52	11/01/06	12/01/06	82,629.38	66.31 82,629.38	0.79	(02,055,93)			67.10 573.45	0.00 0.00	0.00 0.00	67.10 573,45	67.10 573,45	•	0.00 0.00
Money Market		4.52	11/01/06	12/01/06	12,636.67	12,636.67	5,727.66	(68,660,30)			18,364,33	0.00	0.00	18,364.33	18,364.33		0.00
Money Market		4,52	11/01/08	12/01/05	67.23	67.23	0.82				68.05	0.00	D.00	68.05	68.05	•	0.00
Money Market		4.52	11/01/06	12/01/06	18,616.53	18,616.53	226.69				18,843.22	0.00	0.00	18,843,22	18,843,22	-	0.00
Money Market		4,67	11/01/06	12/01/06	79,825.97	79,825.97	53,249.45				133,075.42	0.00	0.00	133,075.42	133,075.42	-	0.80
Money Market		4.52	11/01/06	12/01/06	83.00	83.00	1,01				84.01	0.00	0.00	B4.D1	84.01		0.00
	2004 MF Rush Creek Apts Total				571,635,19	571,635.19	71,034.23	(82,055.93)	0.00	0.00				550,613.49	560,613.49	0,00	0.00
Money Market	2004 MF Humble Parkway	4.52	11/01/06	12/01/08	7,206.53	7,206.53	10,902.62				18,109.15	0.00	0.00	18,109,15	18,109.15	_	0,00
Money Market		4.52	11/01/06	12/01/06	48,860.25	49,860.25	35,620.70				84,480,95	0.00	0.00	84,480,95	84,450,95	-	0.00
Inv Agmt	2004 MF Humble Parkway	3,65	11/16/05	02/01/10	154,152.09	154,152.09	215,676.04				369,828.13	0.00	0.00	369,828.13	369,828.13	-	0.00
Money Market		4.52	11/01/06	12/01/06	5,418.80	5,416.80	8,125.02				13,541.82	0.00	0.06	13,541.B2	13,541.82		D.00
	2004 MF Humble Parkway Total				215,635.67	215,635.67	270,324.38	0.00	0.00	0.00				485,960.05	485,960.05	0.00	0.00
Money Market	2004 MF Chisholm Trail Apts	4.52	11/01/08	12/01/08			0.81				18.0	0.00	0.00	0.61	0,81		0.00
Money Market		4.88	11/01/08	12/01/06	602,340.13	602,340.13	7,395.69				609.735.82	0.00	0.00	609,735,82	609,735,82		0.00
Money Market		4.88	11/01/06	12/01/06	735.63	735.63	32.32				767.95	0.00	0.00	767.95	767.95	-	0.00
Money Market		4.88	11/01/06	12/01/06	1.29	1.29	0.03				1.32	0.00	0.00	1.32	1.32		0.00
	2004 MF Chishalm Trail Apts Total				603,077.05	603,077.05	7,428.65	0.00	0.00	0.00			_	610,505.90	610,505.90	0.80	0.00
Manual Markal	2004 MF Evergreen at Plano	4.67	11/01/06	12/01/06	47 504 00	40 004 00	02 004 40				444 700 70			444 700 70	414 300 30		
Money Market Money Market	2004 MF Evergreen at Plano	4.67	11/01/08	12/01/06	43,681,32 7,795.05	43,861.32 7,795.05	97,821.40 7,872.48				141,702.72 15,667.53	0.00 0.00	0.00 0.00	141,702.72 15,667.53	141,702.72 15,657.53	-	0.00 0.00
Money Market		4.67	11/01/05	12/01/06	137,335.52	137,335.52	7,672.40	(135,300.86)			2,034.66	0.00	0.00	2,034.66	2,034.66	-	0.00
Money Market		4.67	11/01/06	12/01/06	(5.,(552.52	70.,550.52	0.01	1100,000,000			0.01	0.00	0.00	0.01	0.01	-	0.00
Money Market	2004 MF Evergreen at Plano	4.67	11/01/05	12/01/08	106,459,96	106,459.96	50,168.93				156,628.89	0.00	0.00	156,628.89	156,628.89		0.00
	2004 MF Evergreen at Plano Total				295,471.85	295,471.85	155,862.82	(135,300.86)	0.00	0.00			·	316,033.B1	316,033.81	0,00	00.0
Money Market	2004 MF Montgomery Pines Apls	4.88	11/01/06	12/01/06	6.038.95	6.036.95	74.07				5 445 05						
Money Market		4.88	11/01/06	12/01/06	10,581.14	10,551.14	74.27	(7,648,18)			6,113.22 2,912.96	0.00 0.00	0.00 0.00	6,113,22 2,912,96	6,113.22 2,912.96	-	0.00 0.00
	2004 MF Montgomery Pines Apts Tot				16,600.09	16,600.09	74.27	(7,548.18)	0,00	0.00	2,612.60	u.oc	J.00 _	9,026.18	9,026.18	0.00	B.00
						,		, , , , , , ,						-,	-,		
Money Market		4.88	11/01/06	12/01/06	7,524.72	7,524.72	91.98				7,616.70	0.00	0.00	7,616.70	7,616.70	-	0.00
Money Market		4.88	11/01/06	12/01/06	45,264.62	45,264.62	553.32				45,817.94	0.00	0.00	45,817.94	45,817.94	÷	0.00
Money Market Money Market	2004 MF Bristol Apts 2004 MF Bristol Apts	4.86 4.88	11/01/06 11/01/06	12/01/06 12/01/06	22,354,17 97,60	22,354.17	273.26				22,627.43	0.00	0.00	22,627,43	22,627,43	•	0.00
money market	2004 MF Bristol Apts Total	4.00	11,01,00	12/01/00	75,241.11	97,60 75,241,11	1,20 919,76	0.00	0.00	0.00	98,80	0.00	0.00	98.50 76,150.87	98.80 76,150.87	0.50	0.00
						, =, &, , , , , ,	515.75	0.05	2.00	0,00				70,100.07	70,100.01	0.55	0.00
Money Market		4.88	11/01/06	12/01/08			0.95				0.06	0.00	0.00	0.08	0.06	-	0.00
Money Market		4.88	11/01/06	12/01/08	22,625.36	22,625.38	278.57				22,901.93	0.00	0,00	22,901,93	22,901,93	-	0.00
											0.01	0.00					
Money Market		4.88	11/01/08	12/01/06			0.01						0.00	0.01	0.01	-	0.00
Money Market	2004 MF Pinnacle Apts	4,88	11/01/06 11/01/06	12/01/06	20 234 65	44 150 05	37.37				37.37	0.00	0.00	37.37	0.01 37.37	-	0.00
Money Market Money Market	2004 MF Pinnacle Apts 2004 MF Pinnacle Apts	4.88 4.39	11/01/08	12/01/06 12/01/06	20,234,55	20,234.55	37.37 247.34				37.37 20,481.89	0.00 0.00	0.00 0,00	37.37 20,481.89	0.01 37.37 20,481.89	:	0.00 0.00
Money Market	2004 MF Pinnacle Apts 2004 MF Pinnacle Apts	4,88	11/01/06 11/01/06 11/01/06	12/01/06	20,234,55	20,234.55 42,859.91	37.37	0.00	0.00	0.00	37.37	0.00	0.00	37.37 20,481,89 53.53	0.01 37.37 20,481.89 53.53	0.00	0.00 0.00 0.00
Money Market Money Market Money Market	2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Pinnacle Apts Total	4,88 4.39 4.88	11/01/08 11/01/06 11/01/05 11/01/08	12/01/06 12/01/08 12/01/08	42,859.91	42,859,91	37.37 247.34 53.53 614.88	0.00	0.00	0.00	37.37 20,481.89 53,53	0.00 0.00 0.00	0.00 0,00	37.37 20,481.89 53.53 43,474.78	0.01 37.37 20,481.89 53.53 43,474.78	0.00	0.00 0.00 0.00 0.00
Money Market Money Market Money Market Money Market	2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Tranquility Bay Apts	4.88 4.39 4.88 4.67	11/01/08 11/01/06 11/01/05 11/01/08	12/01/06 12/01/06 12/01/06 12/01/06	42,859.91 8,213.80	42,859,91 8,213.60	37.37 247.34 53.53 614.88	0.00	0.00	0.80	37.37 20,481.89 53,53 20,646.51	0.00 0.00 0.00	0.00 0.00 0.00 	37.37 20,481.89 53.53 43,474.78 20,646.51	0.01 37.37 20,481.89 53.53 43,474.79 20,848.51	0.00	0.00 0.00 0.00 0.00
Money Market Money Market Money Market Money Market Money Market Money Market	2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Tranquility Bay Apts 2004 MF Tranquility Bay Apts	4,88 4.39 4.88	11/01/08 11/01/06 11/01/05 11/01/08	12/01/06 12/01/08 12/01/08	42,659.91 8,213.60 233.38	42,859,91 8,213.60 233.36	37.37 247.34 53.53 614.88		0.00	0.80	37.37 20,481.89 53,53	0.00 0.00 0.00	0.00 0.00 0.00	37.37 20,481.89 53.53 43,474.78	0.01 37.37 20,481.89 53.53 43,474.78	0.00	0.00 0.00 0.00 0.00 0.00
Money Market Money Market Money Market Money Market Money Market Money Market	2004 MF Pinnacle Apts Total 2004 MF Tranquility Bay Apts 2004 MF Tranquility Bay Apts 2004 MF Tranquility Bay Apts	4.88 4.39 4.88 4.67 4.67	11/01/08 11/01/06 11/01/05 11/01/08 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	42,859.91 8,213.80 233.38 700.17	42,859.91 8,213.60 233.38 700.17	37.37 247.34 53.53 614.88	(700.17)	0.00	0.00	37.37 20,481.89 53,53 20,646.51 236.14	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	37.37 20,481,89 53,53 43,474,78 20,646,51 236,14	0.0t 37.37 20,481.89 53.53 43,474.78 20,846.51 236.14	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00
Money Market Money Market Money Market Money Market Money Market Money Market	2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Tranquility Bay Apts	4.88 4.39 4.88 4.67	11/01/08 11/01/06 11/01/05 11/01/08	12/01/06 12/01/06 12/01/06 12/01/06	42,659.91 8,213.60 233.38	42,859,91 8,213.80 233.38 700.17 159,221.22	37.37 247.34 53.53 614.88 12.432.71 2.76		0.00	0.00	37.37 20,481.89 53.53 20,646.51 236.14	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.03 0.00	37.37 20,481.69 53.53 43,474.78 20,646.51 236.14 893.71	0.0t 37.37 20,481.89 53.53 43,474.78 20,846.51 236.14	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00
Money Market	2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Tranquility Bay Apts	4.88 4.39 4.88 4.67 4.67 4.52	11/01/08 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	42,859.91 8,213.80 233.38 700.17 159,221.22 78,510.97 4,786.92	42,859.91 8,213.60 233.36 700.17 159,221.22 78,510.97 4,766.92	37.37 247.34 53.53 614.88 12.432.71 2.79	(700.17)	0.00		37.37 20,481.89 53,53 20,646.51 236.14	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	37.37 20,481,89 53,53 43,474,78 20,646,51 236,14	0.0t 37.37 20,481.89 53.53 43,474.78 20,846.51 236.14	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00
Money Market Money Market Money Market Money Market Money Market Money Market Money Market Money Market	2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Tranquility Bay Apts	4.88 4.39 4.88 4.67 4.67 4.52 4.67	11/01/08 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	42,659.91 8,213.60 233.38 700.17 159,221.22 78,510.97	42,859,91 8,213.60 233.38 700.17 159,221.22 78,510.97	37.37 247.34 53.53 614.88 12.432.71 2.76	(700.17)	0.00	0.00	37.37 20,481.89 53,53 20,646.51 236.14 893.71 274,145.17	0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	37.37 20,481.89 53.53 43,474.78 20,646.51 236.14 893.71 274,145.17	0.01 37.37 20,481.89 53.53 43,474.78 20,846.51 236.14 893.71 274,145.17	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market Money Market Money Market Money Market Money Market Money Market Money Market Money Market Money Market	2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Tranquility Bay Apts	4.88 4.39 4.88 4.67 4.67 4.52 4.67 4.67	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	42,859.91 8,213.80 233.38 700.17 159,221.22 78,510.97 4,786.92 251,646.46	42,859.91 8,213.60 233.38 700.17 159,221.22 78,510.97 4,786.92 251,646.46	37.37 247.34 53.53 614.88 12.432.71 2.79	(700.17) (158,327.51)	B.00		37.37 20,481.89 53.53 20,646.51 230.14 893.71 274,145.17 12,508.23	0.00 0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.06 0.00 0.00 0.00	37.37 20.481,89 53.53 43.474.79 20,645.51 236.14 893.71 274,145.17 12,508.23 308,429.76	0.01 37.37 20,481.89 53,53 43,474.79 20,848.51 236.14 893.71 274,145.17 12,509.23 308,429.76	- - - -	0.80 0.80 0.80 0.90 0.90 0.00 0.00 0.00
Money Market Money Market Money Market Money Market Money Market Money Market Money Market Money Market Money Market	2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Tranquility Bay Apts	4.88 4.39 4.88 4.67 4.67 4.67 4.67	11/01/08 11/01/06 11/91/05 11/01/08 11/01/08 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	42,859.91 8,213.80 233.38 700.17 159,221.22 78,510.97 4,786.92 251,646.46 11,329,639.09	42,859,91 8,213,80 233,38 790,17 159,221,22 70,510,97 4,796,92 251,646,46 11,329,639,09	37.37 247.34 53.53 614.88 12.432.71 2.76 195,634.20 7.741.31 215,610.98	(700.17) (158,327.51)			37.37 20,481.89 53.53 20,646.51 236.14 893.71 274.145.17 12,508.23	0.00 0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.05 0.00 0.00 0.00	37.37 20,481.89 53.53 43,474.78 20,646.51 236.14 893.71 274,145.17 72,508.23 308,429.76	0.01 37.37 20,481.89 53.53 43,474.79 20,846.51 230.14 893.71 274,145.17 12,509.23 308,429.76	- - - -	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market Money Market Money Market Money Market Money Market Money Market Money Market Money Market Money Market	2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Tranquility Bay Apts	4.88 4.39 4.88 4.67 4.67 4.52 4.67 4.67	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	42,859.91 8,213.80 233.38 700.17 159,221.22 78,510.97 4,786.92 251,646.46	42,859.91 8,213.60 233.38 700.17 159,221.22 78,510.97 4,786.92 251,646.46	37.37 247.34 53.53 614.88 12.432.71 2.76 195,634.20 7.741.31 215,810.98	(700.17) (158,327.51)	B.00		37.37 20,481.89 53.53 20,646.51 236.14 893.71 274,145.17 12,508.23 11,307,542.70 233,453.85	0.00 0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	37.37 20.481.89 53.53 43.474.78 20,646.51 236.14 893.71 274,145.17 12,508.23 308,428.76	0.01 37.37 20,481.89 53.53 43,474.78 20,848.51 236.14 893.71 274,145.17 12,509.23 308,429.78 11,307,542.70 233,453.65	- - - -	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market Money Market	2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Tranquility Bay Apts 2004 MF Sphinx ® Delafield	4.88 4.39 4.88 4.67 4.67 4.67 4.67 5.42 3.00	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/08 12/01/08 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	42,859.91 8,213.80 233.38 700.17 159,221.22 78,510.97 4,766.92 251,646.46 11,329,639.69 57,831.95	42,659,91 8,213,60 233,38 700,17 159,221,22 76,510,97 4,766,92 251,646,46 11,329,639,69 57,831,95	37.37 247.34 53.53 614.88 12.432.71 2.76 195,634.20 7.741.31 215,610.98	(700.17) (158,327.51)	B.00		37.37 20,481.89 53.53 20,646.51 236.14 893.71 274.145.17 12,508.23	0.00 0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.05 0.00 0.00 0.00	37.37 20,481.89 53.53 43,474.78 20,646.51 236.14 8893.4 12,508.23 308,429.76 11,307,542.70 233,453.85 4,514.53	0.01 37.37 20,481.89 53.53 43,474.79 20,846.51 236.14 893.71 274,145.17 12,508.23 306,429.76 11,307,542.70 233,453.85 4,514.53	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market Money Market	2004 MF Pinnacle Apts 2004 MF Tranquility Bay Apts 2004 MF Sphinx @ Delafield	4.88 4.89 4.87 4.67 4.67 4.67 4.67 5.42 3.00 4.52	11/01/06 11/01/06 11/01/05 11/01/05 11/01/06 11/01/06 11/01/06 11/01/06 03/01/06 11/22/04 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 01/15/44 01/20/44 12/01/06	42,059,91 8,213,80 233,38 700,17 159,221,22 76,510,97 4,766,92 251,646,46 11,29,039,09 57,831,95 4,463,85	42,659,91 8,213,60 233,38 700,17 159,221,22 76,510,97 4,766,92 251,646,46 11,329,639,69 57,831,95 4,463,85 11,391,935,48	37.37 247.34 53.53 614.88 12.432.71 2.76 195,634.20 7.741.31 215,610.96 175,621.90 50.68 175,672.58	(700.17) (158,327.51) (159,027.68)	0.00 (22,096.99)	0.00	37.37 20,481.89 53.53 20,646.51 236.14 893.71 274,145.17 12,508.23 11,307,542.70 233,453.65 4,514.53	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	37.37 20,481,89 53,53 43,474,78 20,646,51 236,14 893,71 224,145,17 12,508,23 308,429,76 11,307,542,70 233,453,85 4,514,53	0.01 37.37 20,481.89 53.53 43,474.78 20,848.51 236.14 893.71 274,145.17 12,509.23 308,429.78 11,307,542.70 233,453.65	- - - -	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market Money Market Money Market Money Market Money Market Money Market Money Market Money Market GNMA Inv Agmt Money Market	2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Tranquility Bay Apts 2004 MF Sphinx @ Delafield	4.88 4.39 4.88 4.67 4.67 4.67 4.67 5.42 3.00 4.52	11/01/09 11/01/09 11/01/09 11/01/09 11/01/09 11/01/06 11/01/06 11/01/06 11/01/06 11/01/08	12/01/06 12/01/08 12/01/08 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 01/15/44 01/20/44 12/01/06	42,859.91 8,213.80 233.38 700.17 159,221.22 78,510.97 4,786.92 251,646.46 11,329,639.69 57,631.95 4,463.85 11,391,935.49 630,953.41	42,859,91 8,213,60 233,38 770,17 159,221,22 78,510,97 4,766,92 251,646,46 11,329,639,69 57,631,95 4,463,85 11,391,935,49 630,953,41	37.37 247.34 53.53 614.88 12.432.71 2.76 195.834.20 7.741.31 215,810.98 175.621.90 50.68 175,672.58	(700.17) (158,327.51) (159,027.68)	0.00 (22,096.99)	0.00	37.37 20,481.89 53.53 20,646.51 236.14 893.71 274,145.17 12,508.23 11,307,542.70 233,453.85 4,514.53	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	37.37 20,481.89 53.53 43,474.78 20,646.51 236.14 893.71 274,145.17 12,508.23 308,429.76 11,307.542.70 233,453.85 4,514.53 11,545.511.08	0.01 37.37 20,481.89 53.53 43,474.79 20,846.51 236.14 893.71 274,145.17 12,508.23 308,428.76 11,307,542.70 233,453.65 4,514.53 11,545,511.08	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market Money Market	2004 MF Pinnacle Apts 2004 MF Tranquility Bay Apts 2004 MF Sphinx @ Delafield 2004 MF Churchill @ Pinnacle	4.88 4.39 4.88 4.67 4.67 4.67 5.42 3.00 4.52 4.67 4.67	11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 03/01/08 11/01/08	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 01/15/44 01/20/44 12/01/06	42,059,91 8,213,60 233,38 700,17 159,221,22 76,510,97 4,766,92 251,646,46 11,329,039,69 57,031,95 4,463,85 11,391,035,49 630,953,41 31,378,77	42,859,91 8,213,80 233,38 700,17 159,221,22 78,510,97 4,766,92 251,646,46 11,329,639,69 57,831,95 4,463,85 11,391,935,49 630,953,41 31,278,77	37.37 247.34 53.53 614.88 12.432.71 2.76 195,634.20 7.741.31 215,610.96 175,621.90 50.68 175,672.58	(700.17) (158,327.51) (159,027.68)	0.00 (22,096.99)	0.00	37.37 20,481.89 53.53 20,646.51 236.14 893.71 274.145.17 12,508.23 11,307,542.70 233,453.85 4,514.53 838,407.83 217,359.88	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	37.37 20,481.89 53.53 43,474.78 20,646.51 236.14 893.71 274,145.17 712,508.23 308,429.76 11,307,542.70 233,453.85 4,514.53 11,545,511.08 638,407.63 217,359.68	0.01 37.37 20,481.89 53.53 43,474.78 20,846.51 236.14 893.71 274,145.17 12,508.23 308,429.76 11,307,542.70 233,453.65 4,514.53 11,545.511.08	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market Money Market Money Market Money Market Money Market Money Market Money Market Money Market GNMA Inv Agmt Money Market	2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Pinnacle Apts 2004 MF Tranquility Bay Apts 2004 MF Sphinx @ Delafield	4.88 4.39 4.88 4.67 4.67 4.67 4.67 4.67 4.67 4.67 4.67	11/01/09 11/01/09 11/01/09 11/01/09 11/01/09 11/01/06 11/01/06 11/01/06 11/01/06 11/01/08	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	42,859.91 8,213.80 233.38 700.17 159,221.22 78,510.97 4,766.92 251,646.46 11,329,039.99 57,831.95 4,463.85 11,391,035.49 630,953.41 31,378.77 200,343.95	42,859,91 8,213,80 233,38 700,17 159,221,27 8,510,97 4,766,92 251,646,46 11,329,639,99 54,83,85 11,291,935,49 630,953,41 31,276,77 200,343,95	37.37 247.34 53.53 614.88 12.432.71 2.76 195.834.20 7.741.31 215,810.98 175.621.90 50.68 175,672.58	(700.17) (158,327.51) (159,027.68)	0.00 (22,096.99)	0.00	37.37 20,481.89 53.53 20,646.51 230.14 893.71 274,145.17 12,508.23 11,307,542.70 233,453.85 4,514.53	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	37.37 20,481.89 53.53 43,474.78 20,646.51 236.14 893.71 224,145.17 12,508.23 308,429.76 11,307,542.70 233,453.85 4,514.53 11,545,511.08 638,407.63 217,359.68 242.74	0.01 37.37 20,481.89 53.53 43,474.79 20,846.51 236.14 893.71 274,145.17 12,509.23 308,429.76 11,307,542.70 233,453.65 4,514.53 11,645,611.08 638,407.63 217,359.68 242.74	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market	2004 MF Pinnacle Apts 2004 MF Tranquility Bay Apts 2004 MF Sphinx @ Delafield 2004 MF Churchilit @ Pinnacle	4.88 4.39 4.87 4.67 4.52 4.67 4.67 4.67 4.67 4.67 4.67 4.67 4.67	11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 02/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	42,059,91 8,213,80 233,38 700,17 159,221,22 78,510,97 4,766,92 251,646,46 11,299,039,09 57,831,95 4,463,85 11,391,035,49 630,953,41 31,378,77 200,343,95 0,75 92,210,46	42,859,91 8,213,80 233,38 700,17 159,221,22 78,510,97 4,766,92 251,646,46 11,329,639,69 57,831,95 4,463,85 11,391,935,49 630,953,41 31,278,77	37.37 247.34 53.53 614.88 12.432.71 2.76 195.834.20 7.741.31 215,810.98 175.621.90 50.68 175,672.58	(700.17) (158,327.51) (159,027.68)	0.00 (22,096.99)	0.00	37.37 20,481.89 53.53 20,646.51 236.14 893.71 274.145.17 12,508.23 11,307,542.70 233,453.85 4,514.53 838,407.83 217,359.88	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	37.37 20,481.89 53.53 43,474.78 20,646.51 236.14 893.71 274,145.17 712,508.23 308,429.76 11,307,542.70 233,453.85 4,514.53 11,545,511.08 638,407.63 217,359.68	0.01 37.37 20,481.89 53.53 43,474.78 20,846.51 236.14 893.71 274,145.17 12,508.23 308,429.76 11,307,542.70 233,453.65 4,514.53 11,545.511.08	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market Money Market	2004 MF Pinnacle Apts 2004 MF Tranquility Bay Apts 2004 MF Sphinx @ Detafield 2004 MF Sphinx @ Detafield 2004 MF Sphinx @ Detafield 2004 MF Churchill @ Pinnacle	4.88 4.39 4.88 4.67 4.67 4.67 4.67 4.67 4.67 4.67 4.67	11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 02/01/08 11/01/08 11/01/08 11/01/08	12/01/06 12/01/08 12/01/08 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	42,859.91 8,213.80 233.38 700.17 159,221.22 78,510.97 4,766.92 251,646.40 11,329,639.69 57,831.95 4,463.85 11,391,935.49 630,953.41 31,378.77 200,343.95 9,75 92,210.46 4,105.65	42,859,91 8,213,80 233,38 770,17 159,221,22 78,510,97 4,766,92 251,646,46 11,329,639,69 57,831,95 4,463,85 11,391,935,49 630,953,41 31,376,77 200,343,95 0,75 92,210,46	37.37 247.34 53.53 614.88 12.432.71 2.70 195.834.20 7.741.31 215.810.98 175.621.90 50.68 175.672.58 7.454.22 195.990.91	(700.17) (158,327.51) (159,027.66) 0.00	0.00 (22,096.99) (22,096.99)	0.00	37.37 20,481.89 53.53 20,646.51 236.14 893.71 274,145.17 12,508.23 11,307,542.70 233,453.85 4,514.53 636,407.63 217,359.68 242.74 0.73	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	37.37 20,481.89 53.53 43,474.78 20,645.51 236.14 893.71 274,145.17 12,508.23 308,429.76 11,307,542.70 233,453.05 4,514.53 11,545,511.08 638,407.63 217,359.68 242.74 0.73	0.01 37.37 20,481.89 53,53 43,474.78 20,848.51 236.14 893.71 274,145.17 12,508.23 308.426.76 11,307.542.70 233,453.85 4.514.53 11,545.511.00 638,407.63 217,359.80 242.74 0.73	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market	2004 MF Pinnacle Apts 2004 MF Tranquility Bay Apts 2004 MF Sphinx @ Delafield 2004 MF Churchilit @ Pinnacle	4.88 4.39 4.87 4.67 4.52 4.67 4.67 4.67 4.67 4.67 4.67 4.67 4.67	11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 02/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	42,059,91 8,213,80 233,38 700,17 159,221,22 78,510,97 4,766,92 251,646,46 11,299,039,09 57,831,95 4,463,85 11,391,035,49 630,953,41 31,378,77 200,343,95 0,75 92,210,46	42,659,91 8,213,60 233,38 700,17 159,221,22 70,510,97 4,766,92 251,646,46 11,329,639,09 57,831,95 4,483,85 11,291,935,49 630,953,41 31,976,77 200,343,95 0.75 92,210,46	37.37 247.34 53.53 614.88 12.432.71 2.70 195,634.20 7.741.31 215,610.96 175,621.90 50.68 175,672.58 7.454.22 165,980.91	(700.17) (158,327.51) (159,027.68)	0.00 (22,096.99)	0.00	37.37 20,481.89 53.53 20,646.51 236.14 893.71 274,145.17 12,508.23 11,307,542.70 233,453.65 4,514.53 636,407.63 217,359.68 242.74 0.73 132,365.88	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	37.37 20,481.89 53.53 43,474.78 20,646.51 236.14 893.71 224,145.17 12,508.23 308,429.76 11,307,542.70 233,453.85 4,514.53 11,545,511.08 638,407.63 217,359.68 242.74 0.73 132,366.38	0.01 37.37 20,481.89 53.53 43,474.78 20,848.51 236.14 893.71 274,145.17 12,508.23 308.429.78 11,307,542.70 233,453.65 4,514.53 11,645,511.08 638,407.63 217,359.66 242.74 0.73 132,366.38	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market Money Market	2004 MF Pinnacle Apts Total 2004 MF Tranquility Bay Apts 2004 MF Sphinx @ Detafield 2004 MF Sphinx @ Detafield 2004 MF Sphinx @ Detafield 2004 MF Churchili @ Pinnacle	4.88 4.39 4.88 4.67 4.67 4.67 4.67 4.67 4.67 4.67 4.67	11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 02/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	42,859,91 8,213,80 233,38 700,17 159,221,22 78,510,97 4,766,92 251,646,46 11,329,639,99 57,831,95 4,483,85 11,391,935,49 630,953,41 31,378,77 200,343,95 0,75 92,210,46 4,105,95	42,859,91 8,213,80 233,38 700,17 159,221,22 78,510,97 4,766,92 251,645,46 11,329,639,99 57,831,95 4,483,85 11,391,935,49 630,953,41 31,378,77 200,343,95 0,75 92,210,46 4,105,65	37.37 247.34 53.53 614.88 12.432.71 2.70 195,834.20 7.741.31 215,810.98 175,821.90 50.68 175,672.58 7.454.22 165,980.91 40,155.92 6,260.19 239,851.24	(700.17) (158,327.51) (159,027.66) 0.00	0.00 (22,096.99) (22,096.99)	0.00	37.37 20,481.89 53.53 20,646.51 230.14 893.71 274,145.17 12,508.23 11,307,542.70 233,453.85 4,514.53 636,407.63 217,359.80 242.74 0.73 132,366.38 10,365.84	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	37.37 20,481.89 53.53 43,474.78 20,646.51 236.14 893.71 224,145.17 12,508.23 308,429.76 11,307,542.70 233,453.85 4,514.53 11,545,511.08 638,407.63 217,359.68 242.74 0.73 132,866.38 10,365.84	0.01 37.37 20,481.89 53.53 43,474.79 20,846.51 236.14 893.71 274,145.17 12,509.23 308,429.76 11,307,542.70 233,453.65 4,514.53 11,645,511.08 638,407.63 217,359.68 242.74 0.73 132,366.38 10,365.84 898,743.00	0.00	0.00 0.00
Money Market	2004 MF Pinnacle Apts 2004 MF Tranquility Bay Apts 2004 MF Sphinx @ Detafield 2004 MF Sphinx @ Detafield 2004 MF Sphinx @ Detafield 2004 MF Churchill @ Pinnacle	4.88 4.39 4.87 4.67 4.52 4.67 4.67 4.67 4.67 4.67 4.67 4.67 4.67	11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 02/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	42,859.91 8,213.80 233.38 700.17 159,221.22 78,510.97 4,786.92 251,646.46 11,329,639.69 57,831.95 4,463.85 11,391,935.49 630,953.41 31,378.77 200,343.95 9,783.95 92,210.46 4,105.65 958,992.99	42,859,91 8,213,80 233,38 770,17 159,221,22 78,510,97 4,765,92 251,646,46 11,329,639,89 57,831,95 4,463,85 11,391,935,49 630,953,41 31,378,77 200,343,95 9,210,48 4,105,65 958,992,99 2,803,39	37.37 247.34 53.53 614.88 12.432.71 2.76 195.834.20 7.741.31 215.810.98 175.621.90 50.68 175.672.58 7.454.22 195.980.91 40,155.92 6,260.19 239.851.24 43.14	(700.17) (158,327.51) (159,027.66) 0.00	0.00 (22,096.99) (22,096.99)	0.00	37.37 20,481.89 53.53 20,646.51 236.14 893.71 274,145.17 12,508.23 11,307,542.70 233,453.85 4,514.53 638,407.83 217,359.86 242.74 0.73 132,386.38 10,395.84	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	37.37 20,481.89 53.53 43,474.78 20,646.51 236.14 893.71 274,145.17 12,508.23 308,429.76 11,307,542.70 233,453.85 4,514.53 217,359.68 242.74 0.73 132,366.38 10,365.84 998,743.00 2,846.53	0.01 37.37 20,481.89 53,53 43,474.79 20,846.51 236.14 893.71 274,145.17 12,508.23 308,428.76 11,307,542.70 233,453.85 4.514.53 11,645.511.08 242.74 0.73 122,386.38 10,365.84	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market	2004 MF Pinnacle Apts Total 2004 MF Tranquility Bay Apts 2004 MF Sphinx @ Delafield 2004 MF Churchill @ Pinnacle	4.88 4.39 4.87 4.67 4.67 4.67 5.42 3.00 4.52 4.67 4.67 4.67 4.52 4.67 4.52	11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/08 12/01/08 12/01/08	42,859,91 8,213,80 233,38 700,17 159,221,22 78,510,97 4,766,92 251,646,46 11,329,639,99 57,831,95 4,483,85 11,391,935,49 630,953,41 31,378,77 200,343,95 0,75 92,210,46 4,105,95	42,859,91 8,213,80 233,38 700,17 159,221,22 78,510,97 4,766,92 251,645,46 11,329,639,99 57,831,95 4,483,85 11,391,935,49 630,953,41 31,378,77 200,343,95 0,75 92,210,46 4,105,65	37.37 247.34 53.53 614.88 12.432.71 2.70 195,834.20 7.741.31 215,810.98 175,821.90 50.68 175,672.58 7.454.22 165,980.91 40,155.92 6,260.19 239,851.24	(700.17) (158,327.51) (159,027.66) 0.00	0.00 (22,096.99) (22,096.99)	0.00	37.37 20,481.89 53.53 20,646.51 236.14 893.71 274,145.17 12,508.23 11,307,542.70 233,453.65 4,514.53 217,359.69 242.74 0.73 132,365.89 10,305.84	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	37.37 20,481,89 53,53 43,474,78 20,646,51 236,14 893,71 224,145,17 12,508,23 308,429,76 11,307,542,70 233,453,85 4,514,53 11,545,511,08 638,407,65 217,359,68 242,74 0.73 132,365,38 10,365,84 998,743,00 2,846,53 2,73	0.01 37.37 20,481.89 53.53 43,474.78 20,848.51 236.14 893.71 274,145.17 12,508.23 308,429.75 11,207,542.70 233,453.85 4,514.53 11,545,511.08 638,407.63 217,359.88 242.74 0.73 132,366.38 10,365.84 998,743.00 2,846.53 2,73	0.00	0.00 0.00
Money Market	2004 MF Pinnacle Apts 2004 MF Tranquility Bay Apts 2004 MF Sphinx @ Delafield 2004 MF Churchilit @ Pinnacle	4.88 4.39 4.87 4.67 4.67 4.67 5.42 4.67 4.52 4.67 4.52 4.67 4.52 4.88 4.88	11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08	12/01/06 12/01/08 12/01/08 12/01/08 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/08 12/01/08 12/01/08 12/01/08	42,059,91 8,213,00 233,38 700,17 159,221,22 78,510,97 4,766,92 251,646,46 11,329,639,69 57,831,95 4,463,85 11,391,935,49 630,953,41 31,378,77 200,343,95 0,75 92,210,46 4,105,65 958,992,99 2,003,39 2,003,39 2,70	42,859,91 8,213,80 233,38 700,17 159,221,22 78,510,97 4,766,92 251,646,46 11,329,639,09 57,831,95 4,463,85 11,391,935,49 630,953,41 31,378,77 200,343,95 92,210,46 4,105,65 958,992,99 2,803,39 2,70	37.37 247.34 53.53 614.88 12.432.71 2.76 195,834.20 7.741.31 215,810.98 175,672.58 7,454.22 165,980.91 40,155.92 6,260.18 239.851.24 43.14 0.03	(700.17) (158,327.51) (159,027.66) 0.00	0.00 (22,096.99) (22,096.99)	0.00	37.37 20,481.89 53.53 20,646.51 236.14 893.71 274,145.17 12,508.23 11,307,542.70 233,453.85 4,514.53 638,407.83 217,359.86 242.74 0.73 132,386.38 10,395.84	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	37.37 20,481.89 53.53 43,474.78 20,646.51 236.14 893.71 274,145.17 12,508.23 308,429.76 11,307,542.70 233,453.85 4,514.53 217,359.68 242.74 0.73 132,366.38 10,365.84 998,743.00 2,846.53	0.01 37.37 20,481.89 53,53 43,474.79 20,846.51 236.14 893.71 274,145.17 12,508.23 308,428.76 11,307,542.70 233,453.85 4.514.53 11,645.511.08 242.74 0.73 122,386.38 10,365.84	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0

Money Market		4,52	11/01/06	12/01/08	204,131,95	204,131.95		(22,755.27)			181,376.88	0.00	0.00	181,376.68	181,376.68	-	0.00
inv Agmt Maney Market	2004 MF Village Fair 2004 MF Village Fair	4.67	11/01/06	12/01/06	0.17 29,208.60	0.17 29,208.66	75,375.00	(0.17)			105,583.66	0.00	0.00	105,583.66	105,583,66	-	0.00 0.00
Money Market		4.07	11/01/00	12/01/00	242,214.44	242,214.44	10,313.00	(242,214.44)			103,363.66	0.00	0.00	102,503.00	105,303.00	-	8.00 8.00
Money Market	2004 MF Village Fair	4.52	11/01/06	12/01/06	32.78	32.75	6,148.18				6,180.96	0.00	0.00	6,180.96	6,180.96		0.00
	2004 MF Village Fair Total				475,588.00	475,588.00	02,523.10	(264,969.88)	0.00	0.00				293,141.30	293,141,30	0.00	0,00
Money Market	2005 MF Pecas Grove	4.52	11/01/05	12/01/08	494,814,44	494.614.44	0.00				494,614,44	0.00	0.00	494,614.44	494,614.44	_	0.00
Money Market	2005 MF Pecan Grove	4.52	11/01/06	12/01/06	3,767.95	3,767.95	0.00	(1,886.63)			1,891.32	0.00	0.00	1,881.32	1,881.32	-	0.00
Money Market		4.52	11/01/06	12/01/06	235,280.28	236,280.28		(217,803.14)			18,477.14	0.00	0.00	18,477.14	10,477.14		0.00
	2005 MF Pecan Grove Total				734,662.67	734,682.67	0.00	(219,689.77)	0.00	0.00				514,972.90	514,972.90	0.00	0.00
Money Market	2005 MF Prairie Oaks	4.52	11/01/06	12/01/06	363,633.40	363,633.40		(14,758,45)			346,876.95	0.00	0.00	348,876.95	348,876,95		0.00
Inv Agmt	2005 MF Prairie Oaks	2.76	02/02/05	01/01/07	,	•	65.04	(**,))			65.04	0.00	0.00	65.04	65.04	-	0.00
Money Market	2005 MF Prairie Oaks	4.52	11/01/06	12/01/06	1,132.89	1,132.89	3,024,04				4,155.93	0.00	0.00	4,155.93	4,156.93	-	0.00
Inv Agmt Money Market	2005 MF Prairie Oaks 2005 MF Prairie Oaks	2.7 6 4.52	02/02/05 11/01/06	01/01/07 12/01/06	23,027.65	23,027.65	89,601.08	(3,000.00)			20,027.65 89,601.06	00.0 00.0	00,0 00.0	20,027,65 89,601.06	20,027.65 89.601.06	-	00.0 00.0
Money Market		4.52	11/01/06	12/01/06			51.56				51.58	0.00	0.00	51.58	51.58	-	0.00
Inv Agmt	2005 MF Prairie Oaks	2.76	02/02/05	01/01/07	49.57	49.57		(2.66)			48.89	0.00	0.60	48.89	46.89	•	0.00
Money Market	2005 MF Prairie Oaks 2005 MF Prairie Oaks Total	4.52	11/01/06	12/01/06	207.040.54	387,843.51	237.11	(17.755.75)	9.00	0.00	237.11	0.00	0.00	237.11	237.11	0.00	0.00
	2005 MF Praine Caks Total				367,643.51	387,843.51	92,978.81	(17,759.13)	9.00	0.00				463,063.19	463,083.19	0.00	0.00
Money Market		4.52	11/01/06	12/01/06	15,240.10	15,240.10	0.00				15,240.10	0.00	0.00	15,240.10	15,240.10	-	0.00
Money Market		4.52	11/01/06	12/01/06	338,879.33	338,879.33		(194,534.15)			144,345.18	0.00	0.00	144,345.18	144,345.18	- -	0.00
	2005 MF Port Royal Total				354,119.43	354,119.43	0.00	(194,534.15)	0.00	0.00				159,585,28	159,585,28	0.00	0.00
Money Market	2005 MF Mission Del Rio	4.52	11/01/08	12/01/05	125,084.29	125,084.29		(120,091,69)			4,992.60	0,00	0.00	4,992.60	4,992.60	_	0.00
Money Market	2005 MF Mission Del Rio	4.52	11/01/06	12/01/06	7,189,164,41	7,189,164.41		(2,361,374.03)			4,827,790.38	0.00	0.00	4,827,790.38	4,827,790,38	•	0.00
Money Markel	2005 MF Mission Del Rio			_	27,992.56	27,992.56		(27,992.56)									0.00
	2005 MF Mission Del Rio Total				7,342,241.26	7,342,241.26	0.00	(2,509,458.28)	0,00	0.00				4,832,782.98	4,832,782.98	0.00	0.00
Money Market	2005 MF Atascocita Apts	4.52	11/01/06	12/01/06	6,152.65	6,152.65	50.01				6,202.66	0.00	0.00	6,202.66	6,202.66	_	0.00
Money Market	2005 MF Atascocita Apts	4.52	11/01/06	12/01/06	11,586.61	11,586.61	139,86				11,726.47	0.00	0,00	11,726,47	11,726.47	-	0.00
Money Market	2005 MF Atascocita Apts	4.52	11/01/06	12/01/06	1,757.23	1,757.23	705,826.72				707,583.95	0.00	0.00	707,503.95	707,583.95	•	0.00
Inv Agmt Money Market	2005 MF Atescocite Apts 2005 MF Atescocite Apts	4.52	11/01/06	12/01/06	811,960.77 210,019.26	811,960.77 210,019.26		(811,960.77) (143,582.82)			66,436.44	0.00	0.00	66,436.44	66,436.44		0.00 0.00
Money Market	2005 MF Atascocita Apts	4.52	11/01/06	12/01/06			0.27	(140,002.02)			0.27	0,00	0,00	0.27	0.27		0.00
	2005 MF Atascocita Apts Total				1,041,476.52	1,041,476,52	706,016.86	(955,543.59)	0.00	0.00				791,949.79	791,949.79	0.00	0.00
Money Market	2005 ME Towns Didge	4 70	44/04/06	17/01/06	E03 320 31	503 720 24		(E92 400 40)			020.71	0.00	0.00	020.24	820 T4		0.00
Money Market Money Market	2005 MF Tower Ridge 2005 MF Tower Ridge	4.39 4.52	11/01/06 11/01/05	12/01/06 12/01/06	583,230.31 87,491.63	593,230.31 87,491.63		(582,400.10) (87,410.27)			830.21 81.36	0.00 00.0	0.00 0.00	830.21 81.36	830.21 81.35	-	00,0 00.0
	2005 MF Tower Ridge 2005 MF Tower Ridge				87,491,63 29.19	87,491,63 29.19	0.00	(87,410.27)			830,21 81,36 29,19	0.00 00.0 00.0	0.00 0.00 0.00	830.21 81.36 29.19	830.21 81.35 29.19		00,0 00.0 00.0
Money Market	2005 MF Tower Ridge	4.52	11/01/05	12/01/05	87,491,63	87,491.63	0.00		0.00	0.00	81.36	0.00	0.00	81.36	81.36	0.00	0.00
Money Market Money Market	2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge Total	4.52 4.52	11/01/05 11/01/05	12/01/05 12/01/06	87,491,63 29,19 670,751.13	87,491,63 29.19 670,751.13	0.00	(87,410.27)	0.00	0.00	81.36 29.19	0.00 0.00	0.00 0.00	81.36 29.19 940.76	81.35 29.19 940.76		0.00 0.00 0.00
Money Market	2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge Total 2005 MF Alta Culten 2005 MF Alta Culten	4.52	11/01/05	12/01/05	87,491,63 29.19	87,491,63 29.19		(87,410.27)	0,00	0,00	81.36	0.00	0.00	81.36 29.19	81.36 29.19		0.00 00.0
Money Market Money Market Money Market Money Market Money Market	2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge Total 2005 MF Alta Cullen 2005 MF Alta Cullen 2005 MF Alta Cullen	4.52 4.52 4.52	11/01/05 11/01/06 11/01/06	12/01/05 12/01/06 	87,491,63 29.19 670,751.13 77,510.00 49,071.57	87,491.63 29.19 670,751.13 77,510.00 49,071.57	0.00	(87,410.27) (699,810.37) (45,308.97)	0,00	0.00	81.36 29.19 109,163.31	0.00 0.00 0.00	0.00 0.00 0.00	81.36 29.19 940.76 100,163.31	81.35 29.19 940.76 100,163.31		0.00 0.00 0.00 0.00 0.00 0.00
Money Market Money Market Money Market Money Market	2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Alta Cullen 2005 MF Alta Cullen 2005 MF Alta Cullen 2005 MF Alta Cullen	4.52 4.52 4.52 4.52 4.67	11/01/05 11/01/05 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06	97,491,63 29,19 670,751,13 77,510.00 49,071,57	87,491.63 29.19 670,751.13 77,510.00 49,071.57	22,653.31 109,886.69	(87,410.27) (669,810.37) (45,308.97) (19,586.76)			81.36 29.19 100,163.31 3,762.60	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	81.36 29.19 940.76 100,163.31 3,762.60 108,888.69	81.35 29.19 940.76 100,163.31 3,762.60 106,888.69	0.00 - - -	0.80 0.80 0.80 0.80 0.90 0.90 0.90
Money Market Money Market Money Market Money Market Money Market	2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge Total 2005 MF Alta Cullen 2005 MF Alta Cullen 2005 MF Alta Cullen	4.52 4.52 4.52 4.52 4.67	11/01/05 11/01/05 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06	87,491,63 29.19 670,751.13 77,510.00 49,071.57	87,491.63 29.19 670,751.13 77,510.00 49,071.57	0.00 22,653.31	(87,410.27) (699,810.37) (45,308.97)	0.00	0.00	81.36 29.19 100,163.31 3,762.60	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	81.36 29.19 940.76 100,163.31 3,762.60	81.36 29.16 940.76 100,163.31 3,762.60		0.00 0.00 0.00 0.00 0.00 0.00
Money Market Money Market Money Market Money Market Money Market Money Market	2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge Total 2005 MF Alta Cullen	4.52 4.52 4.52 4.52 4.67	11/01/05 11/01/05 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06	87,491,63 29,19 670,751,13 77,510,00 49,071,57 19,586,76 146,188,33	87,491,63 29.19 670,751,13 77,510,00 49,071,57 19,586,78 146,166,33 1,034,76	22,653.31 109,886.69	(87,410.27) (669,810.37) (45,308.97) (19,586.76) (64,895.73) (1,034.76)			81.36 29.19 100,163.31 3,762.60	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	81.36 29.19 940.76 100,163.31 3,762.60 108,888.69	81.35 29.19 940.76 100,163.31 3,762.60 106,888.69	0.00 - - -	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market Money Market Money Market Money Market Money Market Money Market Inv Agmt	2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge Total 2005 MF Alta Cullen 2005 MF Latayette Village 2005 MF Latayette Village 2005 MF Latayette Village	4.52 4.52 4.52 4.52 4.67	11/01/05 11/01/05 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06	87,491,63 29,19 670,751,13 77,510,00 49,071,57 19,586,76 146,188,33 1,034,76 12,699,38	87,491,63 29.19 670,751.13 77,510.00 49,071.57 19,589.78 146,168.33 1,034.76 12,699.38	22,653.31 109,886.69	(87,410.27) (669,810.37) (45,308.97) (19,586.76) (64,895.73) (10,034.76) (12,999.38)			81.36 29.19 100,163.31 3,762.60	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	81.36 29.19 940.76 100,163.31 3,762.60 108,888.69	81.35 29.19 940.76 100,163.31 3,762.60 106,888.69	0.00 - - -	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market Money Market Money Market Money Market Money Market Money Market Inv Agmt Money Market	2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Alta Cullen 2005 MF Lafayette Village 2005 MF Lafayette Village 2005 MF Lafayette Village	4.52 4.52 4.52 4.52 4.67	11/01/05 11/01/05 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06	87,491.63 29.19 670,751.13 77,510.00 49,071.57 19,586.76 146,168.33 1,034.76 12,699.35 24,205.98	87,491,63 29.19 670,751,13 77,510.00 49,071,57 19,586.76 146,168.33 1,034.76 12,599.38 24,205.98	22,653.31 109,886.69	(87,410.27) (669,810.37) (45,308.97) (19,586.76) (64,895.73) (1,034.76) (12,993.38) (24,205.98)			81.36 29.19 100,163.31 3,762.60	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	81.36 29.19 940.76 100,163.31 3,762.60 108,888.69	81.35 29.19 940.76 100,163.31 3,762.60 106,888.69	0.00 - - -	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market Money Market Money Market Money Market Money Market Money Market Inv Agmt Money Market	2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Atta Cullen 2005 MF Lotayette Village	4.52 4.52 4.52 4.52 4.67	11/01/05 11/01/05 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06	87,491,63 29,19 670,751,13 77,510,00 49,071,57 19,586,76 146,168,33 1,034,76 12,899,38 24,205,98 958,146,04 11,105,67	87,491,63 29.19 670,751.13 77,510.00 49,071.57 19,589.78 146,168.33 1,034.76 12,699.38	22,653.31 109,886.69	(87,410.27) (669,810.37) (45,308.97) (19,586.76) (64,895.73) (10,034.76) (12,999.38)			81.36 29.19 100,163.31 3,762.60	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	81.36 29.19 940.76 100,163.31 3,762.60 108,888.69	81.35 29.19 940.76 100,163.31 3,762.60 106,888.69	0.00 - - -	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market Money Market Money Market Money Market Money Market Inv Agmt Money Market Money Market Money Market Money Market	2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Alta Cullen 2005 MF Lata Cullen 2005 MF Lata Cullen 2005 MF Latayette Village 2005 MF Lafayette Village 2005 MF Lafayette Village	4.52 4.52 4.52 4.52 4.67	11/01/05 11/01/05 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06	87,491,63 29,19 670,751,13 77,510,00 49,071,57 19,586,76 146,186,33 1,034,76 12,899,33 24,205,98 958,146,04 11,105,67 216,267,73	97,491,63 29,19 670,751,13 77,510,00 49,071,57 19,586,76 146,168,33 1,034,76 12,899,38 24,205,98 958,146,04 11,105,67 216,267,73	0.00 22,653.31 106,886.69 129,542.00	(87,410.27) (869,810.37) (45,308.97) (19,586.76) (64,895.73) (10,34.76) (12,899.38) (24,205.88) (858,149.04) (11,105.67) (210,287.73)	0.00	0.00	81.36 29.19 100,163.31 3,762.60	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	81.36 29.19 940.76 100,163.31 3,782.60 106,888.69 210,814.60	81.36 29.10 940.76 180,163.31 3,762.60 186,886.69 210,814.60	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market Money Market Money Market Money Market Money Market Money Market Inv Agmt Money Market	2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Atta Cullen 2005 MF Lotayette Village	4.52 4.52 4.52 4.52 4.67	11/01/05 11/01/05 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06	87,491,63 29,19 670,751,13 77,510,00 49,071,57 19,586,76 146,168,33 1,034,76 12,899,38 24,205,98 958,146,04 11,105,67	97,491,63 29.19 670,751.13 77,510.00 49,071.57 19,588.78 146,168.33 1,034.78 12,599.38 24,205.98 958,146.04 11,105.67	22,653.31 109,886.69	(87,410.27) (669,810.37) (45,308.97) (19,586.76) (64,895.73) (12,899.38) (24,205.98) (958,146.04) (11,105.67)			81.36 29.19 100,163.31 3,762.60	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	81.36 29.19 940.76 100,163.31 3,762.60 108,888.69	81.35 29.19 940.76 100,163.31 3,762.60 106,888.69	0.00 - - -	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market Money Market Money Market Money Market Money Market Inv Agmt Money Market	2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Alta Cullen 2005 MF Lefayette Village	4.52 4.52 4.52 4.67 4.52	11/01/05 11/01/05 11/01/05 11/01/05 11/01/05	12/01/06 12/01/08 12/01/06 12/01/06 12/01/06	87,491,63 29,19 670,751,13 77,510,00 49,071,57 19,586,76 146,186,33 1,034,76 12,899,33 24,205,98 958,146,04 11,105,67 216,267,73	97,491,63 29,19 670,751,13 77,510,00 49,071,57 19,586,76 146,168,33 1,034,76 12,899,38 24,205,98 958,146,04 11,105,67 216,267,73	0.00 22,653.31 106,886.69 129,542.00	(87,410.27) (869,810.37) (45,308.97) (19,586.76) (64,895.73) (10,34.76) (12,899.38) (24,205.88) (858,149.04) (11,105.67) (210,287.73)	0.00	0.00	81.36 29.19 100,163.31 3,762.60	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	81.36 29.19 940.76 100,163.31 3,782.60 106,888.69 210,814.60	81.36 29.10 940.76 180,163.31 3,762.60 186,886.69 210,814.60	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market Money Market Money Market Money Market Money Market Money Market Inv Agmt Money Market Money Market Money Market Money Market Inv Agmt Money Market Inv Agmt	2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Atta Cullen 2005 MF Lalayette Village 2005 MF Lafayette Village 2005 MF Prairie Ranch	4.52 4.52 4.52 4.57 4.52	11/01/05 11/01/05 11/01/05 11/01/05 11/01/05	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	87,491,63 29,19 670,751,13 77,510,00 49,071,57 19,586,76 146,186,33 1,034,76 12,899,38 24,205,98 568,146,04 11,105,67 216,287,73 1,223,659,56 37,712,15 168,430,79	87,491,63 29.19 670,751.13 77,510,00 49,071,57 19,586,76 146,168,33 1,034,76 12,599,38 24,205,98 588,146,04 11,105,67 216,267,73 1,223,659,56	0.00 22,653.31 106,886.69 129,542.00 0.90	(87,410.27) (669,810.37) (45,308.97) (19,586.76) (64,895.73) (1,034.76) (12,899.38) (24,205.98) (358,146.04) (11,105.67) (216,287.73) (1,273,659.56)	0.00	0.00	81.36 29.19 100,163.31 3,762.60 106,888,69	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	81.36 29.19 940.76 100,163.31 3,762.60 106,888.69 210,614.60	81.38 29.10 940.76 100,163.31 3,762.60 106,688.69 210,614.60	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market Money Market Money Market Money Market Money Market Money Market Inv Agmt Money Market Money Market Money Market Money Market Inv Agmt Money Market Inv Agmt Money Market Inv Agmt	2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Alta Cullen 2005 MF Lafayette Village 2005 MF Prairie Ranch 2005 MF Prairie Ranch	4.52 4.52 4.52 4.57 4.52 3.25 4.99	11/01/06 11/01/08 11/01/06 11/01/08 11/01/08 11/01/05	12/01/06 12/01/08 12/01/06 12/01/06 12/01/06 12/01/06	87,491,63 29,19 670,751,13 77,510,00 49,071,57 19,586,76 146,198,33 1,034,76 12,899,38 24,205,98 958,146,04 11,105,67 216,287,73 1,223,659,56 37,712,15 10,336,225,00	97,491,63 29,19 670,751,13 77,510,00 49,071,57 19,586,76 146,168,33 1,034,76 12,599,38 24,205,98 958,146,04 11,105,67 216,267,73 1,223,659,56 37,712,15 168,430,79 10,336,325,00	0.00 22,653.31 100,888.69 129,542.00	(87,410.27) (869,810.37) (45,308.97) (19,586.76) (64,895.73) (10,34.76) (12,899.38) (24,205.98) (858,149.04) (11,105.67) (210,287.73) (1,223,659.56) (37,712.15)	0.00	0.00	81.36 29.19 100,163.31 3,762.60 106,888.69 336,459.06	0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	81.36 29.19 940.76 100,163.31 3,782.60 100,888.69 210,814.60	81.36 29.10 940.76 100,163.31 3,762.60 166,686.69 210,614.60	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market Money Market Money Market Money Market Money Market Inv Agmt Money Market Money Market Money Market Money Market Money Market Inv Agmt Money Market Inv Agmt	2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Atta Cullen 2005 MF Lalayette Village 2005 MF Lafayette Village 2005 MF Prairie Ranch	4.52 4.52 4.52 4.57 4.52 3.25 4.99 3.72	11/01/06 11/01/08 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/08 12/01/06 12/01/06 12/01/06 12/01/06	87,491.63 29.19 670,751.13 77,510.00 49,071.57 19,586.76 146,186.33 1,034.76 12,899.38 24,205.98 950,146.04 11,105.67 216,267.73 1,223,659.56 37,712.15 168,430.79 10,336,325.00 1,858,675.00	97,491,63 29.19 670,751.13 77,510,00 49,071.57 19,586.76 146,168.33 1,034.76 12,699.38 24,205,98 958,146.04 11,105,67 216,267,73 1,223,659.56 37,712.15 168,430.79 10,336,325.00 1,658,675.00	0.00 22,653.31 106,888.69 129,542.00 0.90 168,028.27 1,243,187.00	(87,410.27) (669,810.37) (45,308.97) (19,586.76) (64,895.73) (1,034.76) (12,899.38) (24,205.98) (358,146.04) (11,105.67) (216,287.73) (1,273,659.56)	0.00	0.00	81.36 29.19 100.163.31 3,762.60 106,889.99 336,459.08 11,579,512.00 600,886.43	0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00	81.36 29.19 940.76 100,183.31 3,782.60 106,888.69 210,614.60 0.00 336,459.86 11,579,512.00 600,886.43	81.36 29.16 940.76 100,163.31 3,762.60 106,886.69 210,614.60 0.00 336,459.06 11,578,512.00 600,886.43	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market Money Market Money Market Money Market Money Market Inv Agmt Money Market Money Market Money Market Money Market Money Market Inv Agmt Money Market Money Market Money Market Money Market Money Market	2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Alta Cullen 2005 MF Lalayette Village 2005 MF Lafayette Village 2005 MF Praire Ranch	4.52 4.52 4.52 4.67 4.52 3.25 4.99 3.72 4.52	11/01/06 11/01/06 11/01/06 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 ————————————————————————————————————	87,491,63 29,19 670,751,13 77,510,00 49,071,57 19,586,76 146,186,33 -1,034,76 12,899,38 24,205,98 958,146,04 11,105,67 216,267,73 1,223,059,56 37,712,15 168,430,79 10,336,225,00 14,550,98 26,551,75	97,491,63 29,19 670,751,13 77,510,00 49,071,57 19,586,76 146,168,33 1,034,76 12,599,38 24,205,98 958,146,04 11,105,67 216,267,73 1,223,659,56 37,712,15 168,430,79 10,336,325,00	0.00 22,653.31 106,886.69 129,542.00 0.90	(87,410.27) (869,810.37) (45,308.97) (19,586.76) (64,895.73) (10,34.76) (12,899.38) (24,205.98) (858,149.04) (11,105.67) (210,287.73) (1,223,659.56) (37,712.15)	0.00	0.00	81.36 29.19 100,163.31 3,762.60 106,888.69 336,459.06	0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	81.36 29.19 940.76 100,163.31 3,782.60 100,888.69 210,814.60	81.36 29.10 940.76 100,163.31 3,762.60 166,686.69 210,614.60	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market Money Market Money Market Money Market Money Market Money Market Inv Agmt GNMA Inv Agmt Money Market	2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Alta Cullen 2005 MF Lalayette Village 2005 MF Lalayette Village 2005 MF Lafayette Village 2005 MF Prairie Ranch	4.52 4.52 4.52 4.57 4.52 3.25 4.99 3.72 4.52	11/01/06 11/01/08 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	87,491,63 29,19 670,751,13 77,510,00 49,071,57 19,586,76 146,188,33 1,034,76 12,899,38 24,205,98 958,146,04 11,105,67 216,267,73 1,223,059,56 37,712,15 168,430,79 10,336,325,00 18,586,75,00 14,550,96 26,561,75	87,491,63 29.19 670,751.13 77,510,00 49,071.57 19,586.76 146,108.33 1,034.76 12,599.38 24,205.98 958,146.04 11,105.67 216,267.73 1,223,659.56 37,712.15 168,430.79 10,336,325.00 1,858,675.00 1,858,675.00 14,550.86 26,561.75	0.00 22,653.31 106,888.69 129,542.00 0.00 0.00 168,028.27 1,243,187.00 7,855.48 5,057.81 0.12	(87,410.27) (669,810.37) (45,308.97) (19,586.76) (64,895.73) (10,34.76) (12,899.38) (24,205.98) (358,146.04) (11,105.67) (216,287.73) (1,223,0555.56) (37,712.15) (1,257,788.57)	0.60	0.00	81.36 29.19 100.183.31 3,762.60 104,888.69 338,459.08 11,579,512.00 600.686.43 22,406.44	0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	81.36 29.19 940.76 100,183.31 3,782.60 106,888.69 210,614.60 0.00 336,459.06 11,579,512.00 600,886.43 22,406.44 31,619.56 10.00	81.38 29.16 940.76 100,163.31 3,762.60 106,888.69 210,614.60 0.00 0.00 11,579,512.00 600,886.43 22,405.44 31,618.56 10.00	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market Money Market Money Market Money Market Money Market Inv Agmt Money Market Money Market Money Market Money Market Money Market Inv Agmt Money Market Money Market Money Market Money Market Money Market	2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Alta Cullen 2005 MF Lalayette Village 2005 MF Lafayette Village 2005 MF Praire Ranch	4.52 4.52 4.52 4.67 4.52 3.25 4.99 3.72 4.52	11/01/06 11/01/06 11/01/06 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 ————————————————————————————————————	87,491,63 29,19 670,751,13 77,510,00 49,071,57 19,586,76 146,186,33 -1,034,76 12,899,38 24,205,98 958,146,04 11,105,67 216,267,73 1,223,059,56 37,712,15 168,430,79 10,336,225,00 14,550,98 26,551,75	97,491,63 29,19 670,751,13 77,510,00 49,071,57 19,586,76 146,168,33 1,034,76 12,599,38 24,205,98 958,146,04 11,105,67 216,267,73 1,223,659,56 37,712,15 168,430,79 10,336,325,00 14,550,00 14,550,00 14,550,00	0.00 22,653.31 106,886.69 129,542.00 0.80 168,028.27 1,243,187,00 7,855.48 5,057.81	(87,410.27) (869,810.37) (45,308.97) (19,586.76) (64,895.73) (10,34.76) (12,899.38) (24,205.98) (858,149.04) (11,105.67) (210,287.73) (1,223,659.56) (37,712.15)	0.00	0.00	81.36 29.19 100,163.31 3,762.60 106,888.69 330,459.06 11,579,512.00 600,886.43 22,406.44 31,619.56	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	81.36 29.19 940.76 100,163.31 3,782.60 106,888.69 210,814.60 0.00 11,576,512.00 600,886.43 22,406.44 31,619.56	81.36 29.10 940.76 180,163.31 3,762.60 106,886.69 210,814.60 0.00 336,459.06 11,578,512.00 600,888.43 22,406.44 31,619.56	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market Money Market Money Market Money Market Money Market Inv Agmt Money Market Money Market Money Market Money Market Money Market Inv Agmt Money Market Money Market Money Market Money Market Money Market	2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Alta Cullen 2005 MF Lalayette Village 2005 MF Lalayette Village 2005 MF Lafayette Village 2005 MF Prairie Ranch	4.52 4.52 4.52 4.67 4.52 3.25 4.99 3.72 4.52	11/01/06 11/01/06 11/01/06 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 ————————————————————————————————————	87,491,63 29,19 670,751,13 77,510,00 49,071,57 19,586,76 146,188,33 1,034,76 12,899,38 24,205,98 958,146,04 11,105,67 216,267,73 1,223,059,56 37,712,15 168,430,79 10,336,325,00 18,586,75,00 14,550,96 26,561,75	87,491,63 29.19 670,751.13 77,510,00 49,071.57 19,586.76 146,108.33 1,034.76 12,599.38 24,205.98 958,146.04 11,105.67 216,267.73 1,223,659.56 37,712.15 168,430.79 10,336,325.00 1,858,675.00 1,858,675.00 14,550.86 26,561.75	0.00 22,653.31 106,888.69 129,542.00 0.00 0.00 168,028.27 1,243,187.00 7,855.48 5,057.81 0.12	(87,410.27) (669,810.37) (45,308.97) (19,586.76) (64,895.73) (10,34.76) (12,899.38) (24,265.89) (950,145.04) (11,105.67) (216,267.73) (1,223,059.56) (37,712.15) (1,257,788.57)	0.60	0.00	81.36 29.19 100,163.31 3,762.60 106,888.69 336,459.06 11,579,512.00 600,866.43 22,406.44 31,619.56 10.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	81.36 29.19 940.76 100,163.31 3,782.60 106,888.69 210,814.60 0.00 11,579,512.00 600,886.43 22,406.44 31,619.56 10.00 12,570,893.49	81.36 29.10 940.76 180,163.31 3,762.60 186,886.69 210,814.50 0.00 336,459.05 11,578,512.00 000,888.43 22,406.44 21,619.55 10.00	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market Money Market Money Market Money Market Money Market Inv Agmt Money Market Money Market Money Market Money Market Inv Agmt Money Market Inv Agmt Money Market Inv Agmt Money Market Inv Agmt Money Market	2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Alta Cullen 2005 MF Lafayette Village 2005 MF Prairie Ranch Total	4.52 4.52 4.52 4.67 4.52 3.25 4.99 3.72 4.52 4.52 4.52 4.88 4.39	11/01/06 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08 11/01/08	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/08 12/01/08 12/01/06 12/01/06	87,491,63 29,19 670,751,13 77,510,00 49,071,57 19,596,76 146,188,33 1,034,76 12,899,38 24,205,98 958,146,04 11,105,67 216,287,73 1,223,659,58 37,712,15 168,430,79 10,336,325,00 11,558,675,00 14,550,96 26,551,75 9,88	97,491,63 29,19 670,751,13 77,510,00 49,071,57 19,586,76 146,168,33 1,034,76 12,599,38 24,205,98 958,145,04 11,105,67 216,267,73 1,223,659,56 37,712,15 168,430,79 10,336,325,00 14,550,08 26,561,75 9,88 12,442,265,53 263,119,99 367,758,89	0.00 22,653.31 106,888.69 129,542.00 0.00 0.00 168,028.27 1,243,187.00 7,855.48 5,057.81 0.12	(87,410.27) (869,810.37) (45,308.97) (19,586.76) (64,895.73) (10,34.76) (12,899.38) (24,205.88) (858,149.04) (11,105.87) (210,267.73) (1,223,659.56) (37,712.15) (1,257,788.57)	0.60	0.00	81.36 29.19 100,163.31 3,762.60 106,888.69 106,888.69 11,579,512.00 600,866.43 22,406.44 31,619.56 10.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	81.36 29.19 940.76 100,163.31 3,782.60 106,888.69 210,814.60 0.00 11,579,512.00 600,886.43 22,406.44 31,619.56 10.00 12,570,893.49	81.36 29.10 940.76 180,163.31 3,702.60 186,888.69 210,814.60 0.00 336,459.06 11,579,512.00 600,886.43 22,406.44 31,619.56 10.00 12,570,893.49	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market Money Market Money Market Money Market Money Market Inv Agmt Money Market	2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Alta Cullen 2005 MF Lafayette Village 2005 MF Prairie Ranch 2005 MF St. Augustine 2005 MF St. Augustine	4.52 4.52 4.52 4.67 4.52 3.25 4.99 3.72 4.52 4.52 4.52 4.52 4.88 4.39	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	87,491,63 670,751,13 77,510,00 49,071,57 19,586,76 146,188,33 1,034,76 12,899,38 24,205,98 958,146,04 11,105,67 216,287,73 1,223,059,56 37,712,15 168,430,79 10,336,325,00 1,858,675,00 14,550,96 26,561,75 9,88 12,442,265,53 263,119,99 367,758,89 367,758,89 367,758,89	97,491,63 29,19 670,751,13 77,510,00 49,071,57 19,586,76 146,166,33 1,034,76 12,599,38 24,205,98 958,146,04 11,105,67 216,267,73 1,223,659,50 37,712,15 168,430,79 10,336,325,00 1,656,675,00 14,550,96 26,561,75 26,561,75 283,119,89 367,758,69	0.00 22,653.31 106,886.69 129,542.00 0.00 188,028.27 1,243,187.00 7,855.48 5,057.81 0.12 1,424,128.68	(87,410.27) (669,810.37) (45,308.97) (19,586.76) (64,895.73) (10,34.76) (12,899.38) (24,265.89) (950,145.04) (11,105.67) (216,267.73) (1,223,059.56) (37,712.15) (1,257,788.57)	0.60	0.00	81.36 29.19 100.163.31 3,762.60 106,889.69 336,459.06 11,579,512.00 600,886.43 22,406.44 31,619.56 10.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	81.36 29.19 940.76 100,183.31 3,782.60 106,888.69 210,814.60 210,814.60 0.00 336,459.86 11,579,512.00 600,886.43 22,406.44 31,619.56 10.00 12,570,893.49 196,084.41 375,118.67 173,642.03	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market Money Market Money Market Money Market Money Market Inv Agmt Money Market Money Market Money Market Money Market Inv Agmt Money Market Inv Agmt Money Market Inv Agmt Money Market Inv Agmt Money Market	2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Alta Cullen 2005 MF Lafayette Village 2005 MF Prairie Ranch 2005 MF St. Augustine 2005 MF St. Augustine	4.52 4.52 4.52 4.67 4.52 3.25 4.99 3.72 4.52 4.52 4.52 4.88 4.39 4.88	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	87,491,63 29,19 670,751,13 77,510,00 49,071,57 19,586,76 146,188,33 1,034,76 12,899,38 24,205,98 658,146,04 11,105,67 216,287,73 1,223,659,56 37,712,15 168,430,79 10,336,325,00 14,550,96 26,561,75 26,561,75 263,119,99 367,758,89 1,319,500,32 5,539,95	97,491,63 29,19 670,751,13 77,510,00 49,071,57 19,586,76 146,166,33 1,034,76 12,599,38 581,146,04 11,105,67 216,267,73 1,223,659,56 37,712,15 168,430,79 10,336,325,00 14,550,66 26,561,75 9,86 12,442,265,53 263,119,99 367,758,89 1,319,500,32 5,359,95	0.00 22,653.31 106,888.69 129,542.00 0.00 168,028.27 1,243,187.00 7,855.48 5,057.81 0.12 1,424,128.68 7,359.98 368.70	(87,410.27) (869,810.37) (45,308.97) (19,586.76) (64,895.73) (10,34.76) (12,899.38) (24,205.88) (858,149.04) (11,105.87) (210,267.73) (1,223,659.56) (37,712.15) (1,257,788.57)	0.60	0.00	81.36 20.19 100.163.31 3,762.60 106.888.69 106.888.69 336.459.06 11,579.512.00 600.886.43 22,406.44 31,619.56 10.00 196,084.41 375.118.87 173,642.03 5,728.65	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	81.36 29.19 940.76 100,163.31 3,782.60 100,888.69 210,814.60 0.00 336,459.06 11,579,512.00 600,886.43 22,406.44 31,619.56 10,00 12,570,993.49 196,084.41 375,118.67 173,042.03 5,728.65	81.36 29.10 940.76 100,163.31 3,762.60 106,686.69 210,614.60 0.00 336,459.06 11,579,512.00 600,886.43 22,405.44 31,619.56 10,00 12,570,893.49 196,064.41 375,118.67 173,642.03 5,726.65	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market Money Market Money Market Money Market Money Market Money Market Inv Agmt Money Market Money Market Money Market Money Market Inv Agmt Money Market Inv Agmt Money Market Inv Agmt Money Market	2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Alta Cullen 2005 MF Lafayette Village 2005 MF Prairie Ranch 2005 MF St. Augustine	4.52 4.52 4.52 4.67 4.52 3.25 4.99 3.72 4.52 4.52 4.52 4.52 4.88 4.39	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	87,491,63 29,19 670,751,13 77,510,00 49,071,57 19,596,76 146,188,33 -1,034,76 12,899,38 24,205,98 958,146,04 11,105,67 216,267,73 1,223,059,56 37,712,15 168,430,79 10,336,325,00 1,658,675,00 14,550,96 26,561,75 9,88 12,442,265,53 263,119,99 367,758,89 1,319,500,32 5,359,95 20,578,10	97,491,63 29,19 670,751,13 77,510,00 49,071,57 19,586,76 146,168,33 1,034,76 12,599,38 24,205,98 958,146,04 11,105,67 216,267,73 1,223,659,56 37,712,15 168,430,79 10,336,325,00 14,550,96 26,501,75 9,88 12,442,265,53 263,119,99 367,758,89 1,319,600,32 5,359,95 20,578,10 6,137,51	0.00 22,653.31 106,888.69 129,542.00 0.90 168,028.27 1,243,187.90 7,855.48 5,057.81 0.12 1,424,129.68 7,359.98 368.70 251.54 405.02	(87,410.27) (669,810.37) (45,308.97) (19,586.76) (64,895.73) (1,034.76) (12,993.8) (24,025.8) (358,146.04) (11,105.67) (216,287.73) (1,223,053.56) (37,712.15) (1,257,788.57) (1,295,500.72) (67,055.58) (1,145,858.29)	0.60	0.00	81.36 29.19 100.163.31 3,762.60 106,889.69 336,459.06 11,579,512.00 600,886.43 22,406.44 31,619.56 10.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	81.36 29.19 940.76 100,183.31 3,782.60 106,888.69 210,814.60 210,814.60 0.00 336,459.86 11,579,512.00 600,886.43 22,406.44 31,619.56 10.00 12,570,893.49 196,084.41 375,118.67 173,642.03	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market Money Market Money Market Money Market Money Market Money Market Inv Agmt Money Market Money Market Money Market Money Market Inv Agmt Money Market Inv Agmt Money Market Inv Agmt Money Market	2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Alta Cullen 2005 MF Lalayette Village 2005 MF Lafayette Village 2005 MF Prairie Ranch 2005 MF Ptairie Ranch 2005 MF Ptairie Ranch 2005 MF St. Augustine 2005 MF St. Augustine 2005 MF St. Augustine 2005 MF St. Augustine	4.52 4.52 4.52 4.67 4.52 3.25 4.99 3.72 4.52 4.52 4.88 4.89 4.88 4.89	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/08 12/01/08 12/01/08 12/01/08	87,491,63 29,19 670,751,13 77,510,00 49,071,57 19,586,76 146,198,33 1,034,78 12,899,38 24,205,98 958,146,04 11,105,67 216,267,73 1,223,059,58 37,712,15 168,430,79 10,336,225,00 14,550,99 26,561,75 9,88 12,442,265,53 263,119,99 367,758,89 1,319,500,32 5,359,95 5,359,95 5,359,95 5,359,95 5,359,95 5,359,95	97,491,63 29,19 670,751,13 77,510,00 49,071,57 19,586,76 146,168,33 1,034,76 12,699,38 24,205,98 958,146,04 11,105,67 216,267,73 1,223,659,56 37,712,15 168,430,79 10,336,325,00 14,550,96 26,561,75 9,88 12,442,285,53 263,119,506,35	0.00 22,653.31 106,886.69 129,542.00 0.90 168,028.27 1,243,187,00 7,855.48 5,057.81 0.12 1,424,126.68 7,359.98 368.70 251.54	(87,410.27) (869,810.37) (45,308.97) (19,586.76) (64,895.73) (10,34.76) (12,899.38) (24,205.88) (858,149.04) (11,105.87) (210,267.73) (1,223,659.56) (37,712.15) (1,257,788.57)	0.60	0.00	81.36 29.19 100,163.31 3,702.60 106,888.69 330,459.06 11,579,512.00 600,866.43 22,406.44 31,619.56 10.00 195,064.41 375,116.87 173,842.03 5,728.65 20,629.04	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	81.36 29.19 940.76 100,163.31 3,782.60 106,888.69 210,814.60 210,814.60 0.00 11,570,512.00 000,886.43 22,406.44 31,619.56 10.00 12,570,893.49 169,084.41 375,118.67 173,642.03 5,728.65 20,829.64	81.36 29.10 940.76 180,163.31 3,762.60 186,886.69 210,814.60 0.00 336,459.06 11,578,512.00 600,888.43 22,405.44 31,619.55 10.00 12,570,893.49 196,054.41 375,118.67 173,642.03 5,728.65 20,829.84	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market Money Market Money Market Money Market Money Market Money Market Inv Agmt Money Market	2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Alta Cullen 2005 MF Lafayette Village 2005 MF Prairie Ranch 2005 MF St. Augustine	4.52 4.52 4.52 4.67 4.52 4.52 4.52 4.52 4.52 4.88 4.88 4.88 4.88	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	01/20/45 05/15/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	87,491,63 29,19 670,751,13 77,510,00 49,071,57 19,586,76 146,198,33 1,034,76 12,899,38 24,205,98 958,146,04 11,105,67 216,267,73 1,223,059,56 37,712,15 168,430,78 10,336,325,00 1,558,675,00 14,550,98 12,442,265,53 263,119,99 367,758,89 1,319,500,32 5,359,95 20,578,10 6,137,51 1,982,454,76	97,491,63 29,19 670,751,13 77,510,00 49,071,57 19,586,76 146,168,33 1,034,76 12,599,38 24,205,98 958,146,04 11,105,67 216,267,73 1,223,659,56 37,712,15 168,430,79 10,336,325,00 14,550,96 26,591,75 9,88 12,442,285,53 263,119,89 13,19,500,32 5,359,95 20,578,10 6,137,51 1,982,454,76	0.00 22,653.31 106,888.69 129,542.00 0.80 188,028.27 1,243,187.00 7,855.48 5,057.81 0.12 1,424,128.68 7,359.98 368.70 251.54 405.02 8,385.24	(87,410.27) (669,810.37) (45,308.97) (19,586.76) (64,895.73) (1,034.76) (12,993.8) (24,025.8) (358,146.04) (11,105.67) (216,287.73) (1,223,053.56) (37,712.15) (1,257,788.57) (1,295,500.72) (67,055.58) (1,145,858.29)	0.00	0.00	81.36 29.19 100,163.31 3,702.60 106,888.69 106,888.69 11,579,512.00 600,866.43 22,406.44 31,619.56 10.00 166,064.41 375,118.87 173,642.03 5,728.65 20,829.64 6,542.53	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	81.36 29.19 940.76 100,163.31 3,782.60 106,888.69 210,814.60 210,814.60 210,814.60 336,459.06 11,579,512.00 600,886.43 22,406.44 31,619.56 10.00 12,570,893.49 166,041 375,118.87 173,642.03 5,728.05 20,829.04 6,542.53 777,926.13	81.36 29.10 940.76 180,163.31 3,762.60 186,886.69 210,814.60 0.00 0.00 336,459.06 11,578,512.00 600,888.43 22,405.44 31,919.55 10.00 12,570,893.49 196,064.41 375,118.67 173,642.03 5,728.65 20,029.84 6,542.53 777,926.13	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market Money Market Money Market Money Market Money Market Money Market Inv Agmt Money Market	2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Alta Cullen 2005 MF Lafayette Village 2005 MF Prairie Ranch 2005 MF St. Augustine	4.52 4.52 4.52 4.67 4.52 3.25 4.99 3.72 4.52 4.52 4.88 4.89 4.88 4.89	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/08 12/01/08 12/01/08 12/01/08	87,491,63 29,19 670,751,13 77,510,00 49,071,57 19,596,76 146,188,33 -1,034,76 12,899,38 24,205,98 958,146,04 11,105,67 216,267,73 1,223,059,56 37,712,15 168,430,79 10,336,325,00 1,658,675,00 14,550,96 26,561,75 9,88 12,442,265,53 263,119,99 367,758,89 1,319,500,32 5,359,95 20,578,10	97,491,63 29,19 670,751,13 77,510,00 49,071,57 19,586,76 146,168,33 1,034,76 12,599,38 24,205,98 958,146,04 11,105,67 216,267,73 1,223,659,56 37,712,15 168,430,79 10,336,325,00 14,550,96 26,501,75 9,88 12,442,265,53 263,119,99 367,758,89 1,319,600,32 5,359,95 20,578,10 6,137,51	0.00 22,653.31 106,888.69 129,542.00 0.90 168,028.27 1,243,187.90 7,855.48 5,057.81 0.12 1,424,129.68 7,359.98 368.70 251.54 405.02	(87,410.27) (869,810.37) (45,308.97) (19,586.76) (64,895.73) (10,34.76) (12,899.38) (24,205.89) (388,146.04) (11,105.67) (216,267.73) (1,223,659.56) (37,712.15) (1,257,788.57) (1,295,500.72) (67,055.58) (1,145,858.29)	0.00	0.00	81.36 20.19 100.163.31 3,762.60 10d.888.69 10d.888.69 336,459.08 11,579.512.00 600.886.43 22,406.44 31,619.56 10.00 196,064.41 375,118.87 173,642.03 5,728.65 20,829.64 6,542.53	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	81.36 29.19 940.76 100,163.31 3,762.60 100,888.69 210,814.60 0.00 336,459.06 11,579,512.00 600,886.43 22,406.44 31,619.56 10,00 12,570,993.49 196,084.41 375,118.67 173,642.03 5,728.65 20,829.66 6,542.53 777,926.13	81.36 29.19 940.76 100,163.31 3,762.60 106,686.69 210,614.60 0.00 336,459.06 11,579,512.00 600,886.43 22,405.44 31,619.56 10,00 12,570,893.49 196,064.41 375,118.67 173,042.03 5,728.65 20,029.84 6,542.63 777,926.13	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
Money Market Money Market Money Market Money Market Money Market Money Market Inv Agmt Money Market	2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Tower Ridge 2005 MF Alta Cullen 2005 MF Lafayette Village 2005 MF Prairie Ranch 2005 MF St. Augustine 2005 MF Park Manor 2005 MF Park Manor	4.52 4.52 4.52 4.67 4.52 4.52 4.52 4.52 4.52 4.88 4.39 4.88 4.52 4.88	11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06 11/01/06	12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	87,491,63 29,19 670,751,13 77,510,00 49,071,57 19,586,76 146,188,33 1,034,76 12,899,35 24,205,98 658,146,04 11,105,67 216,287,73 1,223,659,56 37,712,15 168,430,79 10,336,325,00 14,550,96 26,561,75 263,119,99 367,758,89 1,319,500,32 5,359,95 20,578,10 6,137,51 1,982,454,76	97,491,63 29,19 670,751,13 77,510,00 49,071,57 19,586,76 146,168,33 1,034,76 12,599,38 958,146,04 11,105,67 216,267,73 1,223,659,56 37,712,15 168,430,79 10,336,225,00 14,550,66 26,581,75 9,88 12,422,265,53 263,119,89 367,758,89 1,319,500,32 5,339,95 20,578,10 6,137,51 1,982,454,76	0.00 22,653.31 106,888.69 129,542.00 0.80 188,028.27 1,243,187.00 7,855.48 5,057.81 0.12 1,424,128.68 7,359.98 368.70 251.54 405.02 8,385.24	(87,410.27) (669,810.37) (45,308.97) (19,586.76) (64,895.73) (1,034.76) (12,993.8) (24,025.8) (358,146.04) (11,105.67) (216,287.73) (1,223,053.56) (37,712.15) (1,257,788.57) (1,295,500.72) (67,055.58) (1,145,858.29)	0.00	0.00	81.36 29.19 100,163.31 3,702.60 106,888.69 106,888.69 11,579,512.00 600,866.43 22,406.44 31,619.56 10.00 166,064.41 375,118.87 173,642.03 5,728.65 20,829.64 6,542.53	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	81.36 29.19 940.76 100,163.31 3,782.60 106,888.69 210,814.60 210,814.60 210,814.60 336,459.06 11,579,512.00 600,886.43 22,406.44 31,619.56 10.00 12,570,893.49 166,041 375,118.87 173,642.03 5,728.05 20,829.04 6,542.53 777,926.13	81.36 29.10 940.76 180,163.31 3,762.60 186,886.69 210,814.60 0.00 0.00 336,459.06 11,578,512.00 600,888.43 22,405.44 31,919.55 10.00 12,570,893.49 196,064.41 375,118.67 173,642.03 5,728.65 20,029.84 6,542.53 777,926.13	0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0

	2005 MF Park Manor	4.67	11/01/08	12/01/06	100,772.78	100,772.78	1,229.03				102,001,81	0.00	00,0	102,001.81	102,001.81	-	0.00
Money Market		4.67	11/01/06	12/01/08	4,900,76	4,900.76	55.70	/			4,956.46	0.00	0.00	4,956.46	4,956.46		00,0
	2005 MF Park Manor Total				2,735,604.19	2,735,604.19	1,297.28	(2,023,870.83)	0.00	0.00				713,030.84	713,030.84	0.00	0.00
Money Market	2005 MF Pr Mockingbird	4.52	11/01/06	12/01/06	1,266,422.56	1,266,422.56		(1,263,305.47)			3,117.09	0.00	0.00	3,117.09	3,117.09	-	0.00
Money Market		4.52	11/01/06	12/01/06	268,103.29	268,103.29	17,563.63				285,767.12	0.00	0.00	285,767.12	285,787.12	•	0,00
Money Market Money Market		4.52	11/01/06	12/01/06	0.92 8,924.89	9.02 6,924,89	2,922.67	(0.02)			9,847,56	0.00	0.00	9.847.58	9.847.56	•	0,00 0.00
Inv Agmi	2005 MF Pr Mockingbird	3.66	09/01/05	09/01/07	287,533,50	287,533.50	E,PEC.UI	(229,759.97)			57,773.53	0.00	0.00	57,773,53	57,773,53		0.00
Money Market					0.72	0.72		(0.72)								-	0.00
inv Agmt	2005 MF Pr Mockingbird			_	30,713.70	30,713.70	20 500 50	(30,713.70)					•••	250 505 20	250 505 30	0.00	0.00
	2005 MF Pr Mockingbird Total				1,859,698.68	1,859,698.68	20,586.50	(1,523,779.88)	0.00	0.00				358,505.30	356,505,30	U.Bu	0.00
Money Market	2005 MF PI @ Chase Oaks	4.88	11/01/06	12/01/06	88,408.42	88,408.42	9,495.10				97,903.52	0.80	0.00	97,903.52	97,803.52		0.00
Inv Agmt	2005 MF PI @ Chase Oaks	4.05	08/31/05	03/01/07	4,826,606.53	4,826,606.53		(1,522,415.19)			3,304,191,34	0.00	0.00	3,304,191.34	3,304,191.34	•	0.00
Money Market Inv Agmt	2005 MF PI @ Chase Oaks 2005 MF PI @ Chase Oaks	4.88 4.05	11/01/08 08/31/05	12/01/06 03/01/07	39,464.48 846,271.87	39,464.48 845,271.67		(28,493.87) (113,229.19)			10,970.61 733,042.68	0.00 0.00	0.00 0.00	10,970.61 733,042.68	10,970.61 733,042.68	-	0.00 0.00
ms After	2005 MF PI @ Chase Oaks Total	4,03	00/1 (/01	03/01/07	5,800,751.30	5,800,751.30	9,495.10	(1,684,138.25)	0,00	0,00	133,042.08	0.00	0.00	4,148,108,15	4,145,108,15	0.00	0.00
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Money Markel		4.52	11/01/06	12/01/06	6,748.93	6,748.93		(1,190.10)			5,550.83	0.00	0.00	5,558.83	5,550.83	-	0.00
Money Markel Inv Agml	2005 MF Canal Place 2005 MF Canal Place	4.52 4.13	11/01/06 10/11/05	12/01/06 07/15/07	176,674.71 667,424.83	175,074.71 667,424.83		(166,058.14) (146,123.41)			19,016.57 521,301.42	0.00 0.00	0.00 0.00	10,016.57 521,301.42	10,016,57 521,301,42		0.00 0.00
Money Market		4.52	11/01/05	12/01/06	333,501.62	333,501,62		(194,422.91)			139.078.71	9.00	0.00	139,078,71	139,078.71		0.00
Money Market		4.52	11/01/06	12/01/06	26,792.81	26,792.81		(3,301.34)			23,491.47	0.00	0.00	23,491.47	23,491.47	-	0.00
Inv Agml	2005 MF Canal Place 2005 MF Canal Place Total	4.13	10/11/05	07/15/07	7,666,352.63 6,676,695.53	7,656,352.63 B,876,895.53	0.00	(1,562,292.91)	0.00	0.00	6,104,059.72	0.00	0.00	6,104,059.72	6,104,059.72 6,803,506,72	0.00	0.00
	2003 MF Callas Place (Ola)				8,810,893.53	6,010,040.53	0.60	(2,073,388.81)	0,00	U.UU				6,803,506.72	6,883,586.72	0.00	0.00
Money Market		4.52	11/01/06	12/01/06	43.36	43.35	1.21				44.57	0.00	0.00	44.57	44.57	-	0.00
Money Market		4.89	11/01/06	12/01/06	68,421.85	68,421,65	70,204,71				138,626.56	0.00	0.00	138,628.56	138,626.56	-	0.00
Money Market	2006 MF Coral Hills 2006 MF Coral Hills Total	4.89	11/01/06	12/01/06	9.77 69,474.98	9,77 66,474.98	70,205.92	0.00	0.00	0.00	9.77	0.00	00.0	9.77 138,680.90	138,680,90	0.00	D.00 D.00
					00,717,00	44,474.24	10,200.02	0.00	0.00	0.00				130,000,00	130,000.00	0.00	0.00
Money Market		4.52	11/01/08	12/01/06	1,08	1.08	0.00				1.0B	0.00	0.00	1.08	1.0B	-	0.00
Inv Agest	2006 MF Harris Branch	4.72	03/09/08	02/15/08	841,721.16	841,721.16	19,209.41				851,921.57	0.00	0.00	851,921,57	851,921.57	•	0.00
Money Market Money Market		4.52 4.52	11/01/06 11/01/08	12/01/06 12/01/06	1,766.57	1,766.67	15,582.61 66.66				15,562.61 1,833.33	0.00 0.00	00.0 00.0	15,562.61 1,833.33	15,562.61 1,833.33		0.00 0.00
Inv Agml	2008 MF Harris Branch	4.72	03/02/08	02/15/08	9,566,563,98	9,566,563.98	50,00	(2,451,249.87)			7,115,314.31	0.00	0.00	7,115,314.31	7,115,314.31		0.00
Inv Agmt	2006 MF Harris Branch	4.72	03/09/06	02/15/06	553,730.01	553,730.01		(129,642.58)			424,087.43	0.00	0.00	424,087.43	424,087.43	-	0.00
Money Market Money Market		4.52	11/01/06	12/01/06	28.49	28.49	22.65	(0.353.60)			51.14	0.00	0.00	51.14	51.14	-	0.00
woney marker	2006 MF Harris Branch Total			_	8,757.98 10,972,569.35	9,757.96 10,972,569,35	25,852,33	(8,757.96) (2,589,650.21)	0.00	0.00			*****	8,408,771.47	8,408,771,47	0.00	0.00
					.0,5.2,555.05	10,274,000,00	,	(2,000,000.21)	0.55	0.00				5,405,771.41	4,444,771,47	2.00	0.00
Money Market		4.52	11/01/08	12/01/06	3,978.35	3,978,35		(3,538.39)			439.98	0.00	0.00	439.98	439.98		0.00
inv Agmt Money Market	2006 MF Bella Vista 2006 MF Bella Vista	4.76 4.52	04/07/08 11/01/06	10/01/07 12/01/06	209,100.00 4,974.59	209,100.00 4.974.59	42.07	(197,350.34)	,		11,749.66	0.00	0.00	11,749.66	11,749.66	-	0.00
T-Note	2006 MF Bella Vista	3,38	04/27/06	02/20/07	230,000.00	230,000.00	0.00				5,016.68 230,000.00	0.00 0.00	0.00 00.0	5,016.56 230,000.00	5,016.66 230,000,00	:	0.00 0.00
Money Market		4.52	11/01/05	12/01/08	48,090.94	48,090.94	47,278.58				95,369.80	0.00	0.00	95,369.80	95,369.60	-	0.00
Inv Apmt	2006 MF Bella Vista 2006 MF Bella Vista	4.78 4.78	04/07/08 04/13/08	10/01/07 10/01/07	4 918 392 44	4,918,392.44		(2,072,291,77)			2,846,100.67	0.00	0.00	2,846,100.67	2,846,100.67	-	0.00
Inv Agmt Money Market	2006 MF Bella Vista	4.78 4.52	11/01/08	10/01/07	411,230.00 7,086.71	411,230.00 7,086.71	0.00 80.46				411,230.00 7,367.17	0.00 0.00	0.00 0.00	411,230.00 7,167.17	411,230.00 7,167,17	-	0.00 0.00
wisher (incine)	2006 MF Bella Vista Total	7.52	1,101,000	12,01700 _	5,632,653.03	5,832,853.03	47,401.39	(2,273,180.50)	0.00	0.00	7,307.17	0.55	0.02 _	3,607,073,92	3,607,073.92	0.00	0.00
								,						-,,			
Money Market Money Market	2006 MF Village Park 2006 MF Village Park	4.89 4.39	11/01/06	12/01/06	3.73	3.73	0.00				3,73	0.00	0.00	3.73	3.73	-	0.00
Money Market	2006 MF Village Park	4.39	11/01/06 11/01/06	12/01/06 12/01/06	308,026.71 284,526.20	308,026,71 284,526,20	181,389.28 8,237.33				489,415.99 290,763.53	0.00 0.00	0.00 0.00	489,415.99 290,763,53	489,415.99 290.763.53	-	0.00 00.0
,	2006 MF Village Park Total	,,,,,,			592,550.64	592,556,64	187,626.61	0.00	0.00	0.00	200,703.33	0.00	0.00 _	780,183.25	780,183.25	0.00	0.00
Manage Mark	2006 MF Dakmoor			4818													
Money Market Money Market		4.67 4.67	11/01/06 11/01/06	12/01/05 12/01/06	957,624.78	957,624.78	1,500,00	(167,455.00)			1,500.00 790,169.78	0.00 0.00	0.00 0.00	1,500.00 790,169.78	1,500.00 790,169.78	•	0.00 00.0
Money Market		4.67	11/01/06	12/01/06	420,661.62	420,661,62		(45,297.31)			375.364.31	0.00	0.00	790,169.78 375,364.31	375,364.31	-	0.00
Money Market	2006 MF Oakmoor	4.67	11/01/06	12/01/06	3,526,964.70	3,526,964.70	1,189,168.00	, ,			4,716,132.70	0.00	0.00	4,716,132.70	4,718,132.70		0.00
GIC's	2006 MF Oakmoor 2006 MF Oakmoor Total	4.19	04/26/06	11/01/07	7,317,500.00	7,317,500.00	0.00	1010 WES 511			7,317,500.00	0.00	0.00	7,317,500.00	7,317,500.00	<u> </u>	0.00
	2000 IIII Caxiitadi Total				12,222,751.10	12,222,751.10	1,190,668.00	(212,752.31)	0.00	0.00				13,200,666.79	13,200,668.79	0.00	0.00
Money Market		4.39	11/01/08	12/01/06	11,633,106.86	11,633,105.55	0.00				11,633,106.86	0.00	0.00	11 633 106 B6	11,633,106.86	_	0.00
	2006 MF Sunset Pointe Total				11,633,106.86	11,633,106,86	0.00	0.00	0.00	0.00				11,633,106.66	11,633,106.86	0.00	0.00
Money Market	2006 MF Hillcrest	4.89	11/01/06	12/01/06	375,000.24	375,000.24		(131 EDE 04)			242 444 46	D.00	0.00	949 344 46	242 444 42		
Money Market	2006 MF Hillcrest	4.09 4.89	11/01/06	12/01/06	81.626.88	81,626,88	53,480.95	(131,585.81)			243,414.43 135,107.83	0.00 00.0	0.00 08.0	243,414.43 135,107.83	243,414,43 135,107.83	•	0.00 00.0
Money Market	2006 MF Hillcrest	4.89	11/01/06	12/01/08	3,077,452.74	3,077,452.74	33,162.20				3,110,614.94	0.00	0.00	3,110,614.94	3,110,614,94	-	0.00
Money Market		4.89	11/01/06	12/01/06	0 504 555 55	5 Fa 1 + 2 + 2 + 2 + 2 + 2 + 2 + 2 + 2 + 2 +	23.87	7777 777			23.87	0.00	0.80	23.57	23.87	<u> </u>	0.00
	2006 MF Hillcrest Total				3,534,079.86	3,534,079.88	86,667.02	(131,585.81)	0.00	0.00				3,489,161.07	3,489,161.07	0.00	0,00
	2006 MF Pleasant Village	4.88	11/01/08	12/01/06	•		388,88		-		388.88	0.00	0.80	388 88	388 BB	_	0.00
CD	2006 MF Pleasant Village	4.73	11/10/08	12/15/06	8,814.28	8,814.28	234,196.40				243,010.68	0.00	0.00	243,010.68	243,010.68	-	0.00
CD Money Market	2006 MF Pleasant Village 2006 MF Pleasant Village	5.16 4.88	11/16/06	12/15/06			57,332.05				57,332.05	0.00	0.00	57,332.05	57,332.05	-	0.00
CD Manker	2006 MF Pleasant Village	4.88 5.16	11/01/06 10/13/06	12/01/06 11/15/06	3,671,669.39	3,671,669,39	298,645.25	(445,412.27)			298,645.25 3,226,257.12	0.00 0.00	0.00 00.0	298,645.25 3,226,257.12	298,645.25 3,226,257,12	-	0.00 0.00
Money Market	2006 MF Pleasant Village	4.BB	11/01/06	12/01/06			39,706.76	(443,412.21)			39,706.76	0.00	8.00	39,706.76	39,706,76		0.00

	2006 MF Pleasant Village Total				3,680,483.67	3,680,483.67	630,269.34	(445,412.27)	0.00	0.00				3,865,340.74	3,865,340.74	0.00	0,00
CD	2006 MF Grave Village				20,990,82	20,990.82		(20,990.82)									0.00
CD	2006 MF Grove Village	5.16	11/15/06	12/15/06	3,310,401,61	3,310,401.61		(452,445.53)			2,857,956.08	0.00	0.00	2.857,956.06	2,857,956,08	_	0.00
Money Market	2006 MF Grave Village	4.88	11/01/06	12/01/06		-,,	328.40	(,,			328.40	0.00	0.00	328.40	328.40	_	0.00
CD	2006 MF Grove Village	5.16	10/13/08	11/15/08			35,948.28				35,948.28	0.00	0.00	35,948.28	35,948.28		0.00
Money Market	2006 MF Grove Village	4.88	11/01/08	12/01/08			388.88				365.66	0.00	0.00	388.88	388.88	-	0.80
Money Market		4.88	11/01/06	12/01/06			154,625.08				154,625.08	0.00	0.00	154,625.08	154,625.08	_	0.60
CD	2006 MF Grove Village	5.16	11/15/06	12/15/06			155,000.00				155,000.00	0.00	0.00	155,000,00	155,000,00	_	0.00
	2006 MF Grove Village Total				3.331.392.43	3,331,392,43	346,290.64	(473,436.35)	0.00	0.00	,			3,204,248.72	3,204,246,72	0.00	0.00
	Esso III Giora vinage i ola				0,001,002.40	0,001,002.40	070,200.01	(**************************************	0.00	0.00				-,		0.00	0,00
Money Market	2006 MF Red Hills	4.52	11/01/06	12/01/06			4,161.98				4,161.96	0.00	0.00	4,161.96	4,161,96		0.00
Money Market	2006 MF Red Hills	4.52	11/01/06	12/01/06			4,995.26				4,995.28	0.00	0.00	4,995.26	4,995.26	_	0,00
Money Market		4.52	11/01/06	12/01/06			3.85				3,85	0.00	0.00	3.85	3.85	_	0.00
manuf manus	2006 MF Red Hills Total	7	11101110		0.00	0.00	9,161,07	0.00	0.00	0.00	2,00	4.55		9.161.07	9.161.07	0.06	0.00
	East In the line low.				0.00	0.00	D, 101.01	0.00	4,00	0.00				5,121.07	2,101.21	2.23	
Money Market	2006 MF Champion Crossing	4.52	11/01/06	12/01/06			4,065,05				4,065.05	0.00	0.00	4,065.05	4,085.05	_	0.00
Money Market	2006 MF Champion Crossino	4.52	11/01/06	12/01/06			9,740,33				9.740.33	0.00	0.00	9.740.33	9,740.33		0.00
Money Market		4.52	11/01/06	12/01/06			3.85				3.85	0.00	0.00	3,85	3.85		0.00
	2006 MF Champion Crossing Total				0.00	0.00	13,809.23	9.00	0.00	0.00				13.809.23	13,809,23	0.00	0.00
							(4,554,25										
Inv Agmt	2006 MF Stonehaven	4.71	09/27/06	02/28/08			7,525,017.32				7,525,017.32	0.00	0.00	7,525,017.32	7,525,017,32		0.00
Money Market	2006 MF Stonehaven	4.52	11/01/06	12/01/06			399.04				399.04	0.00	0.00	399.04	399.04		0.00
Money Market	2006 MF Stonehaven	4.52	11/01/06	12/01/06			1.093.243.83				1,093,243.83	0.00	0.00	1,093,243,83	1.093,243.83	_	0.00
Money Market	2006 MF Stonehaven	4.52	11/01/06	12/01/06			203.27				203.27	0.00	0.00	203.27	203.27	_	0.00
	2006 MF Stonehaven Total	.,,			0.80	0.00	8,018,663.46	0.00	0.00	0.00				8,618,863.46	8,618,863.46	0.00	B.00
						0.25	0,010,000.10	0.00		0.00				0,010,000.10	-,-,-,		
Money Market	2006 MF Center Ridge	4,59	11/01/06	12/01/06			1,871,704.14				1,871,704.14	0.00	0.00	1,871,704,14	1,871,704.14	_	B.00
Money Market	2006 MF Center Ridge	4.89	11/01/06	12/01/06			50,921.14				50,921,14	0.00	0.00	50,921.14	50,921,14		0.00
,	2006 MF Center Ridge Total	1,,	***************************************		0.00	0.00	1,922,625.28	0.00	0.00	0.00	55,521117	5.55		1,922,625.28	1,922,625,28	0.00	0.00
							,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		2.00					.,,,,,	1,044,000.4.		
Money Market	2006 MF Meadowlands	4.67	11/01/06	12/01/06			401,333.40				401,333.40	0.00	0.00	401,333.40	401,333.40		0.00
Money Market	2006 MF Meadowlands	4.67	11/01/06	12/01/06			1,018,287.51				1,018,267,51	0.00	0.00	1,018,267.51	1.018.267.51	_	0.00
Money Market	2006 MF Meadowlands	4.67	11/01/08	12/01/08			378,881,59				378,881,59	0.00	0.00	378,881,59	378,881.59	_	0.00
Money Market	2006 MF Meadowlands	4.67	11/01/06	12/01/06			4.458.215.91				4,458,215,91	0.00	0.00	4 458 215 91	4,458,215,91		0.00
GIC's	2008 MF Meadowlands	4.19	09/27/06	10/01/07			6,750,000.00				6,750,000.00	0.00	0.00	5,750,000.00	6.750,000.00	-	0.00
	2006 MF Meadowlands Total				0.00	0.00	13,005,698.41	0.00	0.00	0.00	-,,,			13,006,698.41	13,008,698.41	0.80	0.00
Money Market	2006 MF East Texas Pines	4.52	11/01/06	12/01/06			62,732,12				62,732.12	0.00	0.00	62,732.12	62,732.12	-	0.00
GłC's	2006 MF East Texas Pines	5,00	11/08/06	11/08/06			11,694,377.00				11,694,377.00	0.00	0.00	11,694,377,00	11,694,377,00	-	0.00
Money Market	2006 MF East Texas Pines	4.52	11/01/06	12/01/06			112,285.17				112,285.17	0,00	0,00	112,285,17	112,285.17		0.00
Money Market	2006 MF East Texas Pines	4.52	11/01/08	12/01/06			8,508,90				8,508.90	0.00	0.00	8,508.90	8,508,90		0.00
	2006 MF East Texas Pines Total			*******	0.00	0.00	11,877,903,19	0.00	0.00	0.00			_	11,877,903.19	11,877,903.19	0.00	0.00
Money Market	2006 MF Villas at Henderson	4.52	11/01/06	12/01/06			0.42				0.42	0.00	0.00	0.42	0.42	-	0.00
GIC's			111011100	12301700													
Money Market	2006 MF Villas at Henderson	4.47	11/10/08	04/01/08			248,285.00				248,285.00	B.00	0.00	248,285.00	248,285.00	-	0.00
minuck wanter	2006 MF Villas at Henderson 2006 MF Villas at Henderson														248,285.00 0,28		08.0 08.0
GIC's		4.47	11/10/08	04/01/08			248,285.00				249,285.00	B.00	0.00	248,285.00		:	
	2006 MF Villas at Henderson	4.47 4.52	11/10/08 11/01/06	04/01/08 12/01/06			248,285.00 0.28				248,285.00 0.28 5,485,456.00 342,990.49	0.00 0.00	0.00 0.00	248,285.00 0.28	0,28	- - -	0.00
GIC's	2006 MF Villas at Henderson 2006 MF Villas at Henderson 2006 MF Villas at Henderson 2006 MF Villas at Henderson	4.47 4.52 4.47	11/10/08 11/01/06 11/10/08	04/01/08 12/01/06 04/01/08			248,285.00 0.28 5,485,458.00				248,285.00 0.28 5,485,458.00	0.00 0.00 0.00	0.00 0.00 0.00	248,285.00 0.28 5,485,458.00	0,28 5,485,458.00	- - -	09,0 00.0 00.0 00.0
GIC's GIC's	2006 MF Villas at Henderson 2006 MF Villas at Henderson 2006 MF Villas at Henderson	4.47 4.52 4.47 4.47	11/18/08 11/01/06 11/10/06 11/20/06	04/01/08 12/01/06 04/01/08 04/01/08	0.00	0.06	248,285.00 0.28 5,485,458.00 342,990.49	0.09	0.00	0.00	248,285.00 0.28 5,485,456.00 342,990.49	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	248,285.00 0.28 5,485,458.00 342,990.49	0,28 5,485,458.00 342,990.49	- - - - 0.00	0.00 0.00 0.00
GIC's GIC's Money Markel	2006 MF Villas at Henderson 2006 MF Villas at Henderson 2006 MF Villas at Henderson 2006 MF Villas at Henderson 2006 MF Villas at Henderson Total	4.47 4.52 4.47 4.47 4.52	11/10/08 11/01/06 11/10/06 11/20/06 11/01/06	04/01/08 12/01/06 04/01/08 04/01/08 12/01/06	0.00	0.00	248,285.00 0.28 5,485,458.00 342,990.49 41,417.40 5,118,151.59	0.08	0.00	0.00	248,285.00 0.28 5,485,458.00 342,990.49 41,417.40	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	248,285.00 0.28 5,485,456.00 342,890.49 41,417.40 6,118,151.59	0,28 5,485,458.00 342,990.49 41,417,40 6,118,151.59	- - - - 0.00	0,00 0.00 0.00 0.00 0.00
GIC's GIC's Money Markel Money Market	2006 MF Villas at Henderson 2006 MF Villas at Henderson 2006 MF Villas at Henderson 2006 MF Villas at Henderson 2006 MF Viltas at Henderson Total 2006 MF Aspen Parks Apis	4.47 4.52 4.47 4.47 4.52	11/10/08 11/01/06 11/10/06 11/20/06 11/01/06	04/01/08 12/01/06 04/01/08 04/01/08 12/01/06	0.00	0.08	248,285.00 0.28 5,485,458.00 342,990.49 41,417.40 8,118,151.59 66,888.89	0.00	0.00	0.00	248,285.00 0.28 5,485,456.00 342,990.49 41,417.40 60,888.89	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 	248,285.00 0.28 5,485,456.00 342,990.49 41,417.40 6,118,151.59 66,888.89	0,28 5,485,458.00 342,990.49 41,417.40 6,118,151.59 66,888.89	- - - - 0.00	0.60 0.00 0.00 0.00 0.00
GIC's GIC's Money Markel	2006 MF Villas at Henderson 2006 MF Villas at Henderson 2006 MF Villas at Henderson 2006 MF Villas at Henderson 2006 MF Villas at Henderson Total 2006 MF Aspen Parks Apts 2006 MF Aspen Parks Apts	4.47 4.52 4.47 4.47 4.52	11/10/08 11/01/06 11/10/06 11/20/06 11/01/06	04/01/08 12/01/06 04/01/08 04/01/08 12/01/06			248,285.00 0.28 5,485,458.00 342,990.49 41,417.40 8,118,151.59 66,888.89 1,753,185.16				248,285.00 0.28 5,485,458.00 342,990.49 41,417.40	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	248,285.00 0.28 5,485,456.00 342,990.49 41,417.40 6,118,151.59 66,888.89 1,753,185.16	0,28 5,485,458.00 342,890.49 41,417.40 6,118,151.59 66,888.89 1,753,185.16	-	0.80 0.00 0.00 0.00 0.00 0.00
GIC's GIC's Money Markel Money Market	2006 MF Villas at Henderson 2006 MF Villas at Henderson 2006 MF Villas at Henderson 2006 MF Villas at Henderson 2006 MF Viltas at Henderson Total 2006 MF Aspen Parks Apis	4.47 4.52 4.47 4.47 4.52	11/10/08 11/01/06 11/10/06 11/20/06 11/01/06	04/01/08 12/01/06 04/01/08 04/01/08 12/01/06	0.00	0.00	248,285.00 0.28 5,485,458.00 342,990.49 41,417.40 8,118,151.59 66,888.89	0.06	0.00	0.00	248,285.00 0.28 5,485,456.00 342,990.49 41,417.40 60,888.89	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 	248,285.00 0.28 5,485,456.00 342,990.49 41,417.40 6,118,151.59 66,888.89	0,28 5,485,458.00 342,990.49 41,417.40 6,118,151.59 66,888.89		0.60 0.00 0.00 0.00 0.00
GIC's GIC's Money Markel Money Market Money Market	2006 MF Villas at Henderson 2006 MF Villas at Henderson 2006 MF Villas at Henderson 2006 MF Villas at Henderson 2006 MF Villas at Henderson Total 2006 MF Aspen Parks Apls 2006 MF Aspen Parks Apls 2006 MF Aspen Parks Apls	4.47 4.52 4.47 4.47 4.52 0.00 4.44	11/10/08 11/01/06 11/10/08 11/20/06 11/01/08 11/01/08	04/01/08 12/01/06 04/01/08 04/01/08 12/01/06 12/01/08			248,285,00 0,28 5,485,458,00 342,990,49 41,417,40 5,116,151,59 66,888,89 1,753,185,16 1,620,074,05				248,285.00 0.28 5,485,458.00 342,990.49 41,417.40 66,888.89 1,753,185,18	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00	248,285.00 0.28 5,485,458.00 342,990.49 41,417.40 6,118,151.59 66,868.89 1,753,185.16 1,820,074.05	0.28 5,485,458.00 342,890.49 41,417.40 6,118,151.59 66,888.89 1,753,185.16 1,820,074.05	-	0.00 0.00 0.00 0.00 0.00 0.00 0.00
GIC's GIC's Money Market Money Market Money Market	2006 MF Villas at Henderson 2006 MF Aspen Parks Apis	4.47 4.52 4.47 4.47 4.52 0.00 4.44	11/10/08 11/01/06 11/10/06 11/20/06 11/01/06 11/01/06	04/01/08 12/01/06 04/01/08 04/01/08 12/01/08 12/01/08 12/01/08			248,285,00 0,28 5,485,488,00 342,990,49 41,417,40 6,116,151,59 66,888,89 1,753,185,16 1,820,074,05				249,285.00 0.28 5,485,465.00 342,990.49 41,417.40 66,688.69 1,753,185.16	0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00	248,285.00 0.28 5,485,458.00 342,990.49 41,417.40 6,118,151.59 66,888.89 1,753,185,16 1,820,074.05	0.28 5,495,458.0 342,990.49 41,417.40 6,116,151.59 66,888.89 1,753,165.16 1,820,074.05	-	0.00 0.00 0.00 0.00 0.00 0.00 0.00
GIC's GIC's Money Market Money Market Money Market Money Market	2006 MF Villas at Henderson 2006 MF Villas at Henderson 2006 MF Villas at Henderson 2006 MF Villas at Henderson 2006 MF Villas at Henderson Total 2006 MF Aspen Parks Apis 2006 MF Aspen Parks Apis 2006 MF Aspen Parks Apis Total 2006 MF Idlewilde Apis 2006 MF Idlewilde Apis	4.47 4.52 4.47 4.47 4.52 0.00 4.44 5.42 4.52	11/10/08 11/01/08 11/10/08 11/10/08 11/10/08 11/01/08 11/01/08 11/01/08	04/01/08 12/01/06 04/01/08 04/01/08 12/01/06 12/01/06 12/01/06			248,285,00 0,28 5,485,488,00 342,990,49 41,417,40 8,116,151,59 66,888,89 1,753,185,16 1,620,074,05 400,000,00 599,673,50				249,285,00 0,28 5,485,459,00 342,990,49 41,417,40 60,888,89 1,753,185,16 400,000,00 599,673,50	0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00	248,265.00 0.28 5,465,458.00 342,990.49 41,417.40 6,118.151.59 66,888.89 1,753,185.16 1,820,074.05	0.28 5,455,458.00 342,990.49 41,417.40 6,118,151.59 66,888.89 1,753,185.16 1,820,074.05 400,000.00	0.00	0.60 0.00 0.00 0.00 0.00 0.00 0.00 0.00
GIC's GIC's Money Market Money Market Money Market Money Market Money Market Money Market	2006 MF Villas at Henderson 2006 MF Aspen Parks Apls 2006 MF Aspen Parks Apls 2006 MF Aspen Parks Apls 2006 MF Idlewilde Apls 2008 MF Idlewilde Apls 2008 MF Idlewilde Apls	4.47 4.52 4.47 4.47 4.52 0.00 4.44 5.42 4.52 4.52	11/10/08 11/01/06 11/10/06 11/20/06 11/20/06 11/21/08 11/21/06 11/01/06 11/01/06 11/01/06	04/01/08 12/01/06 04/01/08 04/01/08 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06			248,285,00 0,28 5,485,485,88,00 342,990,49 41,417,40 8,118,151,59 66,888,89 1,753,185,18 1,820,074,05 400,000,00				249,285.00 0,28 5,485,459.00 342,990.49 41,417.40 66,888.89 1,753,185.16 400,000.00 599,673.50 11,454,505,99	0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00	248,265.00 0.28 5,485,458.00 342,990.49 41,417.40 6,118,151.59 66,868.89 1,753,185.16 1,820,074.05 400,000.90 599,673.50 11,454,505.99	0.28 5.485.458.00 342,990.49 41,417.40 61,118,151.59 66,888.89 1,753,185.16 1,820,074.05 400,000.00 599,673.50	0.00	0.60 0.00 0.00 0.00 0.00 0.00 0.00 0.00
GIC's GIC's Money Market Money Market Money Market Money Market	2006 MF Villas at Henderson 2006 MF Aspen Parks Apis 2006 MF Aspen Parks Apis 2006 MF Aspen Parks Apis 2006 MF Idewilde Apis 2006 MF Idewilde Apis 2006 MF Idewilde Apis 2006 MF Idewilde Apis	4.47 4.52 4.47 4.47 4.52 0.00 4.44 5.42 4.52	11/10/08 11/01/08 11/10/08 11/10/08 11/10/08 11/01/08 11/01/08 11/01/08	04/01/08 12/01/06 04/01/08 04/01/08 12/01/06 12/01/06 12/01/06	0.00	0.00	248,285,00 0,28 5,485,488,00 342,990,49 41,417,40 8,118,151,59 66,888,89 1,753,185,16 1,820,074,05 400,000,00 589,673,50 11,454,505,99 44,500,00	0.00	0.00	0.00	249,285,00 0,28 5,485,459,00 342,990,49 41,417,40 60,888,89 1,753,185,16 400,000,00 599,673,50	0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00	248,285.00 0.28 5,485,485.00 342,990.49 41,417,40 6,118,151.59 66,688.89 1,753,185.16 1,820,074.05 400,000.00 599,673.50 11,454,505.09 445,505.09	0.28 5,485,458,00 342,990,49 41,417,40 6,116,151,59 65,888,89 1,753,185,16 1,820,074,05 400,000,00 599,673,50 11,454,505,69 44,508,00	0.00	0.60 0.00 0.00 0.00 0.00 0.00 0.00 0.00
GIC's GIC's Money Market Money Market Money Market Money Market Money Market Money Market	2006 MF Villas at Henderson 2006 MF Aspen Parks Apls 2006 MF Aspen Parks Apls 2006 MF Aspen Parks Apls 2006 MF Idlewilde Apls 2008 MF Idlewilde Apls 2008 MF Idlewilde Apls	4.47 4.52 4.47 4.47 4.52 0.00 4.44 5.42 4.52 4.52	11/10/08 11/01/06 11/10/06 11/20/06 11/20/06 11/21/08 11/21/06 11/01/06 11/01/06 11/01/06	04/01/08 12/01/06 04/01/08 04/01/08 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06			248,285,00 0,28 5,485,485,88,00 342,990,49 41,417,40 8,118,151,59 66,888,89 1,753,185,18 1,820,074,05 400,000,00				249,285.00 0,28 5,485,459.00 342,990.49 41,417.40 66,888.89 1,753,185.16 400,000.00 599,673.50 11,454,505,99	0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00	248,265.00 0.28 5,485,458.00 342,990.49 41,417.40 6,118,151.59 66,868.89 1,753,185.16 1,820,074.05 400,000.90 599,673.50 11,454,505.99	0.28 5.485.458.00 342,990.49 41,417.40 61,118,151.59 66,888.89 1,753,185.16 1,820,074.05 400,000.00 599,673.50	0.00	0.60 0.00 0.00 0.00 0.00 0.00 0.00 0.00
GIC's GIC's Money Market Money Market Money Market Money Market Money Market Money Market	2006 MF Villas at Henderson 2006 MF Aspen Parks Apis 2006 MF Aspen Parks Apis 2006 MF Aspen Parks Apis 2006 MF Idewilde Apis 2006 MF Idewilde Apis 2006 MF Idewilde Apis 2006 MF Idewilde Apis	4.47 4.52 4.47 4.47 4.52 0.00 4.44 5.42 4.52 4.52 4.52	11/10/08 11/01/08 11/01/08 11/20/05 11/20/05 11/01/06 11/01/08 11/01/08 11/01/06 11/01/08	0.4/01/08 12/01/06 04/01/08 04/01/08 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06 12/01/06	0.00	0.00	248,285,00 0,28 5,485,488,00 342,990,49 41,417,40 8,118,151,59 66,888,89 1,753,185,16 1,820,074,05 400,000,00 589,673,50 11,454,505,99 44,500,00	0.00	0.00	0.00	249,285.00 0,28 5,485,459.00 342,990.49 41,417.40 66,888.89 1,753,185.16 400,000.00 599,673.50 11,454,505,99	0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00	248,285.00 0.28 5,485,485.00 342,990.49 41,417,40 6,118,151.59 66,688.89 1,753,185.16 1,820,074.05 400,000.00 599,673.50 11,454,505.09 445,505.09	0.28 5,485,458,00 342,990,49 41,417,40 6,116,151,59 65,888,89 1,753,185,16 1,820,074,05 400,000,00 599,673,50 11,454,505,69 44,508,00	0.00	0.60 0.00 0.00 0.00 0.00 0.00 0.00 0.00

Texas Department of Housing and Community Affairs Single Family Collateralized Home Mortgage Revenue Bonds Series 1993 Investment Summary For Period Ending November 30, 2006

Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 08/31/06	Beginning Market Value 08/31/06	Accretions/ Purchases	Amortizations/ Sales	Maturities	Transfers	Par Value	Prem/Disc	Amortization	Ending Carrying Value 11/30/06	Ending Market Value 11/30/06	Change in In Market Value	Recognized Gain
Repa Agmi	1993 SF MRB CHMRB				8,001.50	8,001.50		(8,001.50)									0.00
	1993 SF MRB CHMR8 Total				8,001.50	8,001.50	0,00	(8,001.50)	0.00	0.00				0.00	0.00	0.00	0.00
Total 1993 SF MRB CHMRB Investment Summary					8,001,50	8,001.50	0.00	(8,001.50)	0.00	0.00				0.00	0.00	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 November 30, 2006

investment Type Repo Agmi	Issue 1994 SF MRB CHMRB	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 08/31/06 0.03	Beginning Market Value 08/31/05 0.03	Accretions/ Purchases	Amortizations/ Sales (0.03)	Maturities	Transfers	Par Value	Prem/Disc	Amortization	Ending Carrying Value 11/30/06	Ending Market Value 11/30/06	Change in In Market Value	Recognized Gain 6.00
Repo Agmt	1994 SF MRB CHMRB				0.01	0.01		(6.01)								-	0.00
	1994 SF MRB CHMRB Total				0.04	0.04	0.00	(0.04)	0.00	0,00				0.00	0.00	0.00	0.00
Repo Agmi	1995 A/B SF MR Refunding Bonds 1995 A/B SF MR Refunding Bonds	Total			0.01	0.01		(0.01)	5.00"								0.00
	1333 ACD SE MIK REIGHAING BORIUS	Julai			0.01	0.01	0.00	(0.01)	0.00	0,00				0.00	0,00	0.00	0.00
	Total 1994/1995 SF MRB CHMRB I	nvestment	Summary		0.05	0,05	0.00	(0.05)	0.00	0.00				0.00	0.00	0.00	0.00

Texas Department of Housing and Community Affairs Commercial Paper Investment Summary For Period Ending November 30, 2006

Investment Type	Issue	Current Interest Rate	Current Purchase Date	Gurrent Maturity Date	Beginning Carrying Value 08/31/06	Begänning Market Value 08/31/06	Accretions/ Purchases	Amortizations/ Sales	Maturities	Transfers	Par Value	Prem/Disc	Amortization	Ending Carrying Value 11/30/06	Ending Market Value 11/30/06	Change in In Market Value	Recognized Gain
Repo Agmt	Commercial Paper				407,098.92	407,096,92		(407,098.92)									0.00
GIC's	Commercial Paper				3,231,000.00	3,231,000.00		(3,231,000.00)								-	0.00
GIC's	Commercial Paper				11,967,000.00	11,967,000.00		(11,967,000.00)								-	0.00
Repo Agml	Commercial Paper	5.29	11/30/06	12/01/06			50,673.82				50,673.82	0.00	0.00	50,673,82	50,673.82		0.00
GIC's	Commercial Paper	3.70	11/09/08	12/07/06			198,000.00				198,000.00	0.00	0.00	198,000.00	198,000.00	_	0.00
	Commercial Paper Total			•	15,805,098.92	15,605,096,92	248,673.62	(15,605,096.92)	0.00	0.00				248,673.82	248,673.82	0.00	0.00
	Total Commercial Paper In	vestment Sum	mary		15,605,096.92	15,605,096,92	248,673.82	(15,605,098,92)	0.00	0.00				248,673.82	248,673.82	0.00	0.00

Texas Department of Housing and Community Affairs General Fund Investment Summary For Period Ending November 30, 2005

		Current	Current	Current	Qninn i ga8	Beginning								Ending	Ending	Change in	
Investment		Interest	Purchase	Maturity	Carrying Value	Market Value	Accretions/	Amortizations/						Carrying Value	Market Value	In Market	Recognized
Type	lssue .	Rate	Date	Date	08/31/06	08/31/06	Purchases	Sales	Maturities	Transfers	Par Value	Prem/Disc	Amortization	11/30/06	11/30/06	Value	Gain
Repo Agmt	General Fund	5.29	11/30/06	12/01/06	2,722,287.73	2,722,287.73	36,281.38				2,758,569.11	0.00	0.00	2,756,569.11	2,758,569.11	-	0.00
Repa Agmt	General Fund	5.29	11/30/06	12/01/06	3,257,300.95	3,257,300.95	43,411.66				3,300,712.61	0.00	0.00	3,300,712.61	3,300,712.61	-	0.00
Repo Agmi	General Fund	5.29	11/30/06	12/01/06	808,532.83	606,532.63	10,775.87				819,308.70	0.00	0,00	819,308.70	819,308.70	-	0.00
Repo Agml	General Fund	5.29	11/30/06	12/01/06	490,174,70	490,174.70	43,159.79				533,334.49	0.00	0.00	533,334.49	533,334.49	-	0.00
Repo Agml	General Fund	5.29	11/30/06	12/01/06	33,443,65	33,443.65	8,163,65				39,607.30	0.00	0.00	39,507.30	39,607.30	-	
Repo Agmt	General Fund	5.29	11/30/06	12/01/06	972,772,68	972,772.60		(84,726.23)			888,046,45	0,00	0.00	888,046.45	888,048.45	-	0.00
Repo Agmil	General Fund	5.29	11/30/06	12/01/06	134,176.78	134,176.78	1,461.24				135,638.02	0.00	0.00	135,638.02	135,638.02	-	0.00
Repo Agmi	General Fund	5.29	11/30/06	12/01/06	315,422.96	315,422.96	4,203.91				319,626.87	0.00	0.00	319,626.87	319,628.87	-	
Repo Agmi	General Fund	5.29	11/30/06	12/01/06	360,150.10	380,180.10	5,067.00				385,247.10	00,0	0.00	385,247.10	385,247.10	-	0.00
Repo Agrit	General Fund	5.29	11/30/06	12/01/05	231,716.22	231,718.22		(2,789.69)			228,926.53	0.00	0.00	228,926.53	228,926,53	-	00.0
Repo Agmt	General Fund	5,29	11/30/06	12/01/06	390,975.87	390,975.87	5,210,85				396,186.72	0.00	0.00	395,185.72	396,186.72	-	0.00
Repo Agmi	General Fund	5.29	11/30/06	12/01/06	165,875.56	165,875.56	6,733.73				172,609.29	0.00	0.00	172,609.29	172,609.29	-	0.00
Repa Agmt	General Fund	5.29	11/30/06	12/01/06	671,593.35	671,593.35	8,950.84				680,544.19	0.00	0.00	680,544,19	680,544,19	-	0.00
Repa Agmt	General Fund	5.29	11/30/06	12/01/06	B47,254.16	847,254.16	13,333.67				860,588.03	0.00	0,00	860,588,03	860,588.03	•	0.00
Repa Agmt	General Fund	5,20	11/30/06	12/01/06	711,968,15	711,968,15	1,318,703.31				2,030,671.46	G.00	0.00	2,030,671.46	2,030,671.46	-	0.00
Repo Agmt	General Fund	5.29	11/30/06	12/01/06	75,375.63	75,375,63	16,088.07				91,443.70	0.00	0.00	91,443.70	91,443.70	-	0.00
Repa Agmt	General Fund	5.29	11/30/06	12/01/06	10,654.17	10,654.17	199,348.45				210,002.62	0,00	0,00	210,002.62	210,002.62	-	. 0.00
	General Fund Total				12,219,705.49	12,219,705.49	1,718,873.52	(87,515.92)	0.00	0.00				13,851,063.19	13,851,063.19	0.00	0.00
	Total General Fund Inves	lment Summa	гу		12,219,705.49	12,219,705.49	1,718,873.62	(87,515.92)	0.00	0.00				13,851,063.19	13,851,063.19	0,00	0,00

Texas Department of Housing and Community Affairs Housing Trust Fund Investment Summary For Period Ending November 30, 2006

		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
Туре	Issue	Rate	Date	Date .	08/31/06	08/31/06	Purchases	Sales	Maturities	Transfers	Par Value	Prem/Disc	Amortization	11/30/06	11/30/06	Value	Gain
Repa Agmt	Housing Assistance Fund	5.29	11/30/08	12/01/06	72,581.75	72,581.75	13,072.15				85,653.90	0.00	0.00	85,653.90	85,653.90		0.00
Repo Agmt	Housing Trust Fund	5.29	11/30/06	12/01/06	353,613.80	353,613,80		(50,966.72)			302,647.08	0.00	0,00	302,647.08	302,647.08	-	0.00
Repo Agmi	Housing Trust Fund	5.29	11/30/06	12/01/06	42,182.28	42,182.26	8,996.59				51,178.85	0.00	0.00	51,178.85	51,178.85	-	0.00
Repo Agmt	Housing Trust Fund	5,29	11/30/06	12/01/06	16,343.79	16,343.79	188.88				16,530.67	0,00	0.00	18,530.67	18,530.67		0.00
Repo Agmt	Housing Trust Fund	5.29	11/30/06	12/01/06	105,261.30	105,281.30	1,367.42				106,628.72	0.00	0.00	106,628.72	106,628.72	-	0.00
Repo Agmt	Housing Trust Fund	5.29	11/30/06	12/01/06	289,482,69	289,452.69	48,229.13				337,711.82	0.00	0.00	337,711.82	337,711.82	-	0.00
Repo Agmt	Housing Trust Fund	5.29	11/30/06	12/01/06	34,998.10	34,998.10		(19,755.85)			15,242.25	0,00	0.00	15,242.25	15,242.25	-	0.00
Repo Agmt	Housing Trust Fund	5.29	11/30/06	12/01/08	4,959,053.62	4,969,963.82		(1,734,581.53)			3,234,482.29	0.00	0.00	3,234,482.29	3,234,482.29	_	0.00
Repa Agmt	Housing Trust Fund	5.29	11/30/06	12/01/06			1,800,000.00				1,800,000.00	0.00	0.00	1,800,000.00	1,800,000.00		0.00
Repo Agmt	General Revenue Appn	5.29	11/30/06	12/01/06	899,778.55	899,778.55	327,886.48				1,227,645.03	0.00	0.00	1,227,645,03	1,227,645.03	-	0.00
Repo Agmt	General Revenue Appn	5.29	11/30/06	12/01/08	354,325.42	354,325.42	141,492.29				495,817.71	0.00	0.00	495,817.71	495,817,71	-	0.00
Repo Agmt	Capacity Building -GR	5.29	11/30/08	12/01/06	10,678.28	10,878.28	0.00				10,878.28	0.00	0.00	10,878.29	10,678.28	-	0.00
Repa Agrat	Capacity Building -GR	5.29	11/30/06	12/01/06	257,888,39	257,888.39		(24,501.79)			233,386.60	0.00	0.00	233,386.60	233,386.60		0.00
Repo Agmt	Pre-Development -GR	5.29	11/30/08	12/01/06	400,778.31	400,778.31	0.00				400,778.31	0,00	0.00	400,778.31	400,778.31	-	0.00
Repo Agmt	Pre-Development -GR	5.29	11/30/06	12/01/06	100,000.00	100,000.00	0.00				100,000.00	0.00	0.00	100,000.00	100,000.00	-	0.80
Repo Agml	Housing Trust Fund-GR				107,500,00	107,500.00		(107,500.00)									0.00
Repo Agmi	Housing Trust Fund-GR	5.29	11/30/08	12/01/06	1,115,377.40	1,115,377.40		(312,500.00)			802,877.40	0.00	0.00	802,877.40	802,877,40		0.00
Repo Agmi	Boostrap -GR	5.29	11/30/08	12/01/06	550,200.00	550,200.00	0.00				550,200.00	0.00	0.03	550,200.00	550,200.80	-	0.00
Repo Agml	Boostrap -GR	5.29	11/30/08	12/01/06	1,942,652.19	1,942,652.19		(530,748.24)			1,411,903.95	0.00	0.00	1,411,903.95	1,411,903.85		0.00
Repo Agmt	Boostrap -GR	5.29	11/30/08	12/01/06	1,456,799.00	1,466,799.00		{199,500.00}			1,267,289.00	0.00	0.00	1,267,299.00	1,267,299.00	-	0.00
Repo Agmt	Boostrap -GR	5.29	11/30/06	12/01/06	2,531,120.00	2,531,120.00	1,728,245.64				4,259,365.64	0.00	0.00	4,259,365.64	4,259,365.64	-	0.00
	Housing Trust Fund Total				15,620,825.05	15,620,825.05	4,069,456.58	(2,960,054,13)	0.00	0.00				16,710,227.50	16,710,227.50	0.00	0.00
	Total Housing Trust Fund inv	vestment Sun	imary		\$5,620,825.05	15,620,825.05	4,069,456.5B	(2,980,054.13)	0.00	0.00				16,710,227.50	15,710,227.50	0.00	0.00

Texas Department of Housing and Community Affairs Administration Investment Summary For Period Ending November 30, 2006

Investment Type Repo Agmt	lssue Administration	Current Interest Rate 5.29	Current Purchase Date 11/30/06	Current Maturity Date 12/01/06	Beginning Carrying Value , 08/31/05 145,615,48	Beginning Market Value 08/31/06 145,615,48	Accretions/ Purchases 1,903.23	Amortizations/ Sales	Maturities	Transfers	Par Value 147,518,71	Prem/Disc 0.00	Amortization 6.00	Ending Carrying Value 11/30/06 147,518.71	Ending Market Value 11/30/05 147,518.71	Change in In Market Value	Recognized Gain 0.00
(Tapo Tigiti		.,,,,,,,,,		145,815,48	145,615.48	1,903.23	0.00	0.00	0.00			•	147,518.71	147,518.71	0.00	0.00	
Total Administration investment Summary					145,515.48	145,615.48	1,903.23	0.00	0.00	0.00				147,518.71	147,518.71	0,00	00.0

Texas Department of Housing and Community Affairs Compliance Investment Summary For Period Ending November 30, 2006

Investment Type	Issue	Current Interest Rate	Current Purchase Date	Current Maturity Date	Beginning Carrying Value 08/31/06	Beginning Market Value 08/31/05	Accretions/ Purchases	Amortizations/ Sales	Maturities	Transfers	Par Value	Prem/Disc	Amortization	Ending Carrying Value 11/30/06	Ending Market Value 11/30/06	Change in In Market Value	Recognized Gain
Repo Agmt	RTC	5.29	11/30/06	12/01/06	191,015.49	191,815.49	129,801.22				321,616.71	0.00	0.00	321,616.71	321,616.71	-	0.00
Repo Agmt	Multi Family	5,29	11/30/06	12/01/08	849,452.99	849,452.99	95,237.44				944,690,43	0,00	0.00	944,690.43	944,690.43	-	0.00
Repo Agmt	Multi Family	5.29	11/30/06	12/01/08	98,140.09	98,140.09	1,272.75				99,412.84	0.00	0.00	99,412.84	99,412.84	-	0.00
Repo Agml	Low Income Tax Credit Prog.	5.29	11/30/06	12/01/06	1,263,656.88	1,263,656.88		(39,502.88)			1,224,154.00	0.00	0.00	1,224,154.00	1,224,154.00	-	0.00
	Compliance Total			•	2,403,065.45	2,403,065.45	226,311.41	(39,502.88)	0.00	0.00				2,589,873.98	2,589,873.98	9.00	0.00
	Total Compliance		2,403,065.45	2,403,065.45	225,311.41	(39,502.88)	0.00	0.00				2,589,873,98	2,589,873,98	0.00	0.00		

Texas Department of Housing and Community Affairs Housing initiatives investment Summary For Period Ending November 30, 2006

Investment		Current Interest	Current Purchase	Current Maturity	Beginning Carrying Value	Beginning Market Value	Accretions/	Amortizations/						Ending Carrying Value	Ending Market Value	Change in In Market	Recognized
Type	issue	Rate	Date	Date 1	08/31/06	OB/31/D6	Purchases	Sales	Maturities	Transfers	Par Value	Prem/Disc	Amortization	11/30/05	11/30/06	Value	Gain
Repo Agml	S/F Interim Construction	5.29	11/30/06	12/01/06	470,108.29	470,108.29	6,211,40				476,319.69	0.00	0.00	476,319.69	476,319.69	-	0.00
Repo Agmt	S/F Interim Construction	5.29	11/30/06	12/01/06	180.07	180.07	2.72				182.79	0.00	0.00	182.79	182.79	-	0.00
Repa Agmt	S/F Interim Construction	5.29	11/30/06	12/01/06	7.25	7.25	0.00				7.25	0.00	0.00	7.25	7.25	•	0.00
Repa Agmt	Mtg. Credit Certificate	5.29	11/30/08	12/01/06	71,564.60	71,564.60	920.12				72,484.72	0.00	0.00	72,484.72	72,484.72	-	0,00
Repa Agmt	Low Income Tax Credit Prog.	5.29	11/30/06	12/01/06	965,585.04	965,585.04		(169,581.05)			795,923.98	0.00	0,00	795,923.98	795,923.98	-	0.00
Repa Agmt	Low Income Tax Credit Prog.	5.29	11/30/06	12/01/06	2,852,080.83	2,852,080.83	991,630.14				3,843,710.97	0.00	0.00	3,843,710.97	3,843,710.97	•	0.00
Repa Agmt					335,758.83	335,758.83	18,986.76				354,745.59	0.00	0.00	354,745.59	354,745.59		0.00
	tepo Agmt Low Income Tax Credit Prog. 5.29 1 Low Income Tax Credit Prog. Total				4,695,284.91	4,695,284,91	1,017,751.14	(169,661.08)	0.00	0.00				5,543,374,99	5,543,374.99	0.90	0.00
	Total Housing Initiatives Investment Summary					4,695,284,91	1,017,751.14	(189,661.06)	0.00	0.00				5,543,374.99	5,543,374.99	0.00	0.00
	Total Investment Sur		=	1,438,181,786.91	1,415,326,458.47	356,040,012.87	(191,637,237.00)	(19,396,370.34)	0.00	1,589,727,094.97		:	1,583,188,192.44	1,571,718,294.76	11,385,430.76	0.00	

OFFICE OF RURAL COMMUNITY AFFAIRS

BOARD ACTION REQUEST February 1, 2007

Action Item

The following action is recommended related to non-housing activities under the State of Texas Action Plan (Action Plan) for *Community Development Block Grant (CDBG) Disaster Recovery Funds to Areas Most Impacted and Distressed by Hurricane Rita*:

f) Presentation, Discussion, and Possible Approval for Amendments to Community Development Block Grant (CDBG) contracts administered by the Office of Rural Community Affairs (ORCA).

Requested Action

Approve or deny the request for amendments related to the use of non-housing funds under the CDBG Disaster Recovery Program.

Background

The U. S. Department of Housing and Urban Development approved the State of Texas Action Plan (Action Plan) related to the CDBG Disaster Recovery Funds to Areas Most Impacted & Distressed by Hurricane Rita on June 16, 2006. On August 30, 2006 the TDHCA Governing Board approved the non-housing project recommendations of the four COGs in the affected area and the Office of Rural Community Affairs (ORCA).

The Action Plan approved by HUD specifically states "contract amendments that vary more than 5% must be approved by the TDHCA Board." To date ORCA has received four requests for amendments that require Board approval.

City of Gallatin Contract Number DRS060023

Summary of Request

The city of Gallatin is requesting approval of a transfer in funding categories to move three thousand dollars (\$3,000) from the construction line item to an engineering line item. There will be no change in the number of beneficiaries or scope of the project associated with this amendment.

On August 30, 2006 the TDHCA Governing Board approved fifty thousand dollars (\$50,000) for construction of a shelter in the city of Gallatin (population 378) for construction costs only. As a part of the construction costs associated with this project the city will incur three thousand dollars (\$3,000) in engineering / architectural expenses for development of plans and specifications and construction oversight associated with the construction of the shelter. The request to establish a line item for engineering / architecture is a reasonable expense related to the construction of a shelter.

Requested Action

ORCA recommends approval of a transfer in funding categories to move three thousand dollars (\$3,000) from the construction line item to an engineering line item at the request of the community and recommendation of the East Texas Council of Governments (ETCOG) for the city of Gallatin.

Galveston County Contract Number DRS060024

Summary of Request

The Houston-Galveston Area Council (H-GAC) is requesting approval of the cancellation of funding in the amount of sixty-two thousand five hundred dollars (\$62,500) to Galveston County as per their request concerning the "Little Beach" project for dune repair.

On August 30, 2006 the TDHCA Governing Board approved sixty-two thousand five hundred dollars (\$62,500) for flood and drainage activities involving dune restoration in the unincorporated community of Little Beach. Because the community was not incorporated this award was made to Galveston County to administer. Upon receipt of the award Galveston County determined that it did not have sufficient staffing available to administer this award in addition to the three hundred fifty thousand dollar (\$350,000) award for another area of the county and declined the "Little Beach" award.

The funds will be reallocated to Montgomery County in accordance with H-GAC's competitive scoring process.

Requested Action

ORCA recommends approval of H-GAC's request for a contract cancellation in the amount of sixty-two thousand five hundred dollars (\$62,500) to Galveston County.

Montgomery County Contract Number DRS060054

Summary of Request

The Houston-Galveston Area Council (H-GAC) is requesting approval of an increase in funding to Montgomery County in the amount of sixty-two thousand five hundred dollars (\$62,500) as provided for by the H-GAC scoring system and recommendation.

As a part of the method of distribution developed by H-GAC and approved by the TDHCA Governing Board July 28, 2006 H-GAC required the affected communities in the H-GAC region to compete for \$3,616,156 in non-housing funds with the restriction that at least one award would be made in each county. Within this competitive process H-GAC set priorities for activities that were matching other funding sources and thus leveraging the supplemental funding. Based on the scoring, Montgomery County, as the last applicant awarded was only partially funded. Under H-GAC's competitive scoring process, the additional dollars released by Galveston County under the prior request is recommended for award to Montgomery County. The Montgomery County project will purchase generators at 4 community shelters and will benefit 293,768 individuals (116,626 LMI).

Requested Action

ORCA recommends approval of H-GAC's request for a contract increase for Montgomery County in the amount of sixty-two thousand five hundred dollars (\$62,500).

South East Texas Regional Planning Commission (SETRPC) Contract Number DRSCOG06004

SETRPC is requesting approval of a transfer in funding categories to move nine thousand eight hundred eighty-one dollars (\$9,881) from the general administration line item to planning / project delivery line item to cover planning / project delivery expenses as defined by the US Department of Housing and Urban Development. There will be no change in the number of beneficiaries associated with this change.

On August 30, 2006 the TDHCA Governing Board approved eighteen thousand six hundred fifty-six dollars (\$18,656) for SETRPC for general administration related to the non-housing activities and no funding for planning / project delivery activities. After completion of the non-housing work SETRPC has found that it overestimated the amount of general administrative activities for the support of the non-housing activities and based on HUD definition should have requested funding under the planning / project delivery.

Requested Action

ORCA recommends approval of a transfer in funding categories to move nine thousand eight hundred eighty-one dollars (\$9,881) from the general administration line item to planning / project delivery line item to cover planning / project delivery expenses.

OFFICE OF RURAL COMMUNITY AFFAIRS

BOARD ACTION REQUEST February 1, 2007

Action Item

The following action is recommended related to non-housing activities under the State of Texas Action Plan (Action Plan) for *Community Development Block Grant (CDBG) Disaster Recovery Funds to Areas Most Impacted and Distressed by Hurricane Rita*:

g) Presentation, Discussion and Possible Approval to modify the CDBG Disaster Recovery Action Plan (Action Plan) to allow non-housing activities to be funded in communities and Indian Tribes that do not levy a local property tax or sales tax option.

Requested Action

Approval to modify the Action Plan to strike the requirement that non-housing grantees must levy a local property tax or sales tax option to be eligible for funding.

Background

The Action Plan states that "All non-housing activity Subgrantees must further demonstrate the ability to manage and administer the proposed project, demonstrate financial management capacity to operate and maintain any improvements resulting from the project, <u>levy a local property tax or sales tax option</u>, demonstrate satisfactory performance on previously funded CDBG contracts, and have resolved any outstanding compliance or audit findings."

Recommendation

ORCA recommends that the Action Plan be modified to strike the requirement that a Subgrantee must levy a local property tax or sales tax option. This language was included in error and is negatively impacting three very small communities and one Indian Tribe (Gallatin, Taylor Landing, Panorama Village, and the Alabama Coushatta Indian Tribe). If the Governing Board approves the proposed action, page 23 of the Action Plan will be modified as follows:

"All non-housing activity Subgrantees must further demonstrate the ability to manage and administer the proposed project, demonstrate the financial management capacity to operate and maintain any improvements resulting from the project, demonstrate satisfactory performance on previously funded CDBG contracts, and have resolved any outstanding compliance or audit findings. More detail on these requirements can be found at 10 TAC 255.1 (ORCA)."

SINGLE FAMILY FINANCE PRODUCTION DIVISION

BOARD ACTION REQUEST February 1, 2007

Action Item

Presentation, discussion and possible approval of two Disaster Relief Program Award recommendations under the HOME Owner Occupied Housing Assistance Program in the amount of \$634,400.

Required Action

Approval of two (2) Disaster Relief Program award recommendations.

Background

On March 19, 2006, a tornado destroyed and severely damaged many homes in Uvalde County. On March 23-24, 2006, TDHCA's Disaster Relief Program Officer joined the Texas Department of Public Safety (DPS) and the Governor's Division of Emergency Management (GDEM) in conducting Preliminary Damage Assessments (PDA's) in the area. Uvalde County received a Small Business Administration federal Declaration allowing Uvalde County 90 days from the date of the disaster declaration for potential applicants to request any disaster assistance available. After the 90 day timeframe expires and all Federal sources have been depleted, counties affected by the federally declared disaster may apply for State assistance for any unmet housing needs. As a result, Uvalde County requested a technical assistance visit from the HOME DR Program Officer to assist with the application process and a workshop was conducted on August 20, 2006. Uvalde County submitted the application October 4, 2006; however, there were several discrepancies noted in the application and have since been reconciled and ready to submit for Board approval.

On May 9, 2006, a tornado destroyed or severely damaged a few homes in Grayson County. On May 11-12, 2006, TDHCA's Disaster Relief Program Officer joined the Texas Department of Public Safety (DPS) and the Governor's Division of Emergency Management (GDEM) in conducting Preliminary Damage Assessments (PDA's) in the area. Grayson County requested a technical assistance visit from the HOME DR Program Officer to assist with the application process and a workshop was conducted by SF HOME staff on August 14, 2006. Grayson County submitted an application to TDHCA on December 21, 2006.

Applications have been thoroughly reviewed for eligibility. Section 2306.057, Texas Government Code, requires an assessment of the applicant and any affiliate of the applicant be conducted to identify the history with respect to all applicable requirements. The organizational structure of these applications has been reviewed by all Divisions in the Department. Review did not identify any issues that would warrant disqualification or material noncompliance.

Application No.	Applicant Name	Project Funds Requested and Recommended	Admin. Funds Requested and Recommended	Total Funds Requested and Recommended	#Units Requested and Recommended
2006-0219 DR	Uvalde County	\$ 500,000	\$ 20,000	\$520,000	9
2006-0220 DR	Grayson County	\$ 110,000	\$ 4,400	\$114,400	2
Total		\$ 610,000	\$ 24,400	\$634,400	11

Recommendation

Staff recommends approval of the above noted Single Family HOME Disaster Relief program awards. The awards are in accordance with the TDHCA De-obligation Policy adopted by the Board on January 17, 2002. Staff also recommends approval as noted above, for an award of an additional 4% of project funds for program administration.

FINANCIAL ADMINISTRATION DIVISION

BOARD ACTION REQUEST

February 1, 2007

Action Items

Audit reports from Deloitte and Touche, LLP (Fiscal Year 2006).

Required Action

Presentation, discussion and acceptance of audit reports from Deloitte and Touche, LLP.

Background

The Department's governing statute, Texas Govt. Code §2306.074, requires an annual audit of the Department's books and accounts. Texas Govt. Code §2306.204 requires an annual audit of the Housing Trust Fund to determine the amount of unencumbered fund balances that is greater than the amount required for the reserve fund. Additionally, the Department's bond indentures require audited financial statements of the Housing Finance Division and the Supplemental Bond Schedules.

Recommendation

Acceptance of the Department's audit reports from Deloitte & Touche, LLP.

Texas Department of Housing and Community Affairs

External Audit Results for Fiscal Year 2006

- Communications with Audit Committee Letter
- Opinion Audit on FY 2006 Basic Financial Statements
- Opinion Audit on FY 2006 Revenue Bond Program
- Opinion Audit on FY 2006 Unencumbered Fund Balances
- Report to Management (Management Letter)

Deloitte.

Deloitte & Touche LLP Suite 1700 400 West 15th Street Austin, TX 78701

Tel: +1 512 691 2300 www.deloitte.com

December 19, 2006

To the Audit Committee of the Board of Trustees of Texas Department of Housing and Community Affairs:

We have audited the basic financial statements of the Texas Department of Housing and Community Affairs (the "Department") for the year ended August 31, 2006, and have issued our report thereon dated December 19, 2006.

Our professional standards require that we communicate with you concerning certain matters that may be of interest to you in fulfilling your obligation to oversee the financial reporting and disclosure process for which management of the Department is responsible. We have prepared the following comments to assist you in fulfilling that obligation.

Our Responsibility Under Auditing Standards Generally Accepted in the United States of America and *Government Auditing Standards*

Our responsibility under auditing standards generally accepted in the United States of America ("generally accepted auditing standards") and *Government Auditing Standards* issued by the Comptroller General of the United States has been described to you in our engagement letter. As described in that letter, those standards require, among other things, that we obtain an understanding of the Department's internal control sufficient to plan the audit and to determine the nature, timing, and extent of audit procedures to be performed. We have issued a separate report to you, dated December 19, 2006, containing our comments on the Department's internal control.

Management Judgments and Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and on assumptions about future events. Significant accounting estimates reflected in the Department's 2006 financial statements include the allowance for doubtful accounts, accumulated depreciation, and fair market value of investments.

Audit Adjustments

Our audit was designed to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. In addition, we are obligated by generally accepted auditing standards to inform you of any adjustments arising from the audit that could, in our judgment, either individually or in aggregate, have a significant effect on the Department's financial reporting process.

In addition, we are obligated by generally accepted auditing standards to inform you about uncorrected misstatements (regardless of whether they have a significant effect on the financial reporting process) aggregated by us during the current engagement and pertaining to the latest period presented that were determined by management to be immaterial, both individually and in the aggregate, to the financial statements taken as a whole. There are no such uncorrected misstatements, since all misstatements detected in our audit have been corrected by management.

Significant Accounting Policies

The Department's significant accounting policies are set forth in Note 1 to the Department's 2006 basic financial statements. During the fiscal year, the Department implemented Government Accounting Standards Board ("GASB") Statements No. 42, "Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries" ("GASB 42"). GASB 42 had no material impact on the Department's financial statements. Other than noted above, there were no significant changes in previously adopted accounting policies or their application.

Alternative Accounting Treatments

We had no discussions with management regarding alternative accounting treatments within accounting principles generally accepted in the United States of America for policies and practices related to material items, including recognition, measurement, and disclosure considerations related to the accounting for specific transactions, as well as general accounting policies, related to the year ended August 31, 2006.

Other Information in the Basic Financial Statements

When audited financial statements are included in documents containing other information such as the schedules included with the basic financial statements, generally accepted auditing standards require that we read such other information and consider whether it, or the manner of its presentation, is materially inconsistent with the information, or the manner of its presentation, in the financial statements audited by us. We have read the other information in the schedules and have inquired as to the methods of measurement and presentation of such information. If we had noted a material inconsistency, or if we had obtained any knowledge of a material misstatement of fact in the other information, we would have discussed this matter with management.

Disagreements With Management

We have not had any disagreements with management related to matters that are material to the Department's 2006 financial statements. We received the full cooperation of management during our audit.

Consultation With Other Accountants

We are not aware of any consultations that management may have had with other accountants about auditing and accounting matters during 2006.

Major Issues Discussed With Management Prior to Retention

Throughout the year, routine discussions regarding the application of accounting principles or auditing standards were held with management in connection with transactions that have occurred, transactions that are contemplated, or reassessment of current circumstances. In our judgment, such discussions were not held in connection with our retention as auditors.

Difficulties Encountered in Performing the Audit

In our judgment, we received the full cooperation of the Department's management and staff and had unrestricted access to the Department's senior management in the performance of our audit.

Other Material Written Communications

Items that we believe constitute other material written communications between management and us related to the audit for the year ended August 31, 2006, are the following:

- Engagement Letter—July 5, 2006
- Management Representation Letters—December 19, 2006
- Report to Management—December 19, 2006.

* * * * * *

This report is intended solely for the information and use of the Audit Committee, the Board of Trustees, management, and others within the Department and is not intended to be, and should not be, used by anyone other than these specified parties.

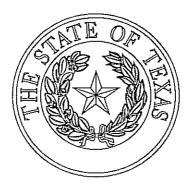
We will be pleased to discuss this report with you further at your convenience.

Yours truly,

Deloitte & Touche LLP

BASIC FINANCIAL STATEMENTS for the year ended August 31, 2006

(With Independent Auditors' Report Thereon)





www.tdhca.state.tx.us

Rick Perry Governor

Michael Gerber
EXECUTIVE DIRECTOR

BOARD MEMBERS
Elizabeth Anderson, Chair
Shadrick Bogany
C. Kent Conine
Sonny Flores
Gloria Ray
Norberto Salinas

December 19, 2006

The Honorable Rick Perry, Governor
The Honorable Carole Keeton Strayhorn, Texas Comptroller
Mr. John O'Brien, Deputy Director, Legislative Budget Board
Mr. John Keel, CPA, State Auditor

Dear Governor Perry, Comptroller Strayhorn, Mr. O'Brien and Mr. Keel:

We are pleased to submit the Annual Financial Report of the Texas Department of Housing and Community Affairs for the year ended August 31, 2006, in compliance with TEX. GOV'T CODE ANN §2101.011 and in accordance with the requirements established by the Comptroller of Public Accounts.

The accompanying annual financial report has been prepared in accordance with Generally Accepted Accounting Principles (GAAP) reporting requirements. The financial report has been audited by an independent Auditor as required by statute.

If you have any questions, please contact David Cervantes, Director of Financial Administration at (512) 475-3875. Esther Ku may be contacted at (512) 475-3871 for questions related to the Schedule of Expenditures of Federal Awards.

Sincerely,

Michael Gerber Executive Director

MG/tt

Basic Financial Statements

for the year ended August 31, 2006

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Deloitte

Deloitte & Touche LLP Suite 1700 400 West 15th Street Austin, TX 78701

Tel: +1 512 691 2300 www.deloitte.com

INDEPENDENT AUDITORS' REPORT

To the Honorable Rick Perry, Governor, and the Board of Directors of Texas Department of Housing and Community Affairs:

We have audited the accompanying financial statements of the governmental activities, business-type activities, major funds, remaining fund information, and supplementary schedules 1-A through 1-F of the Texas Department of Housing and Community Affairs (the "Department") as of and for the year ended August 31, 2006, as listed in the table of contents. These financial statements and supplementary schedules 1-A through 1-F are the responsibility of the Department's management. Our responsibility is to express an opinion on these financial statements and supplementary schedules based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1 to the financial statements, the financial statements of the Department are intended to present the financial position and results of operations and cash flows of only that portion of the funds of the state of Texas that is attributable to the transactions of the Department.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, business-type activities, major funds, and remaining fund information of the Department, as of August 31, 2006, and the results of its operations and cash flows (where applicable) for the year then ended in conformity with accounting standards generally accepted in the United States of America. Also, in our opinion, schedules 1-A through 1-F, as listed in the table of contents, present fairly, in all material respects, the information set forth therein in accordance with guidelines issued by the Texas Comptroller of Public Accounts.

Management's Discussion and Analysis, as listed in the table of contents, is not a required part of the financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2006, on our consideration of the Department's internal control over financial reporting and our tests of its compliance and other matters. The purpose of that report is to describe the scope of our testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Deloitte & Touche LLP

December 19, 2006

MANAGEMENT'S

DISCUSSION AND ANALYSIS

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

This section of the Texas Department of Housing and Community Affairs' (Department) annual financial report presents management's discussion and analysis of the Department's financial performance during the fiscal year that ended on August 31, 2006. Please read it in conjunction with the Department's financial statements, which follow this section.

Financial Highlights

- The Department's business-type activity net assets decreased \$26.1 million and governmental activities net assets decreased \$7.9 million.
- The Department's proprietary fund experienced a decline in operating income in the amount of \$19.9 million to an Operating (Loss) of (\$38.2) million. This impact on operating income resulted primarily from the decline of the fair value of investments in the amount of \$19.9 million. The \$14.4 million increase in interest and investment income, the \$1.1 million decrease in other operating revenues, the \$9.4 million increase in interest expense, and the \$4.4 million increase in other operating expenses had an offsetting effect on operating income.
- Net Assets in the Department's Governmental Fund decreased from \$8.6 million to \$0.7 million. The decrease was primarily attributed to the \$12.1 million transfer of the Housing Trust Fund from the Governmental Fund to the Proprietary Fund. A portion of the decrease was offset by Excess of Revenues over Expenditures during the fiscal year.
- The Department's proprietary fund debt increased \$154.8 million to \$2.3 billion. Debt issuances and debt retirements totaled \$503.9 million and \$349.1 million, respectively.
- Loan originations for the year totaled \$181.9 million and \$9.5 million in the Department's proprietary and governmental funds, respectively.

Overview of the Financial Statements

The financial statements consist of three parts – management's discussion and analysis (this section), the basic financial statements, and supplementary information. The basic financial statements include two types of statements that present different views of the Department.

• The first set of statements are government-wide financial statements that provide information about the Department's overall financial position and results. These statements, which are presented on an accrual basis, consist of the Statement of Net Assets and the Statement of Activities.

- The remaining statements are fund financial statements of the Department's governmental fund and proprietary fund. The governmental fund's activities are funded primarily from Federal funds but also include General Revenue appropriations for which the Department follows a modified accrual basis of accounting. The Department's proprietary fund operates similar to business activities and follows an accrual basis of accounting.
- The basic financial statements also include a "Notes to Financial Statement" section which explains some of the information presented in the Government-wide and fund financial statements and provides additional detailed data.
- The Notes to the Financial Statements are followed by a "Supplementary Information" section, which presents supplementary bond information.

The remainder of this overview section of the management's discussion and analysis explains the structure and contents of each of these statements.

Government-Wide Financial Statements

The Statement of Net Assets shows Governmental Activities and Business-type Activities consolidated on a full accrual basis. The Statement of Activities presents a government wide format of expenses, charges for services, operating grants and contributions and net expenses by both Governmental activities and Business-type activities. Both activities are further broken down by function and programs. The second section of the Statement of Activities shows general revenues not associated with a particular program but provides resources for the Department's programs and operations. The fiduciary activity is not included in the government wide statements.

Statements of Net Assets

The following tables show a summary of changes from prior year amounts for governmental activities.

Texas Department of Housing and Community Affairs Condensed Statement of Net Assets – Governmental Activities As of August 31, 2006

				nental	 T	
		Ac	tivi	ties	 Increase / (1	Decrease)
Assets		2006		2005	Amount	%
Cash & Investments	\$	5,005,004	\$	3,478,348	\$ 1,526,656	43.9
Legislative Appropriations		1,305,355		10,035,348	(8,729,993)	(87.0)
Federal Receivable		7,862,358		5,289,494	2,572,864	48.6
Other Intergovernmental Receivables		160,161		-	160,161	NA
Accounts Receivable		379,473		259,778	119,695	46.1
Interfund Receivables		35,884		75,149	(39,265)	(52.2)
Loans and Contracts		101,570,577		102,152,695	(582,118)	(0.6)
Capital Assets		262,815		108,118	154,697	143.1
Due from Other Agencies		-		9,190	(9,190)	(100.0)
Other Assets		94,553		90,223	4,330	4.8
Total Assets		116,676,180		121,498,343	 (4,822,163)	(4.0)
Liabilities						
Accounts Payable		12,583,233		8,966,505	3,616,728	40.3
Payroll Payable		887,210		851,848	35,362	4.2
Deferred Revenue		101,570,577		102,152,695	(582,118)	(0.6)
Other Current Liabilities		724,577		722,252	2,325	0.3
Other Non-current Liabilities		224,652		207,077	17,575	8.5
Total Liabilities		115,990,249		112,900,377	 3,089,872	2.7
Net Assets						
Invested in Capital Assets		262,815		108,118	154,697	143.1
Restricted by Grantor		374,890		99,319	275,571	277.5
Unrestricted		48,226		8,390,529	(8,342,303)	(99.4)
Total Net Assets	s	685,931	\$	8,597,966	\$ (7,912,035)	(92.0)

Net Assets of the Department's governmental fund decreased by \$7.9 million or 92%. In 2005, Unrestricted Net Assets primarily consisted of a balance of \$8.9 million in the Housing Trust Fund (HTF). This program was transferred from the General Fund to Texas Treasury Safekeeping Trust Company in accordance with the 2006-2007 General Appropriations Act. A portion of the decrease was offset by Excess of Revenues over Expenditures at the government-wide level. The ending balance of Unrestricted Net Assets primarily consists of balances in the Manufactured Housing Division. Restricted Net Assets represent balances in the Investor Owned Utility Programs.

The balance in Cash and Investments increased by \$1.5 million. The Section 8 program had less expenditures due to lower lease-up rates during fiscal year 2006. The monthly installments received from the U.S. Department of Housing and Urban Development were not fully spent. Accordingly, a cash balance remained at year end.

Due to a legislative mandate, the Housing Trust Fund was transferred from the General Fund to Texas Treasury Safekeeping Trust Company. As a result, Legislative Appropriations decreased by \$8.7 million.

The Department experienced an increase in Federal Receivable and Accounts Payable. Increased payment activities at year end for the Low Income Home Energy Assistance Program (LIHEAP) and HOME Investment Partnerships Program (HOME) were reflected in the increase of Federal Receivable and Accounts Payable. Federal Receivable was offset because of an unspent Cash balance in the Section 8 program at year end.

Accounts Receivable experienced an increase during fiscal year 2006. This resulted from an effort to reduce the outstanding consumer claims for Manufactured Housing. There were increased activities for consumer claims payments at year end. Consequently, there were increased Receivable for recoveries from surety bond coverage.

The Department experienced decreases of Loans and Contracts as well as Deferred Revenue. This change occurred primarily because of the increase of current and non-current program loans, which are funded by federal funds for the purpose of HOME program activities. It also reflects reduction of current and non-current loan balances funded by General Revenue for HTF program which was transferred to the Proprietary Fund.

Included in Other Liabilities is the current and non-current portion of Employees' Compensable Leave. It represents unpaid balances of employees' accumulated annual leave.

Business-Type Activities

	etivities -		nent of Net Assets as	of August 31, 2006	
	_		ss-Type vities	lncrease / (D	ecrease)
Assets		2006	2005	Amount	%
Cash & Investments	s ⁻	1,418,156,810	1,417,982,529	S 174,281	0.0
Loans and Contracts		1,183,252,271	1,095,088,378	88,163,893	1.8
Interest Receivable		18,674,249	12,454,068	6,220,181	49.9
Capital Assets		269,218	213,233	55,985	26.3
Real Estate Owned		243,372	57,427	185,945	323.8
Deferred Issuance Cost		11,292,615	11,469,566	(176,951)	(1.5)
Other Assets		1,257,013	2,348,441	(1,091,428)	(46.5)
Total Assets	_	2,633,145,548	2,539,613,642	93,531,906	3.7
Liabilities					
Current					
Interest Payable		32,977,121	27,172,715	5,804,406	21.4
Deferred Revenue		27,983,948	10,511,908	17,472,040	166.2
Other Liabilities		42,959,693	97,690,579	(54,730,886)	(56.02)
Non-current			, ,	(,,,	(00.02)
Bonds/Notes Payable		2,294,308,557	2,078,627,974	215,680,583	10.4
Other Non-current Liabilities		171,965,689	236,593,911	(64,628,222)	(27.3)
Total Liabilities		2,570,195,008	2,450,597,087	119,597,921	4.9
Net Assets					
Invested in Capital Assets		269,218	213,233	55,985	26.3
Restricted		23,720,348	61,632,463	(37,912,115)	(61.5)
Unrestricted		38,960,974	27,170,859	11,790,115	43.4
Total Net Assets	s	62,950,540	89,016,555	\$ (26,066,015)	(29.3)

Net assets of the Department's proprietary fund decreased \$26.1 million, or 29.3% to \$62.9 million. The decrease resulted primarily from a decline in earnings from the Department's investments, loans, other programs and an increase in expenses. A decline in the Department's fair value of its investments also contributed to this decrease in net assets. This decline resulted in an unrealized (loss) of (\$33.4) million, down \$19.9 million from an unrealized (loss) of \$13.5 million. Restricted net assets of the Department's proprietary fund decreased \$37.9 million or 61.5%. Unrestricted net assets increased \$11.8 million or 43.4%.

Cash and investments increased \$174 thousand, or .01% to \$1.4 billion, as funds were generated from debt issuances, reinvestment of loan repayments, and interest earnings. Program loans receivable (current and non-current) increased \$88.1 million, or 8.1% to \$1.2 billion, as a result from the origination of \$111.1 million and \$36.7 million in payoffs of mortgage loans under the Department's Multifamily Program. Total bonds and notes payable (current and non-current) increased \$160.6 million, or 7.4% due to new debt issuances associated with the Department's Single Family and Multifamily Programs.

Earnings within the Department's various funds were \$99.5 million of which \$87.4 million is classified as restricted and \$12.1 million as unrestricted.

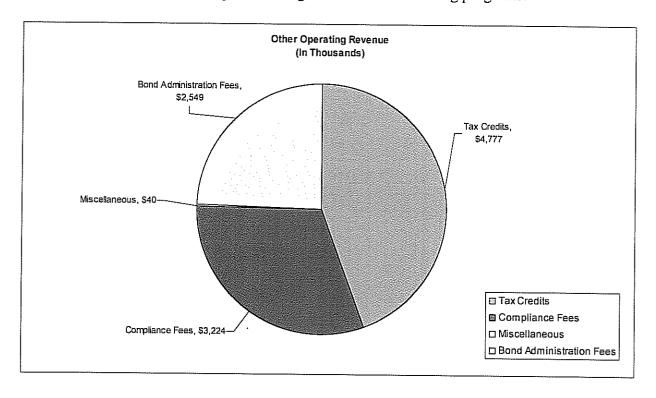
Restricted earnings are composed of \$119.7 million in interest and investment income, (\$33.4) million in fair value of investments, and \$1.1 million in other revenue. Interest and investment income are restricted per bond covenants for debt service. Fair value of investments is an unrealized (loss) due to the fact that the Department holds investments until maturity. Other revenue is predominantly an accounting recognition of fees received in previous years that were deferred when received and are being amortized over a period of time.

Unrestricted earnings are composed of \$1.6 million in interest and investment income and \$10.5 million in other operating revenue.

Interest and investment income earned from unrestricted investments are used to support various housing initiatives programs such as Housing Trust Fund and the Bootstrap Program. Sources for other operating revenue are fees from the Tax Credit Program, compliance fees, bond administrative fees, and miscellaneous interest earned from funds held by the Comptroller.

Fees earned under the Tax Credit Program are application fees, commitment fees, and inspection fees. Yearly compliance fees are generated from the Department's portfolio of multifamily properties. The Department performs on site visits and desk reviews to ensure that the properties are in compliance with the various housing regulations. Bond administrative fees are generated yearly from the various bond issuances to support the Department's administrative expenses.

The graph below illustrates the composition of the \$10.5 million in other operating revenue, classified as unrestricted earnings, according to the different housing programs.



Statement of Activities

The Statement of Activities reflects the sources of the Department's changes in net assets as they arise through its various programs and functions. Single Family, Multifamily and Housing Trust Fund are shown as business-type activities, and seven major programs are shown as governmental activities. Federal and state assistance activities allocate various subsidy funds to local governments, nonprofit organizations or individuals.

A condensed Statement of Activities for the fiscal year ended August 31, 2006 and 2005 is shown in the table below.

The state of the s		as Departme Conde	ensec	I Statement In Thousan	t of A							
		Gove Ac	rnme tiviti			Busine Act				Т	otal	
		2006		2005		2006	***	2005		2006		2005
Program Revenues: Charges for Services Operating Grants and Contributions General Revenues Total Revenue	\$	4,462 163,065 5,686 173,213	\$	1,787 155,028 7,148 163,963	\$ 	131,251 (31,759) 99,492	s	118,838 (13,053) 105,785	S _	135,713 163,065 (26,073) 272,705	\$	120,625 155,028 (5,905) 269,748
Total Expenses Excess before Transfers Transfers	-	169,168 4,045 (11,957)	TVIII.	163,903 60 (469)	. <u>.</u>	137,655 (38,163) 12,097		124,332 (18,547)	_	306,823 (34,118) 140		288,235 (18,487) (469)
Change in Net Assets Beginning Net Assets	-	(7,912) 8,598	,	(409) 9,007	· _	(26,066) 89,017		(18,547) 107,564		(33,978) 97,615		(18,956) 116,571
Ending Net Assets	_\$	686	\$	8,598	\$	62,951	\$	89,017	S	63,637	S	97,615

Governmental Fund Activities

Revenues of the Department's Governmental Activities were primarily from Operating Grants and Contributions. The majority of the revenues were from the U.S. Department of Housing and Urban Development (HUD) and the U.S. Department of Health and Human Services. General Revenues are revenues appropriated to the Department in accordance with legislative acts and regulations.

Total revenue increased \$9.3 million. This increase consisted primarily of increases of \$8.0 million in Operating Grants and Contributions, increase of Charges for Services of \$2.7 million and decrease of General Revenues of \$1.5 million. The increase of Operating Grants and Contributions is a result of increased federal activities in the LIHEAP and HOME Programs. The increase of Charges for Services is due to increased charges of Manufactured Housing licenses, fees and permits. There was also a change in the Department's methodology of finance from General Revenues to Appropriated Receipts for Manufactured Housing strategies.

Expenses of the Department's Governmental Activities consisted primarily of Intergovernmental Payments and Public Assistance Payments. The Department distributes program funds to local providers, including local governments, nonprofit and for-profit organizations, community based organizations and real estate developers. The increase in Expenses is primarily due to a combination of increased activities in the HOME and LIHEAP programs and decreased activities in the Community Services Block Grant (CSBG), HTF and Section 8 programs.

Transfers consisted primarily of the transferring out of HTF from Governmental Activities to Business-Type Activities according to TDHCA rider 19 in the 2006-2007 General Appropriations Act. There were also additional transfers of retirement incentive and earned federal funds in Governmental Activities.

Business-Type Activities

Revenues of the Department's Business-type Activities were primarily from charges for services of \$131.3 million and a decrease in fair value of investments of (\$33.4 million). Charges for services consist primarily of earned interest income on loans for the three housing lending programs. It also includes program investment income which is earned within the Department's bond programs, the investments and the income of which are restricted to those programs by a pledge to the respective bond indentures. Total revenue decreased \$6.5 million which consisted primarily of a decrease in fair value of investments of \$19.9 million compared to 2005 and offset by an increase of \$14.4 million in interest and investment income and a decrease of \$1.0 million in other operating revenue.

Expenses of the Department's Business-type Activities consist primarily of interest expense of \$117.5 million, which increased \$9.4 million. The increase in interest expense is a result of an increase in the Department's debt issued to fund its various Single Family and Multifamily lending programs. The direct expenses also include Administrative Funds, allocations of expenses of Department programs that directly involve the production or monitoring activities associated with the housing programs, as well as certain costs incurred, both internally and externally. Administrative expenses decreased \$1.0 million to \$10.9 million, which was incurred

within the Department's Administrative Fund including all other administrative and supportive functions and overhead expenses.

The Department's Business-type Activities expenses of \$137.7 million exceeded Charges for Services of \$131.3 million by \$6.4 million. Charges for Services, primarily interest income on loans and investment income, are intended to cover bond principal and interest expense. The other direct expenses were covered and the difference was covered by prior year available net assets. This income, plus interest earned on loans, produces an adequate amount to pay Department obligations as required by the bond indentures covenants.

The Department's Business-type Activities also generated \$1.6 million of unrestricted investment income, which was used primarily to pay administrative costs.

Fund Financial Statements

The fund financial statements provide more detailed information about the Department's most significant fund and the Department as a whole. The Department has two types of funds:

- Governmental fund The General Revenue Fund is the Department's only Governmental Fund. It is the principal operating fund used to account for the Department's general activities. The financing for this fund is authorized through state legislative appropriations either as committed or collected revenues. Federal and state programs are also reported within this fund.
- Proprietary fund The Department's activities in its proprietary fund are accounted for in a manner similar to businesses operating in the private sector. Funding has primarily arisen through the issuances of taxable and tax-exempt bonds whose proceeds are used primarily to fund various types of loans to finance low and moderate-income housing. This fund also receives fee income from the Multifamily Tax Credit Program and Compliance fees collected for the purpose of covering the operating costs of the Department. The net assets of these funds represent accumulated earnings since their inception and are generally restricted for program purposes or debt service.

Governmental Fund

Texas Department of Housing and Community Affairs Governmental Fund Activities Statements of Revenues, Expenditures and Changes in Fund Balances

					Increase / (Decrease)
OPERATING REVENUES		2006	2005		Amount	%
Legislative Appropriations	\$	3,913,405	\$ 5,772,113	-\$	(1,858,708)	(32.2)
Federal Revenues		161,140,601	151,548,147		9,592,454	6.3
Federal Grant Pass-Through		319,217	514,529		(195,312)	(38.0)
State Grant Pass-Through		80,279	798,771		(718,492)	(89.9)
Licenses, Fees and Permits		3,858,931	1,114,504		2,744,427	246.2
Interest and Investment Income		662,083	403,545		258,538	64.1
Sales of Goods and Services		603,466	672,801		(69,335)	(10.3)
Other Revenue		3,039,925	3,283,150		(243,225)	(7.4)
Total Operating Revenues		173,617,907	 164,107,560		9,510,347	5.8
OPERATING EXPENDITURES						
Salaries and Wages		8,264,995	7,626,824		638,171	8.4
Payroll Related Costs		2,248,764	1,825,848		422,916	23.2
Professional Fees and Services		668,733	874,052		(205,319)	(23.5)
Travel		530,709	424,629		106,080	25.0
Materials and Supplies		201,975	259,755		(57,780)	(22.2)
Communications and Utilities	•	207,108	201,691		5,417	2.7
Repairs and Maintenance		233,905	107,645		126,260	117.3
Rentals and Leases		402,640	979,733		(577,093)	(58.9)
Printing and Reproduction		81,730	76,140		5,590	7.3
Claims and Judgments		949,011	(483,115)		1,432,126	(296.4)
Other Operating Expenditures		478,116	303,274		174,842	57.7
Capital Outlay		226,083	23,190		202,893	874.9
Intergovernmental Payments		47,419,792	43,815,657		3,604,135	8.2
Public Assistance Payments		107,389,437	107,701,827		(312,390)	(0.3)
Total Operating Expenditures		169,302,998	 163,737,150	****	5,565,848	3.4
Excess of Revenues over Expenditures		4,314,909	370,410		3,944,499	1064.9
Other Financing Sources (Uses)		(11,957,025)	(468,236)		11,488,789	2453.6
CHANGE IN FUND BALANCE		(7,642,116)	(97,826)		(7,544,290)	7711.9
Beginning Fund Balance		9,419,177	9,662,417		(243,240)	(2.5)
Appropriations (Lapsed)		(404,716)	(145,414)		(259,302)	178.3
Ending Fund Balance	\$	1,372,345	\$ 9,419,177	-\$	(8,046,832)	(85.4)

Revenues of the Department's governmental activities totaled \$173.6 million and were generated by federal grants primarily from LIHEAP, CSBG and HOME programs. Expenditures of \$169.3 million consisted primarily of Intergovernmental and Public Assistance Payments.

Total revenues from governmental activities increased by \$9.5 million in 2006. The majority of the increase was attributed to the increase in Federal Revenue from the HOME and LIHEAP programs. It was also attributed to decreases in the CSBG and Section 8 programs. The Department received additional funds from the U.S. Department of Health and Human Services for the LIHEAP Program. On the other hand, the Department experienced decreased activities in CSBG and lower lease-up rates in Section 8.

The increase in licenses, fees, and permits resulted from increased charges of license and installation fees for Manufactured Housing. It also reflected a change in the Department's methodology of finance from General Revenue to Appropriated Receipts for Manufactured Housing strategies. This change also resulted in decrease in Legislative Appropriations.

The change to State Grant Pass-Through Revenues was due to the decrease of funding from the State Energy Conservation Office. This program was being phased out over the past several years. The change to Interest and Investment Income was due to an increase in interest rates and increased cash balance in the State Treasury.

The Department experienced a similar increase in expenses. The majority of the increase was attributed to the Intergovernmental Payments for the HOME, LIHEAP and CSBG Programs.

The Department also experienced increases in Salaries and Wages and Payroll Related Costs. It was primarily due to across the board cost of living adjustments and a shift of Governmental Fund's share of Payroll Related Costs in accordance with the funding proportionality calculation provided in Accounting Policy Statements.

The decrease of Rentals & Leases was a result of the Department's relocation to a state owned facility. The decrease of Public Assistance Payments was due to decreased activities in CSBG and Section 8 programs. The majority of the decrease was offset by increases in HOME and LIHEAP.

Claims and Judgments increased \$1.4 million. The increase was due to a 2005 HOME accrued contingent loss reversal of \$483,115. In addition, Manufactured Housing consumer services were reported in the Professional Fees and Services category in 2005, while \$949,011 was reported in Claims and Judgments in 2006.

The fiscal year 2006 Other Financing Sources (Uses) consisted primarily of the transfer of HTF from General Revenue to Texas Treasury Safekeeping Trust Company. It included transfers of unexpended General Revenue balances from prior years and interest earnings and loan repayments received during the year. There were also additional transfers of Retirement Incentive funding and earned federal funds collected in excess of appropriation authority.

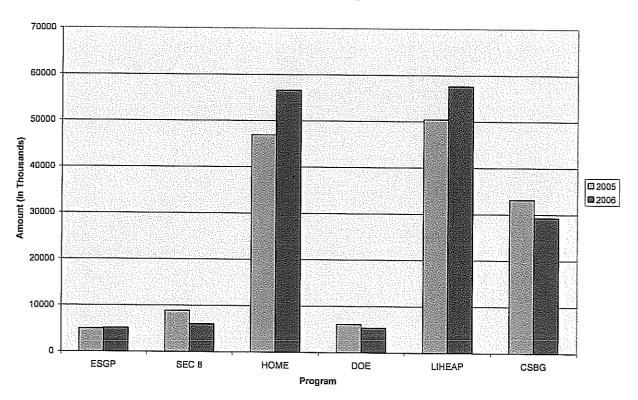
The following graphs illustrate a comparison between fiscal year 2006 and 2005 for Federal Revenues, Intergovernmental Payments, and Public Assistance Payments.

The acronyms used in the graphs are defined as following:

CSBG	Community Services Block Grant
DOE	Department of Energy, Weatherization Assistance for Low-Income Persons
ESGP	Emergency Shelter Grants Program
HOME	HOME Investment Partnerships Program
LIHEAP	Low-Income Home Energy Assistance Program
SEC 8	Section 8 Housing Choice Vouchers
HTF	Housing Trust Fund

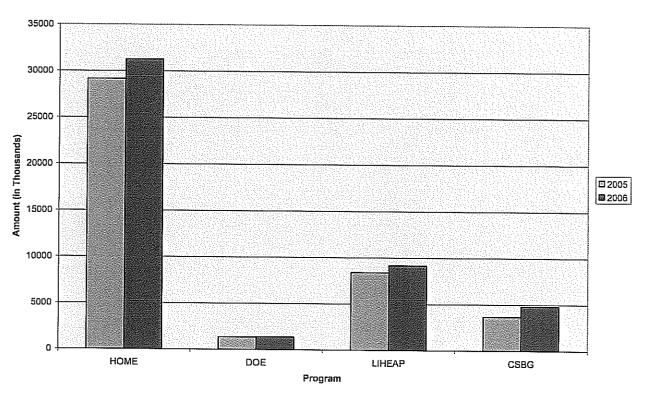
Federal Revenues: Receipts from the State's participation in programs financed with federal funds.

Federal Revenues



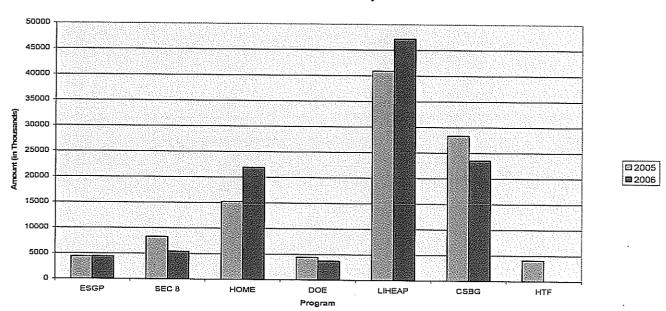
Intergovernmental Payments: Payment of grants to cities, council of governments or other governmental entities.

Intergovernmental Payments



Public Assistance Payments: Payment of grants to community action groups and organizations for community service programs.

Public Assistance Payments



Proprietary Fund

Net assets of the Department's proprietary fund decreased from the August 31, 2005 figures by \$26.1 million or 29.3% to \$62.9 million. The following table summarizes the Statement of Revenues, Expenses and Changes in Net Assets of the Department's proprietary fund for the fiscal years ended August 31, 2006 and August 31, 2005.

Texas Department of Housing and Community Affairs Business-Type Activities Statement of Revenues, Expenses and Changes in Net Assets

				Increase / (De	crease)
OPERATING REVENUES	_	2006	2005	Amount	%
Interest and Investment Income	\$	121,291,682	106,872,925	\$ 14,418,757	13.5
Net (Decrease) in Fair Value		(33,415,610)	(13,498,876)	(19,916,734)	147.5
Other Operating Revenues		11,600,406	12,648,254	(1,047,848)	(8.3)
Total Operating Revenues	_	99,476,478	106,022,303	(6,545,825)	(6.2)
OPERATING EXPENSES Salaries and Wages Payroll Related Costs Professional Fees and Services Travel Materials and Supplies Communications and Utilities Repairs and Maintenance Rentals and Leases Printing and Reproduction		6,527,655 1,467,957 1,560,386 277,773 281,615 134,036 211,205 412,103 33,404	6,086,575 1,573,803 1,463,806 253,819 309,893 124,423 180,730 1,023,690 18,009	441,080 (105,846) 96,580 23,954 (28,278) 9,613 30,475 (611,587) 15,395	7.3 (6.7) 6.6 9.4 (9.1) 7.7 16.9 (59.7) 85.5
Depreciation Expense		1,113,411	651,304	462,107	71.0
Interest		117,489,648	108,097,933	9,391,715	8.7
Bad Debt Expense		12,364	815,832	(803,468)	(98.5)
Other Operating Expenses		8,133,788	3,732,655	4,401,133	117.9
Total Operating Expenses		137,655,345	124,332,472	13,322,873	10.7
Operating Income (Loss) NONOPERATING REVENUES (EXPENSES) & EXTRAORDINARY		(38,178,867)	(18,310,169)	(19,868,698)	108.5
ÎTEMS		12,112,852	(237,254)	12,350,106	5,205.4
CHANGE IN NET ASSETS	_	(26,066,015)	(18,547,423)	(7,518,592)	40.5
Beginning Net Assets, Restatements		89,016,555	107,567,251 (3,273)	(18,550,696) 3,273	(17.3) (100.00)
Net Assets, as Restated		89,016,555	107,563,978	(18,547,423)	(17.2)
Ending Net Assets	\$	62,950,540	89,016,555	\$ (26,066,015)	(29.3)
*****		***************************************			1

Interest earned on program loans increased by \$9.6 million, or 17.7% due primarily to an increase of \$9.6 million within the Department's Multifamily Bond Program, due to higher loan amounts outstanding.

Investment income increased \$4.9 million or 9.3% and reflected higher investment yields for the market overall. The primary increase in investment income was within the Single Family Bond Program funds, which increased \$5.9 million or 24.3% but was offset by the Residential Mortgage Revenue Bond Program funds which declined \$2.5 million.

The following table illustrates the changes in net assets by program of the Department's business-type activities for the fiscal years 2006 and 2005.

Texas Department of Housing and Community Affairs
Business-Type Activities
Changes in Net Assets by Fund Groups
(amounts in thousands)

				Increase / (I	Decrease)	
Fund	 2006	2005		Amount	°⁄0	
Single Family	\$ 17,209	43,055	\$	(25,846)	(60.0)	
RMRB	5,352	15,498		(10,146)	(65.5)	
CHMRB	1,355	1,716		(361)	(21.0)	
Multifamily	(206)	757		(963)	(127.2)	
1993 SF CHMRB	10	190		(180)	(94.7)	
1994 / 1995 SF CHMRB	0	411		(411)	(100.0)	
Commercial Paper	1	6		(5)	(83.3)	
General Funds	16,544	15,010		1,535	10.2	
Housing Trust Fund	21,907	11,765		10,142	86.2	
Administration Fund	(235)	(57)		(178)	312.3	
Compliance Programs	341	127		214	168.5	
Housing Initiatives	673	539		134	24.9	
Total	\$ 62,951	89,017	\$	(26,065)	(29.3)	

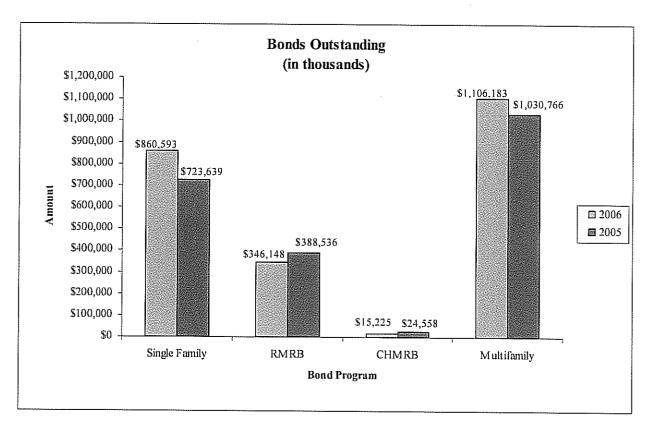
The net assets in the Housing Trust Fund increased \$10.1 million or 86.2% during fiscal year 2006 as a result of transfer of funds of the Housing Trust Fund from General Revenue due to the 2006 – 2007 General Appropriations Act, Rider 19 in the amount of \$12.1 million.

The net assets of the Single Family Bond Program decreased by \$25.8 million or 60.0%, primarily due to a decrease in fair value in investments and increase in interest expense. The net assets of the Residential Mortgage Revenue Bonds (RMRB) decreased by \$10.1 million due to the net effect of a \$3.7 million adjustment to fair value of investments, a decrease in investment income of \$2.5 million, and an increase in interest expense of \$3.2 million.

Department Debt

The Department's new debt issuances during fiscal year 2006 totaled \$503.9 million. The Single Family program issued \$392.8 million in bonds and the Multi-Family Bond Program issued \$111.1 million. The Department also had \$349.1 million in debt retirement during the year primarily due to consumer refinancing and prepayments of original loans. The net result was an increase in bonds payable of \$154.8 million to \$2.3 billion of which \$33.8 million is due within one year. For additional information, see Note 12, Bond Indebtedness, and supplementary bond information schedules.

The following graph will illustrate a comparison of bonds outstanding between fiscal year 2006 and 2005 per bond program.



Request for Information

This financial report is designed to provide a general overview of the Texas Department of Housing and Community Affairs' (TDHCA) operations for all parties interested in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Texas Department of Housing and Community Affairs, Director of Financial Administration, P.O. Box 13941, Austin, Texas, 78711-3941.

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BASIC

FINANCIAL STATEMENTS

EXHIBIT I STATEMENT OF NET ASSETS - GOVERNMENT WIDE As of August 31, 2006

As of August 31, 2006			Primary Govern	ment	:
		Governmental	Business-Type	****	
		Activities	Activities		Total
ASSETS					•
Current Assets:					
Cash and Cash Equivalents (Note 3):					
Cash on Hand	\$	200		\$	40
Cash in Bank		20,000	361,521		381,52
Cash in State Treasury		-	932,115		932,11
Cash Equivalents		-	35,084,496		35,084,49
Restricted:					
Cash and Cash Equivalents (Note 3):					
Cash in Bank		-	1,536,516		1,536,51
Cash in State Treasury		4,984,804	-		4,984,80
Cash Equivalents		-	123,625,865		123,625,86
Restricted Short-term Investments (Note 3)		-	83,338,532		83,338,53
Loans and Contracts		-	10,583,907		10,583,90
Interest Receivable		-	18,602,852		18,602,85
Federal Receivable		7,862,358	-		7,862,35
Legislative Appropriations		1,305,355	-		1,305,35
Receivables From:					. ,
Interest Receivable		79,766	71,397		151,16
Accounts Receivable		379,473	1,114,165		1,493,63
Other Intergovernmental		160,161	-		160,16
Interfund Receivable (Note 6)		35,884	<u></u>		35,88
Consumable Inventories		14,787	14,787		29,57
Loans and Contracts		1,856,353	1,172,778		3,029,13
Other Current Assets	_		128,061		128,06
Total Current Assets	_	16,699,141	276,567,192	_	293,266,33
Non-Current Assets:					
Loans and Contracts		_	23,423,413		23,423,41
Capital Assets (Note 2):					
Depreciable:					
Furniture & Equipment		1,724,302	1,425,553		3,149,85
Accumulated Depreciation		(1,571,158)	(1,267,107)		(2,838,265
Other Capital Assets		130,964	132,279		263,243
Accumulated Depreciation		(21,293)	(21,507)		(42,800
Restricted Assets:		•	. , ,		, ,
Investments (Note 3)		-	1,173,277,565		1,173,277,56
Loans and Contracts		99,714,224	1,148,072,173		1,247,786,39
Other Non-Current Assets:			, .,,		-,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Deferred Issuance Cost, net (Note 11)		_	11,292,615		11,292,61
Real Estate Owned, net		_	243,372		243,37
Total Non-Current Assets	_	99,977,039	2,356,578,356		2,456,555,395
otal Assets	S	116,676,180 \$	2,633,145,548	\$	2,749,821,728

EXHIBIT I (Continued) STATEMENT OF NET ASSETS - GOVERNMENT WIDE

As of August 31, 2006	Primary Government								
		Governmental	Business-Type						
Y Y A YORK CONTROLS		Activities	Activities		Total				
LIABILITIES									
Current Liabilities:									
Payables:									
Accounts Payable	\$	12,583,233 \$	912,468	S	13,495,701				
Accrued Bond Interest Payable		-	32,977,121		32,977,121				
Payroll Payable		887,210			887,210				
Interfund Payable (Note 6)		-	35,884		35,884				
Deferred Revenues		101,570,577	27,983,948		129,554,525				
Employees Compensable Leave (Note 4)		724,577	490,840		1,215,417				
Revenue Bonds Payable (Notes 4 & 11)		_	33,840,000		33,840,000				
Other Current Liabilities		_	7,680,501		7,680,501				
Total Current Liabilities	-	115,765,597	103,920,762		219,686,359				
Non-Current Liabilities:			•						
Employee Compensable Leave (Note 4)		224,652	121,211		345,863				
Revenue Bonds Payable (Notes 4 & 11)		•	2,294,308,557		2,294,308,557				
Other Non-Current Liabilities		-	171,844,478		171,844,478				
Total Non-Current Liabilities	_	224,652	2,466,274,246		2,466,498,898				
Total Liabilities		115,990,249	2,570,195,008	-	2,686,185,257				
NET ASSETS									
Invested in Capital Assets		262,815	269,218		532.033				
Restricted:		,	,2.10		202,023				
For Single Family Bonds		_	23,926,275		23,926,275				
For MultiFamily Bonds		-	(205,927)		(205,927)				
By Grantor		374,890	·		374,890				
Unrestricted		48,226	38,960,974		39,009,200				
Total Net Assets	5	685,931 S		\$ -	63,636,471				
	=			~ :					

EXHIBIT II STATEMENT OF ACTIVITIES - GOVERNMENT WIDE For the Year Ended August 31, 2006

				Program Revenues			Net (Expenses) Revenue and Changes in Net Assets					
•							Primary Government					
Functions/Programs		Expenses		Charges for Services		Operating Grants and Contributions	G	overnmental Activities		usiness-type Activities		2006 Total
Primary Government										renvines		Lutai
Governmental Activities:												
Manufactured Housing	\$	5,596,751	\$	4,445,714	\$	•	\$	(1,151,037)	\$	-	\$	(1,151,037)
HOME Investment in Affordable Housing		56,491,749		-		56,750,504		258,755				258,755
Energy Assistance		63,923,564		•		64,303,270		379,706		-		379,706
Community Services		34,865,258		13,990		34,914,489		63,221		-		63,221
Section 8		6,030,442		-		6,002,346		(28,096)		•		(28,096)
Housing Trust Fund		238,664		-		133,546		(105,118)		-		(105,118)
Administration (CDBG)		2,021,773		2,693		960,838		(1,058,242)				(1,058,242)
Total Governmental Activities		169,168,201		4,462,397		163,064,993		(1,640,811)		_		(1,640,811)
Business-type Activities:												
Single Family Bonds		62,859,914		59,826,664						(3,033,250)		(2.032.250)
Multifamily Bonds		60,982,691		60,939,528		_		=		(43,163)		(3,033,250)
Housing Trust Fund Program		2,756,643		39,754				<u>-</u>		(2,716,889)		(43,163)
Administration		11,056,098		10,445,259				_		(610,839)		(2,716,889) (610,839)
		137,655,346		131,251,205				_		(6,404,141)		(6,404,141)
Total Primary Government	S	306,823,547	s	135,713,602	5	163,064,993	\$	(1,640,811)	5	(6,404,141)	s	(8,044,952)
			Geni	eral Revenues:								
				al Appropriations			S	2,908,235	¢	46	c	2 000 225
				onal Appropriations			<u>.</u>	1,005,170	43	•		2,908,235 1,005,170
				st & Other Investment Inc	ome			528,537		1,640,884		2,169,421
				Revenues				1,648,575		2,040,004		1,648,575
				priations Reinstated (Lap	sedì			(404,716)		-		(404,716)
				ecrease in Fair Value of I		tents		(101,110)		(33,415,610)		(33,415,610)
				ative Transfers In				676,273		(22,772,010)		676,273
				Ters In (Out)				(12,633,298)		12,096,536		(536,762)
				n sale of Investments				,,,		16,316		16,316
			Total	General Revenues and T	ransfei	rs —		(6,271,224)		(19,661,874)		(25,933,098)
			C)	ange in Net Assets		_		(7,912,035)		(26,066,015)		(33,978,050)
			Net A	ssets, September 1, 2005		_		8,597,966		89,016,555		97,614,521
			Net As	ssets - August 31, 2006		=	S	685,931	s	62,950,540	S	63,636,471

EXHIBIT III COMBINED BALANCE SHEET - GOVERNMENTAL FUND

As of August 31, 2006 with comparative totals for 2005

	2006 Total	2005 Total		
ASSETS				
Current Assets:				
Cash and Cash Equivalents (Note 3):				
Cash on Hand	\$ 200	5 -		
Cash in Bank	20,000	20,000		
Restricted:				
Cash and Cash Equivalents (Note 3):				
Cash in State Treasury	4,984,804	3,458,348		
Federal Receivable	7,862,358	5,289,494		
Legislative Appropriations	1,305,355	10,035,348		
Accounts Receivable	379,473	259,778		
Receivables From:		,		
Other Intergovernmental	160,161			
Interest	79,766	85,022		
Interfund Receivable (Note 6)	35,884	75,149		
Due From Other Agencies		9,190		
Consumable Inventories	14,787	5,201		
Restricted - Loans and Contracts	1,856,353	2,370,412		
Total Current Assets	16,699,141	21,607,942		
	10,022,141	21,007,942		
Non-Current Assets:				
Restricted - Loans and Contracts	99,714,224	99,782,283		
Total Non-Current Assets	99,714,224	99,782,283		
Total Assets	116,413,365	121,390,225		
Current Liabilities: Payables From: Accounts Payable Payroll Payable Deferred Revenues Total Liabilities FUND FINANCIAL STATEMENT-FUND BALANCES Fund Balances: Reserved for: Encumbrances Inventories Imprest Unreserved/Undesignated	12,583,233 887,210 101,570,577 115,041,020 1,245,962 14,787 20,200 91,396	8,966,505 851,848 102,152,695 111,971,048 8,722,111 5,201 20,000 671,865		
Total Fund Balances as of August 31	1,372,345	9,419,177		
NOTE: Amounts reported for governmental activities in the statement of net assets are different because:		2571-25111		
Capital net assets net of accumulated depreciation used in governmental activities are not financial resources and therefore not reported in the funds.	262,815	108,118		
Long term liabilities relating to employees compensable leave are not due and payable in the current year therefore are not reported in the funds.	(0.10 DEC)			
	(949,229)	(929,329)		
NET ASSETS AS OF AUGUST 31	\$ 685,931	\$ 8,597,966		

EXHIBIT IV

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUND

Year Ended August 31, 2006 with comparative totals for 2005

	2006 Total	2005 Total
REVENUES		10001
Legislative Appropriations:	·	
Original Appropriations (GR)	\$ 2,908,235	\$ 4,951,058
Additional Appropriations (GR)	1,005,170	821,055
Federal Revenue (PR-OP G/C)	161,140,601	151,548,147
Federal Revenue Grant Pass-Thru Revenue(PR-OP G/C)	319,217	514,529
State Grant Pass-Through Revenue (PR-OP G/C)	80,279	798,771
Licenses, Fees & Permits (PR-C/S)	3,858,931	1,114,504
Interest and Other Investment Income (PR-OP G/C)	133,546	122,624
Interest and Other Investment Income (GR)	528,537	280,921
Sales of Goods and Services (PR-C/S)	603,466	672,801
Other (PR-OP G/C)	1,391,350	2,044,164
Other (GR)	1,648,575	1,238,986
Total Revenues	173,617,907	164,107,560
EXPENDITURES		
Salaries and Wages	8,264,995	7,626,824
Payroll Related Costs	2,248,764	1,825,848
Professional Fees and Services	668,733	874,052
Travel	530,709	424,629
Materials and Supplies	201,975	259,755
Communication and Utilities	207,108	201,691
Repairs and Maintenance	233,905	107,645
Rentals & Leases	402,640	979,733
Printing and Reproduction	81,730	76,140
Claims and Judgments	949,011	(483,115
Intergovernmental Payments	47,419,792	43,815,657
Public Assistance Payments	107,389,437	107,701,827
Other Expenditures	478,116	303,274
Capital Outlay	226,083	23,190
Total Expenditures	169,302,998	163,737,150
Excess (Deficiency) of Revenues		
Over (Under) Expenditures	4,314,909	370,410
OTHER FINANCING SOURCES (USES)		-
Transfers Out (Note 6)	(12.622.200)	(100.057
Legislative Transfers In (Note 6)	(12,633,298) 36,452	(180,053)
Legislative Transfers Out (Note 6)	639,821	539
Total Other Financing (Uses)	(11,957,025)	(288,722) (468,236)
Net Change in Fund Balances	(7,642,116)	(97,826)
FUND FINANCIAL STATEMENT-FUND BALANCES		
Fund Balances—Beginning	9,419,177	0.662.417
. and Danieles Degrining	9,419,1//	9,662,417
Appropriations Reinstated (Lapsed)	(404,716)	(145,414)
Fund Balances - August 31	S 1,372,345	\$ 9,419,177

EXHIBIT IV (Continued)

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUND

Year Ended August 31, 2006 with comparative totals for 2005

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the statement of activities.

	2006 Total	2005 Total
Net Change in Fund Balances (Exhibit IV) Appropriations (Lapsed) (Exhibit IV) Changes in Fund Balances	\$ (7,642,116) (404,716) (8,046,832)	(145,414)
Amounts reported for governmental activities in the Statement of Activities (Exhibit II) are different because of the adjustments to:		
- capital outlay expense - depreciation expense	226,082 (71,385)	23,190 (49,773)
- payroll expense due to Compensable Leave Changes in Net Assets, August 31 (Exhibit II)	(19,900) \$ (7,912,035)	, , , , , , , , , , , , , , , , , , , ,

EXHIBIT V STATEMENT OF NET ASSETS - PROPRIETARY FUND

As of August 31, 2006 with comparative totals for 2005

		2006	2005
		Total	Total
ASSETS			
Current Assets:		•	
Cash and Cash Equivalents (Note 3)			
Cash on Hand	S	200	\$ 200
Cash in Bank		361,521	118,071
Cash in State Treasury		932,115	925,920
Cash Equivalents		35,084,496	24,739,403
Restricted Assets:			
Cash and Cash Equivalents (Note 3)			
Cash in Bank		1,536,516	11,919,756
Cash Equivalents		123,625,865	140,402,586
Short-term Investments (Note 3)		83,338,532	203,359,954
Loans and Contracts		10,583,907	7,999,529
Interest Receivable		18,602,852	12,384,440
Receivable:			, ,
Interest Receivable		71,397	69,628
Accounts Receivable		1,114,165	1,158,660
Consumable Inventories		14,787	5,213
Loans and Contracts		1,172,778	841,964
Other Current Assets		128,061	1,184,568
Total Current Assets		276,567,192	405,109,892
Non-Current Assets			
Loans and Contracts		23,423,413	4,828,822
Capital Assets: (Note 2)			·,,
Depreciable			
Furniture and Equipment		1,425,553	1,388,880
Less: Accumulated Depreciation		(1,267,107)	(1,175,647)
Other Capital Assets		132,279	(1,175,017)
Less: Accumulated Depreciation		(21,507)	-
Restricted Assets:		• • •	
Investments (Note 3)		1,173,277,565	1,036,516,639
Loans and Contracts		1,148,072,173	1,081,418,063
Other Non-current Assets			
Deferred Issuance Cost, net (Note 11)		11,292,615	11,469,566
Real Estate Owned, net		243,372	57,427
Total Non-Current Assets		2,356,578,356	2,134,503,750
Total Assets	_\$_	2,633,145,548	\$ 2,539,613,642

EXHIBIT V (Continued) STATEMENT OF NET ASSETS - PROPRIETARY FUND

As of August 31, 2006 with comparative totals for 2005

	2006	2005
	Total	Total
LIABILITIES		
Current Liabilities		
Payables:		
Accounts Payable	\$ 912,468	\$ 913,994
Accrued Bond Interest Payable	32,977,121	27,172,715
Interfund Payable (Note 6)	35,884	75,149
Deferred Revenues	27,983,948	10,511,908
Employee's Compensable Leave (Note 4)	490,840	366,538
Notes and Loans Payable	· -	75,000,000
Revenue Bonds Payable (Notes 4 & 11)	33,840,000	13,871,000
Other Current Liabilities	7,680,501	7,463,898
Total Current Liabilities	103,920,762	135,375,202
Non-Current Liabilities		
Employee's Compensable Leave (Note 4)	121,211	135,853
Revenue Bonds Payable (Notes 4 & 11)	2,294,308,557	2,078,627,974
Other Non-Current Liabilities	171,844,478	236,458,058
Total Non-Current Liabilities	2,466,274,246	2,315,221,885
Total Liabilities	2,570,195,008	2,450,597,087
NET ASSETS		
Invested in Capital Assets	269,218	213,233
Restricted:		
For Single Family Bonds	23,926,275	61,221,900
For Multifamily Bonds	(205,927)	410,563
Unrestricted	38,960,974	27,170,859
Total Net Assets	\$ 62,950,540	\$ 89,016,555

EXHIBIT VI STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS -PROPRIETARY FUND

Year Ended August 31, 2006 with comparative totals for 2005

	2006	2005
	Total	Total
OPERATING REVENUES		
Interest and Investment Income	\$ 121,291,682	\$ 106,872,925
Net (Decrease) in Fair Value	(33,415,610)	(13,498,876)
Other Operating Revenues	11,600,406	12,648,254
Total Operating Revenues	99,476,478	106,022,303
OPERATING EXPENSES		
Salaries and Wages	6,527,655	6,086,575
Payroll Related Costs	1,467,957	1,573,803
Professional Fees and Services	1,560,386	1,463,806
Travel	277,773	253,819
Materials and Supplies	281,615	309,893
Communications and Utilities	134,036	124,423
Repairs and Maintenance	211,205	180,730
Rentals and Leases	412,103	1,023,690
Printing and Reproduction	33,404	18,009
Depreciation and Amortization	1,113,411	651,304
Interest	117,489,648	108,097,933
Bad Debt Expense	12,364	815,832
Other Operating Expenses	8,133,788	3,732,655
Total Operating Expenses	137,655,345	124,332,472
Operating (Loss)	(38,178,867)	(18,310,169)
NONOPERATING REVENUES (EXPENSES)		
Gain on Sale of Investments	16,316	1,275,712
Total Non-Operating Revenues (Expenses)	16,316	1,275,712
Income/(Loss) before Other Revenues, Expenses,		
Gains, Losses and Transfers	(38,162,551)	(17,034,457)
OTHER REVENUES, EXPENSES, GAINS,		
LOSSES AND TRANSFERS		
Extraordinary Items		(1,512,966)
Transfers (Out) (Note 6)	12,096,536	-
CHANGE IN NET ASSETS	(26,066,015)	(18,547,423)
Net Assets, Beginning of Year	89,016,555	107,567,251
Restatements	<u> </u>	(3,273)
Net Assets, Beginning of Year, as Restated	89,016,555	107,563,978
NET ASSETS, As of Year End	\$ 62,950,540	\$ 89,016,555

EXHIBIT VII STATEMENT OF CASH FLOWS - PROPRIETARY FUND

Year Ended August 31, 2006 with comparative totals for 2005

	2006	2005
	Total	Total
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from Loan Programs	\$ 84,938,994	\$ 89,188,633
Proceeds from Other Revenues	29,070,911	13,186,613
Payments to Suppliers for Goods/Services	(12,419,387)	(8,774,550)
Payments to Employees	(7,885,952)	(7,782,860)
Payments for Loans Provided	(181,939,835)	(195,748,839)
Net Cash (Used for) Operating Activities	(88,235,269)	(109,931,003)
CASH FLOWS FROM NONCAPITAL		
FINANCING ACTIVITIES		
Proceeds from Debt Issuance	511,167,100	488,925,700
Proceeds from Transfers from Other Funds	12,096,536	
Payments to/from Other Funds	(39,265)	(29,929)
Payments of Principal on Debt Issuance	(349,137,525)	(279,661,046)
Payments of Interest	(109,137,692)	(103,985,449)
Payments for Other Cost of Debt	(2,610,339)	(1,897,390)
Net Cash Provided by Noncapital Financing Activities	62,338,815	103,351,886
CASH FLOWS FROM CAPITAL AND		
RELATED FINANCING ACTIVITIES		
Payments for Additions to Capital Assets	(177,703)	(49,600)
Net Cash (Used for) Capital Activities	(177,703)	(49,600)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Sales of Investments	988,986,318	1,417,847,696
Proceeds from Interest/Invest. Income	62,628,583	55,367,267
Payments to Acquire Investments	(1,042,106,167)	(1,489,046,359)
Net Cash Provided from (Used for) Investing Activities	9,508,734	(15,831,396)
(Decrease) in Cash/Cash Equivalents	(16,565,423)	(22,460,113)
Cash/Cash Equivalents, Beginning of Year	178,105,936	200,566,049
Cash/Cash Equivalents, End of Year	\$ 161,540,513	\$ 178,105,936

EXHIBIT VII (Continued)

STATEMENT OF CASH FLOWS - PROPRIETARY FUND

Year Ended August 31, 2006 with comparative totals for 2005

	2006	2005
	Total	Total
RECONCILIATION OF OPERATING (LOSS) TO NET		
CASH USED FOR OPERATING ACTIVITIES		
Operating (Loss)	\$ (38,178,867)	\$ (18,310,169)
Adjustments to Reconcile Operating (Loss) to Net Cash		(,,,,,,,
Used for Operating Activities:		
Amortization and Depreciation	1,113,411	651,304
Provision for Uncollectibles	12,364	815,832
Operating Income and Cash Flow Categories		
Classification Differences	83,161,550	62,530,594
Changes in Assets and Liabilities:		, ,
(Increase) Decrease in Receivables	44,495	(571,238)
(Increase) in Accrued Interest Receivable	(88,163,893)	(1,480,928)
(Increase) in Loans / Contracts	(6,220,181)	(155,064,950)
(Increase) Decrease in Property Owned	(185,944)	494,855
(Increase) Decrease in Acquisition Costs	176,950	(233,492)
Change in Other Assets and Liabilities, net	(63,271,601)	(2,516,453)
Increase in Deferred Revenues	17,472,041	420,762
Increase in Accrued Interest Payable	5,804,406	3,332,880
Total Adjustments	(50,056,402)	(91,620,834)
Net Cash (Used for) Operating Activities	\$ (88,235,269)	S (109,931,003)

NON CASH TRANSACTIONS

(Decrease) in Fair Value of Investments for 2006 was \$(33,415,610) and \$(13,198,876) for 2005

Loans and the related properties acquired were transferred to real estate owned in the amount of \$689,311 for 2006 and \$195,954 for 2005

EXHIBIT VIII COMBINED STATEMENT OF FIDUCIARY NET ASSETS

As of August 31, 2006 with comparative totals for 2005

AGENCY FUND		2006 Total		2005 Total	
ASSETS Current Assets:					
Restricted: Cash in State Treasury	\$	26,627	\$	6,104	
Total Current Assets		26,627	•	6,104	
Total Assets	\$	26,627	\$	6,104	
LIABILITIES Current Liabilities: Funds Held for Others	\$	26,627	\$	6 104	
ruids Held for Others	Φ	20,027	D)	6,104	
Total Current Liabilities		26,627		6,104	
Total Liabilities	\$	26,627	\$	6,104	

NOTES TO THE

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2006

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ENTITY

Effective September 1, 1991, the Texas Department of Housing and Community Affairs (Department) was created to assist local governments in helping residents overcome financial, social and environmental problems; to address very low to moderate income housing needs; to contribute to the preservation and redevelopment of neighborhoods and communities; to assist the Governor and the legislature in coordinating federal and state programs affecting local governments; and to continually inform the state and the public about the needs of local government (*Texas Government Code Ann., Chapter 2306*). The Department was created by merging two former agencies, the Texas Housing Agency and the Texas Department of Community Affairs.

The regulation of manufactured housing was transferred from the Texas Department of Licensing and Regulation to the Department on September 1, 1995. The Manufactured Housing Division is administratively attached to the Department and is responsible for establishing standards and requirements for the construction and installation of manufactured housing that are reasonably necessary to protect the health, safety and welfare of the occupants of such housing and the general public. The Manufactured Housing Division has a governing Board of five members appointed by the Governor.

The Department is governed by a Board, composed of seven members, all of whom are appointed by the Governor with the advice and consent of the Texas Senate. The Board then appoints the Executive Director, with the approval of the Governor.

The accompanying financial statements of the Department have been prepared to conform with Generally Accepted Accounting Principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB).

<u>Blended Component Units</u> - No component units have been identified which meet the criteria for inclusion in the Department's financial statements.

FUND STRUCTURE

The accompanying financial statements are presented on the basis of funds, each of which is considered a separate accounting entity.

Governmental Fund Types & Government-wide Adjustment Fund Types

General Fund

The General Fund is the principal operating fund used to account for most of the Department's general activities. It accounts for all financial resources except those accounted for in other funds.

Proprietary Fund Types

Enterprise Funds (Business-Type Activity)

Enterprise Funds account for operations financed and operated in a manner similar to private business. The intent is to recover costs through user charges and where a periodic determination of revenues earned, expenses incurred, and net income are appropriate for management control, accountability, contractual obligations and other purposes.

Fiduciary Fund Types

Agency Funds

Agency funds are used to account for assets the government holds on behalf of others in a purely custodial capacity. Agency funds involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2006

Basis of Accounting

The basis of accounting determines when revenues and expenditures or expenses are recognized in the accounts reported in the financial statements. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

Governmental funds are accounted for using the modified accrual basis of accounting. Under modified accrual, revenues are recognized in the period in which they become both measurable and available to finance operations of the fiscal year or liquidate liabilities existing at fiscal year end. The State of Texas considers receivables collected within sixty days after year-end to be available and recognizes them as revenues of the current year for the Fund Financial Statements prepared on the modified accrual basis of accounting. Expenditures and other uses of financial resources are recognized when the related liability is incurred.

The Government-wide Financial Statements are accounted for using the accrual method of accounting. This includes unpaid Employee Compensable leave, the unmatured debt service (principal and interest) on general long-term liabilities, capital assets and accumulated depreciation.

Proprietary funds are accounted for on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized at the time liabilities are incurred. Proprietary Funds distinguish operating from non-operating items. Operating revenues result from providing services or producing and delivering goods in connection with the proprietary funds principal ongoing operations which include, interest on investments and mortgage loans, and fees generated from housing activities. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets.

The Department has elected not to apply Financial Accounting Standards Board pronouncements issued after November 30, 1989 as allowed by GASB Statement No. 20.

BUDGET AND BUDGETARY ACCOUNTING

The budget is prepared biennially and represents appropriations authorized by the legislature and approved by the Governor (the General Appropriations Act). The state monitors its statewide budget by establishing the legal level of control at the agency level to ensure that expenditures are not made in excess of budgetary authority. Within the Department, procedures are used to ensure that expenditures do not exceed their total budget at the division level, but the State Comptroller ultimately ensures that each total authorized agency budget is not exceeded.

Unencumbered appropriations are generally subject to lapse 60 days after the end of the fiscal year for which they were appropriated.

ASSETS, LIABILITIES AND FUND BALANCES/NET ASSETS

Assets

Cash and Cash Equivalents

Short-term highly liquid investments with an original maturity of three months or less are considered cash equivalents.

Investments

Investments are stated at fair value in accordance with Governmental Accounting Standards Board Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, (GASB Statement 31). The Department utilizes established quoted market prices for determining the fair value of its debt securities in reserve funds. Fair value of the Department's securitized mortgage loans (GNMA/FNMA) has been established by each bond issues trustee using a pricing service.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2006

The Department has reported all investment securities at fair value as of August 31, 2006 with exception of some short-term money market investments and nonparticipating interest-earning investments contracts which are reported at amortized cost provided that the fair value of these investments is not significantly affected by the impairment of the credit standing of the issuer or by other factors.

Changes in the fair value are reported in the Combined Statement of Revenues, Expenses, and Changes in Net Assets as "Net Increase (Decrease) in the Fair Value of Investments."

Restricted Assets

Restricted assets include monies or other resources restricted by legal or contractual requirements. These assets in the General Fund include federal grants which are restricted by the grantor for specific program purposes established by the State Legislature. The Proprietary Fund includes certain assets pledged to respective bond indentures, the use of which is restricted by those same bond covenants.

Consumable Inventories

Consumable inventories consist of postage on hand at year-end. Inventories for governmental fund types and proprietary fund types are accounted for using the consumption method of accounting. The cost of these items is expensed when the items are consumed.

Capital Assets

Assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year are capitalized. These assets are capitalized at cost or, if donated, at appraised fair value as of the date of acquisition. Purchases of assets by governmental funds are reported as expenditures. Depreciation is reported on all "exhaustible" assets. Assets are depreciated over the estimated useful life of the asset (5 years for both Furniture & Equipment and Other Capital Assets) using the straight-line method.

All capital assets acquired by proprietary funds are reported at cost or estimated historical cost, if actual historical cost is not available. Donated assets are reported at fair value on the donation date. Depreciation is charged to operations over the estimated useful life of each asset using the straight-line method.

Loans and Contracts

Loans and contracts consist of loans in the General Fund made from federal funds for the purpose of Single Family loans and Multifamily development loans from the HOME Program.

Restricted loans and contracts in proprietary funds consist of mortgage loans made from Single Family and Multifamily bond proceeds. Unrestricted loans and contracts consist of Single Family loans and Multifamily development loans from the Housing Trust Fund and other Housing Initiative Programs. Loans receivable are carried at the unpaid principal balance outstanding, net of the allowance for estimated losses. Deferred commitment fees relating to the Single Family, Residential Mortgage Revenue Bonds (RMRB) Series 1987A and certain Multifamily programs are included as a reduction of loans receivable. Interest on loans is credited to income as earned. Loans are generally placed on nonaccrual status when the Department becomes aware that the borrower has entered bankruptcy proceedings or when they are past due 90 days as to either principal or interest or when payment in full of principal and interest is not expected. Deferred commitment fees are recognized using the interest method over the estimated lives of the loans.

Real Estate Owned

Real estate owned are properties acquired through foreclosure that are carried at the unpaid principal balance on the related property plus accrued interest and reimbursable expenses through the date of foreclosure, less any sales proceeds, reimbursements received from mortgage insurers and an allowance for estimated losses on such properties, which approximates the net realizable value of the property at foreclosure.

Loans secured by Single Family properties on which there is an indication that the borrower no longer has the ability to repay the loan and that foreclosure is likely are considered in-substance foreclosures and are classified as real estate owned in the accompanying balance sheet. Interest on real estate owned is credited to income as earned based on a calculation of interest recoverable in accordance with the Department's agreements with its mortgage insurers.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2006

Allowance for Estimated Losses on Loans and Foreclosed Properties

The allowance for estimated losses on loans is calculated for future charge-offs on Single Family and Multifamily loans. The allowance for estimated losses on real estate owned is calculated for future charge-offs on foreclosed Single Family loans.

All losses are charged to the allowance when the loss actually occurs or when a determination is made that a loss is likely to occur. During the year, management estimates the level of future losses to determine whether the allowances for estimated losses are adequate to absorb anticipated losses in the existing loan and real estate owned portfolios. Based on these estimates, a provision for estimated losses on loans and real estate owned is credited to the allowances in order to adjust the allowances to levels estimated to be adequate to absorb reasonably foreseeable losses.

While management uses available information to recognize losses in the loan and real estate owned portfolios, future additions may be necessary based on changes in economic conditions. However, it is the judgment of management that allowances are currently adequate to absorb reasonably foreseeable losses in the existing loan and real estate owned portfolios.

Commitment Fees

Commitment fees received in connection with the origination of loans are deferred and recognized using the interest method over the estimated lives of the related loans and mortgage-backed securities, or if the commitment expires unexercised it is credited to income upon expiration of the commitment.

Deferred Issuance Costs

Deferred issuance costs on bonds are amortized using the interest method over the contractual life of the bonds to which they relate. Prepayments on the bonds result in the proportionate amortization during the current year of the remaining balance of deferred issuance costs.

Discounts and Premiums on Debt

Discounts and premiums on debt are recognized using the interest method over the lives of the bonds to which they relate. Prepayments on the bonds result in the proportionate amortization during the current year of the remaining balance of discounts and premiums on debt.

Liabilities

Accounts Payable

Accounts payable represents the liability for the value of assets or services received at the balance sheet date for which payment is pending.

Other Current Liabilities

Other current liabilities primarily consist of escrow fees and arbitrage rebate liability.

Deferred Revenues

Deferred Revenues in the governmental fund represent a deferral of amounts disbursed from funding agencies for the amount of Loans and Contracts outstanding. These deferred revenues are classified as current liabilities in accordance with GAAP. The deferred revenues in the proprietary fund represent fees such as commitment fees and compliance fees that are deferred upon receipt and amortized over a period of time. It also includes deferred revenues for loans and contracts.

Employees' Compensable Leave Balances

Employees' Compensable Leave Balances represent the liability that becomes "due" upon the occurrence of relevant events such as resignations, retirements, and uses of leave balances by covered employees. Liabilities are reported separately as either current or noncurrent in the statement of net assets.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2006

Bonds Payable - Revenue Bonds

Revenue bonds are accounted for in the proprietary funds. The bonds payable are reported at par less unamortized discount or plus unamortized premium. Interest expense is reported on the accrual basis, with amortization of discount or premium. Payables are reported separately as either current or noncurrent in the statement of net assets.

Other Non-current Liabilities

Other non-current liabilities primarily account for funds due to Developers as a result of Multifamily bond proceeds. These proceeds are conduit debt issued on behalf of the Developer for the purpose of Multifamily developments and are held by the trustee. Due to the developers' fluctuation in cash flow needs, the current portion cannot be reasonably estimated.

Fund Balance/Net Assets

The difference between fund assets and liabilities is "Net Assets" on the government-wide, proprietary and fiduciary fund statements, and the "Fund Balance" is the difference between fund assets and liabilities on the governmental fund statements.

Reservations of Fund Balance

Fund balances for governmental funds are classified as either reserved or unreserved in the fund financial statements. Reservations are legally restricted to a specific future use or not available for expenditure.

Reserved for Encumbrances

This represents commitments of the value of contracts awarded or assets ordered prior to year-end but not received as of that date. Encumbrances are not included with expenditures or liabilities. They represent current resources designated for specific expenditures in subsequent operating periods.

Reserved for Consumable Inventories

This represents the amount of postage to be used in the next fiscal year.

Reserve for Imprest Accounts

This represents reserves for travel and imprest cash in amounts equal to the assets.

Unreserved/Undesignated

Unreserved represents the unappropriated balance at year-end.

Net Assets

Invested in Capital Assets consists of capital assets including restricted capital assets, net of accumulated depreciation. The Department reports net assets as restricted when constraints placed on net assets are externally imposed by bond covenants and federal grants. Unrestricted Net Assets consist of net assets that do not meet the definition of Invested in Capital Assets or Restricted Net Assets.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2006

Interfund Transactions and Balances

The Department may have the following types of transactions among funds:

- 1. <u>Transfers</u> Legally required transfers that are reported when incurred as "Transfers In" by the recipient fund and as "Transfers Out" by the disbursing fund.
- 2. <u>Legislative Sources/Uses</u> Budget transfers between agencies within the General Revenue Fund (0001).
- 3. <u>Quasi-External Transactions</u> Charges or collections for services rendered by one fund to another that are recorded as revenues of the recipient fund and expenditures or expenses of the disbursing fund.

NOTE 2: CAPITAL ASSETS

A summary of changes in Capital Assets for the year ended August 31, 2006, is presented below:

		PRIMARY GO	OVERNMMENT	•
Governmental Activities:	Balance 09/01/05	Additions	Deletions	Balance 08/31/06
Depreciable Assets:				
Furniture and Equipment	\$1,659,127	\$95,118	(\$29,943)	\$1,724,302
Other Capital Assets		130,964	_	130,964
Total Depreciable Assets at Historical Costs	\$1,659,127	\$226,082	(\$29,943)	\$1,855,266
Less Accumulated Depreciation for:				
Furniture and Equipment	(\$1,551,009)	(\$50,092)	\$29,943	(\$1,571,158)
Other Capital Assets	-	(21,293)		(21,293)
Total Accumulated Depreciation	(1,551,009)	(71,385)	29,943	(1,592,451)
Governmental Activities Capital	•			
Assets, Net:	\$108,118	\$154,697	•	\$262,815

		PRIMARY GO	OVERNMMENT	•
Business-Type Activities:	Balance 09/01/05	Additions	Deletions	Balance 08/31/06
Depreciable Assets:				
Furniture and Equipment	\$1,388,880	\$45,425	(\$8,752)	\$1,425,553
Other Capital Assets		132,279	-	132,279
Total Depreciable Assets at Historical Costs	\$1,388,880	\$177,704	(\$8,752)	\$1,557,832
Less Accumulated Depreciation for:				
Furniture and Equipment	(\$1,175,647)	(\$100,212)	\$8,752	(\$1,267,107)
Other Capital Assets		(21,507)	<u></u>	(21,507)
Total Accumulated Depreciation	(1,175,647)	(121,719)	8,752	(1,288,614)
Business-Type Activities Capital Assets, Net:	\$213,233	\$55,985	-	\$269,218

Depreciation expense of \$193,104 was allocated to Administration in the Statement of Activities for both the Governmental and Business-type activities.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2006

NOTE 3: DEPOSITS, INVESTMENTS & REPURCHASE AGREEMENTS

The Department is authorized by statute to make investments following the "prudent person rule" and based upon provisions within the master bond indentures and its Investment Policy adopted by the Board in accordance with the Public Funds Investment Act. There were no significant violations of legal provisions during the period.

Deposits of Cash in Bank

As of August 31, 2006, the carrying amount of deposits was \$1,918,037.

Governmental Funds Current Assets Cash in Bank			
Proprietary Funds Current Assets Cash in Bank			
Texas Treasury Safekeeping Trust		361,521	
Demand Deposits			
Proprietary Funds Current Assets Restricted Cash in Bank			
Texas Treasury Safekeeping Trust		202,689	
Demand Deposits		1,333,827	
Cash in Bank	S	1,918,037	

At August 31, 2006, the Department's cash and deposits in the State Treasury amounted to \$5,916,919. Of that amount, \$5,916,919 was fully collateralized by securities held with a trustee in the State's name, as reported to the Department by the Comptroller of Public Accounts of the State of Texas.

Investments

The types of investments in which the Department may invest are restricted by the provisions of the master bond indentures and the Department's Investment Policy adopted by its Board in accordance with the Public Funds Investment Act. The indentures allow for investments in direct obligations of or guaranteed by the U.S. Government; obligations, debentures, notes or other evidences of indebtedness issued or guaranteed by agencies or intermediaries of the U.S. Government; obligations issued by public agencies or municipalities; obligations and general obligations of or guaranteed by the state; demand deposits, interest-bearing time deposits or certificates of deposit; repurchase agreements in U.S. Government securities; direct or general obligations of any state within the territorial U.S.; investment agreements with any bank or financial institution; commercial paper; and guaranteed investment contracts. Certain trust indentures restrict the Department from investing in certain of the aforementioned investments.

At August 31, 2006, the fair value of investments (including both short-term and long-term) are shown below.

Business Type Activities	Carrying Value	Fair Value
U.S. Treasury Securities	\$ 25,921,371	\$ 26,128,517
U.S. Government Agency Obligations	910,427,585	887,365,111
Repurchase Agreements (TTSTC)	102,187,013	102,187,013
Fixed Income Money Markets	57,845,249	 57,845,249
Misc (Investment Agreements/GICs)	341,800,568	341,800,568
Total	\$ 1,438,181,786	\$ 1,415,326,458

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2006

NOTE 3: DEPOSITS, INVESTMENTS & REPURCHASE AGREEMENTS Cont'd

Credit Risk

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Preservation and safety of principal is the foremost objective of the investment program. According to the Department's investment policy, investments should be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. Credit risk is mitigated by

- Limiting investments to the safest types of securities.
- Pre-qualifying the financial institution, broker/dealers, intermediaries, and advisors with which the Department will do business.
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized.

As of August 31, 2006, the Department's credit quality distribution for securities with credit risk exposure was as follows.

Standard & Poor's

Fund	GAAP					
Type	Fund	Investment Type	Not Rated	AAA	AA	A
05	3054	U.S. Government Agency Obligations		\$73,172,641		
05	3054	Repurchase Agreements (TTSTC)	\$102,187,013			
05	3054	Misc (Investment Agreements/GICs)	\$341,800,568			
			Not Rated	AAA-M	AA-M	A-M
05	3054	Fixed Income Money Market		\$57,845,249		

A total of \$840,320,987 was not subject to credit risk disclosure due to their explicit guarantee by the U.S. Government which is composed of \$26,128,517 in U.S. Treasury securities and \$814,192,470 in U.S. Government Agency obligations issued by the Government National Mortgage Association.

Concentration of credit risk is the risk of loss attributable to the magnitude of investment in a single issuer. As of August 31, 2006, the Department's concentration of credit risk is as follows.

1	Fund Type	GAAP Fund	Issuer	Carrying Value	% of Total Portfolio
	05	3054	DEPFA Bank	\$235,705,002	16.39%
	05	3054	USB Warbug	\$102,153,570	7.10%

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of any investment. The longer the maturity of an investment will result in greater sensitivity of its fair value to changes in the market interest rates. The Department's investment policy allows for the mitigation of interest rate risk by

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.
- Investing operating funds primarily in shorter-term securities.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2006

NOTE 3: DEPOSITS, INVESTMENTS & REPURCHASE AGREEMENTS Cont'd

Information about the sensitivity of the fair values of the Departments investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Department's investments by maturity:

Remaining Maturity (in months)

Government and					75.LVV-1-
Business Type		12 months or	13 to 24	25 to 60	More than 60
Activities	Fair Value	less	months	months	months
U.S. Treasury Securities	\$26,128,517	\$24,983,215			\$1,145,302
U.S. Government					
Agency Obligations	887,365,111	10,336,325			877,028,786
Repurchase Agreements					
(TTSTC)	102,187,013	102,187,013			
Fixed Income Money					
Markets	57,845,249	57,845,249			
Misc (Investment	THE THIRD PARTY OF THE TAXABLE PARTY OF TAXA				
Agreements/GICs)	341,800,568	55,030,869	257,353,074	154,152	29,262,473
Total	\$1,415,326,458	\$250,382,671	\$257,353,074	\$154,152	\$907,436,561

Highly Sensitive Investments

Mortgage backed securities. These securities are subject to early payment in a period of declining interest rates. These prepayments result in a reduction of expected total cash flows affecting the fair value of these securities and make the fair value of these securities highly sensitive to the changes in interest rates. The Department does not make it a common practice to sell these investments. Any fluctuation in fair value generates an unrealized gain or loss. As of August 31, 2006, the Department holds \$887,365,111 in mortgage backed securities.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2006

NOTE 4: SUMMARY OF LONG TERM LIABILITIES

Changes in Long-Term Liabilities

During the year ended August 31, 2006, the following changes occurred in liabilities.

Governmental Activities		Balance 9/1/05	Additions	Reductions	 Balance 8/31/06		unts Due hin One Year
Compensable Leave	\$	929,329	724,577	704,677	\$ 949,229	\$	724,577
Total Governmental Activities	S	929,329	724,577	704,677	\$ 949,229	s	724,577

Business-Type Activities		Balance 9/1/05	Additions	Reductions	Balance 8/31/06	Amounts Due Within One Year
Revenue Bonds Payable	\$	2,092,498,974	435,431,044	214,979,461	\$ 2,312,950,557	\$18,642,000
Commercial Paper Notes		75,000,000	72,191,000	131,993,000	15,198,000	15,198,000
Subtotal		2,167,498,974	507,622,044	346,972,461	2,328,148,557	33,840,000
Compensable Leave		502,391	490,840	381,180	612,051	490,840
Total Business-Type Activities	S	2,168,001,365	508,112,884	347,353,641	\$2,328,760,608	\$34,330,840

Employees' Compensable Leave

A state employee is entitled to be paid for all unused vacation time accrued, in the event of the employee's resignation, dismissal or separation from State employment, provided the employee has had continuous employment with the State for six months. Expenditures for accumulated annual leave balances are recognized in the period paid or taken in governmental funds. For these funds, the liability for unpaid benefits is recorded in the Statement of Net Assets. An expense and liability for proprietary fund are recorded in the proprietary funds as the benefits accrue to employees. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

Commercial Paper Notes Payable

The Department is authorized to issue the Notes in an aggregate principal amount not to exceed \$75,000,000 outstanding. Proceeds of the initial issuance of the Notes and of future issues not issued to refund outstanding Notes will be used to redeem certain of the Department's single-family mortgage revenue bonds (the "Refunded Bonds"), which are subject to redemption as a result of the receipt by the Department of prepayments of the related underlying mortgage loans. Such prepayments may, at a future date, be recycled into new mortgage loans by the Department. On December 31, 2005, the Department was temporarily authorized to increase in the aggregate principal amount of the notes to \$200,000,000 from \$75,000,000 for the purpose of warehousing new volume cap. The authorization expires December 31, 2006.

Other Non-current Liabilities

Other non-current liabilities totaling \$171,844,478 primarily account for funds due to Developers as a result of Multifamily bond proceeds. These proceeds are conduit debt issued on behalf of the Developer for the purpose of Multifamily developments and are held by the trustee. Due to the various variables related to the balance, the current portion cannot be reasonably estimated.

NOTE 5: OPERATING LEASE OBLIGATIONS

As of December 5, 2005, the Department resides in state owned facilities located at 221 E. 11th Street in Austin, Texas. As a result, the Department reports no lease expense for its facility.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2006

NOTE 6: INTERFUND BALANCES / ACTIVITIES

As explained in Note 1 on Interfund Transactions and Balances, there are numerous transactions between funds and agencies. At year-end, amounts to be received or paid are reported as:

- Interfund Receivables or Interfund Payables
- Transfers In or Transfers Out
- Legislative Transfers In or Transfers Out

The Department experienced routine transfers with other state agencies, which were consistent with the activities of the fund making the transfer. Repayment of interfund balances will occur within one year from the date of the financial statements.

Individual balances and activity at August 31, 2006, follows:

	Cu	rrent Interfund	Current Interfund
Fund		Receivable	Payable
General Fund (01)			
General Revenue (0001)	S	2,042	-
Consolidated Federal (0127)		33,842	-
Enterprise Fund (05, 0896)		· <u>-</u>	\$ 35,884
Total Interfund Receivable/			
Payable (Exhibit I & Exhibit III)	S	35,884	\$ 35,884

The Department has no Non-Current Interfund Receivables/Interfund Payables.

	Transfers		Transfers	
Fund	In		Out	Purpose
General Fund (01)				
Appd Fund 0001, D23 Fund 0001	\$	\$	9,805,755	Article VII-7, Rider 19*
Appd Fund 0001, D23 Fund 0001			17,560	Article IX, § 11.04
Appd Fund 0001, D23 Fund 0066			2,290,781	Article VII-7, Rider 19*
Appd Fund 0001, D23 Fund 0066			40,104	Gov't Code § 403.071
Appd Fund 0001, D23 Fund 0077			135,818	Gov't Code § 403.071
Appd Fund 0001, D23 Fund 0088			343,280	Article IX, § 6.01(a)
Total Transfers for Fund 0001				
(Exhibit II & IV)		\$	12,633,298	
Enterprise Fund (05)				
Appd Fund 0896, D23 Fund 0896	10,804,746			Article VII-7, Rider 19*
Appd Fund 3054, D23 Fund 0999	1,291,790	<u> </u>		Article VII-7, Rider 19*
Total Transfers for Fund 0896				
(Exhibit II & VI)	\$ 12,096,536	\$		
Total Transfers	\$ 12,096,536	\$	12,633,298	

^{*} In fiscal year 2006, the Department transferred \$12,096,536 from the Governmental Fund to the Texas Treasury Safekeeping Trust Company established by Government Code 2306. In accordance with the requirements established by the 79th Legislature, SB 1, Article VII-7, Rider 19, the transfer was made to create a central repository for Housing Trust Fund activities.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2006

NOTE 6: INTERFUND BALANCES / ACTIVITIES Cont'd

Fund	Legi	slative Transfers In	Legi	slative Transfers Out
General Fund (01)				
Appd Fund 0001, D23 Fund 0001	\$	1,465,591		
Appd Fund 0001, D23 Fund 0066		(1,156,139)		
Appd Fund 0001, D23 Fund 0088		(273,000)	\$	(639,821)
Total Legislative Transfers (Exh II)	\$	36,452	\$	(639,821)

NOTE 7: CONTINGENT LIABILITIES

The Department is a defendant in legal actions arising from transactions and activities conducted in the ordinary course of business. Management, after consultation with legal counsel, believes that the aggregate liabilities, if any, will not be material to the basic financial statements.

NOTE 8: CONTINUANCE SUBJECT TO REVIEW

Under the Texas Sunset Act, the Department will be abolished effective September 1, 2011 unless continued in existence as provided by the Act. If abolished, the Department may continue until September 1, 2012 to close out its operations.

NOTE 9: RISK FINANCING AND RELATED INSURANCE

The Department is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. It is the Department's policy to periodically assess the proper combination of commercial insurance and retention of risk to cover losses to which it may be exposed. The Department assumes substantially all risks associated with the performance of its duties. Currently there is no purchase of commercial insurance, nor is the Department involved in any risk pools with other government entities. The Department carries Public Official Liabilities Insurance coverage in the amount of \$10,000,000; automobile liability insurance in the amount of \$500,000, errors and omissions insurance of \$300,000 related to loan servicing for others and a \$350,000 Public Employee Fidelity Bond.

The Department's liabilities are reported when it is both probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Liabilities are reevaluated periodically to consider current settlements, frequency of claims, past experience and economic factors. There have been no significant reductions in insurance coverage in the past year and losses did not exceed funding arrangements during the past three years. The Department incurred no claims liability during fiscal years 2005 and 2006.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2006

NOTE 10: SEGMENT INFORMATION FOR ENTERPRISE FUND

The Segment information below is for the Department's direct debt associated with the issuance of Single Family bonds only and does not include the Multifamily bonds where the Department is only a conduit issuer. Therefore, this note represents less than what is reported in the Enterprise Fund as a whole. Each grouping consists of separate indentures that have one or more bonds outstanding with the revenue stream and assets exclusively pledged in support of that debt. Each indenture imposes the requirement of separate accounting of the revenues, expenses, gains, losses, assets, and liabilities.

CONDENSED STATEMENT OF NET ASSETS

	Single Family Program Funds	Residential Mortgage Revenue Bond Funds	Collateralized Home Mortgage Revenue Funds	Single Family CHMRB Series 1993 Funds	Single Family CHMRB 1994 & 1995 Funds
Restricted Assets:					
Current Assets	\$82,745,360	\$ 6,658,197	\$ 684,140	\$ 9,741	\$ 85
Capital Assets	•	-	-	-	-
Other Assets	802,226,937	351,731,851	16,401,370		
Total Assets	884,972,297	358,390,048	17,085,510	9,741	85
Liabilities:					
Current Liabilities	28,218,480	11,388,823	506,144	26	20
Long Term Liabilities	839,544,579	341,649,553	15,224,590		
Total Liabilities	867,763,059	353,038,376	15,730,734	26	20
Net Assets:					
Restricted Net Assets	\$ 17,209,238	\$ 5,351,672	\$ 1,354,776	\$ 9,715	\$ 65
Total Restricted Net Assets	\$ 17,209,238	\$ 5,351,672	\$ 1,354,776	\$ 9,715	\$ 65
CONDENSED STATEMENT OF REVI Operating Revenues:	ENUES, EXPEN	SES, AND CHAI	NGES IN NET ASS	ETS	
Interest and Investment Income	\$ 33,000,757	\$ 21,154,225	\$ 1,386,406	\$ 7,515	\$ 151,392
Net Increase (Decrease) in Fair Value	(21,956,216)	(10,835,114)	(624,280)	-	-
Other Operating Revenues	565,542	347,521	50,504	-	-
Operating Expenses	(36,950,437)	(20,265,062)	(1,172,294)	(205)	(302,491)
Depreciation and Amortization	(505,862)	(422,243)	(7,249)		(41,946)
Operating Income (Loss)	(25,846,216)	(10,020,673)	(366,913)	7,310	(193,045)
Nonoperating Revenues (Expenses): Other Nonoperating Revenues (Expenses):	16,316		-	_	
Special and Extraordinary Items	-	-	-	-	-
Transfers In (Out)	(16,069)	(125,343)	5,725	(754,355)	2,706
Changes in Net Assets	(25,845,969)	(10,146,016)	(361,188)	(747,045)	(190,339)
Net Assets, September 1, 2005	43,055,207	15,497,688	1,715,964	756,760	190,404
Net Assets, August 31, 2006	\$ 17,209,238	\$ 5,351,672	\$ 1,354,776	\$ 9,715	\$ 65

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2006

NOTE 10: SEGMENT INFORMATION FOR ENTERPRISE FUND Cont'd.

CONDENSED STATEMENT OF CASH FLOWS

	_	Single Family Program Funds		Residential Mortgage Revenue Bond Funds		Collateralized Home Mortgage Revenue Funds	_	Single Family CHMRB Series 1993 Funds	Single Family CHMRB 1994 & 1995 Funds
Net Cash Provided (Used) By:									
Operating Activities	\$	6,724,026	\$	(1,960,566)	\$	(25,146)	\$	(184) S	(3,358)
Noncapital Financing Activities		165,511,745		(62,027,928)		(6,906,782)		(754,354)	(3,800,384)
Investing Activities		(159,978,643)	_	55,792,159	_	6,932,399	_	7,589	3,782,946
Net Increase (Decrease)		12,257,128		(8,196,335)		471		(746,950)	(20,796)
Beginning Cash and Cash Equivalents		48,878,943	_	12,609,619	_	586,139	_	754,951	20,884
Ending Cash and Cash Equivalents	\$	61,136,071	\$_	4,413,284	\$_	586,610	\$_	8,002 S	88

NOTE 11: BONDED INDEBTEDNESS

The Department has 112 bond issues outstanding at August 31, 2006. All series are revenue bonds backed by the pledged revenue sources and restricted funds specified in the bond resolutions. Each series is designed to be self-supporting with no repayment nor obligation from the State's General Revenue. The Department issues bonds to assist in financing the purchase of homes by or the construction of rental housing for families with very low to moderate incomes. Loan payments provide the revenues for debt service payments. (Detailed supplementary bond information is disclosed in Schedules 1-A, 1-B, 1-C, 1-D, 1-E and 1-F.)

Proceeds from the issuance of bonds under the Single Family and Residential Mortgage Revenue Bonds (RMRB) Series 1987A Programs were used to acquire loans. Proceeds from Collateralized Home Mortgage Revenue Bond (CHMRB) and the remaining RMRB programs were used to acquire pass-through certificates backed by mortgage loans. Proceeds from the remaining Multifamily bond issues were used to finance mortgage loans.

Interest on bonds and collateralized mortgage obligations is payable periodically, except for capital appreciation bonds, on which interest is compounded semiannually and payable at maturity or upon redemption.

The Single Family, RMRB and CHMRB bonds are collateralized by the revenues and assets pledged under the trust indentures, primarily Single Family mortgage loans, mortgage-backed securities and investments. The Multifamily bonds are collateralized by varying methods, including, but not limited to, the mortgage loans on the applicable housing developments, certificates of deposit, letters of credit, guarantees provided by third parties and collateralized mortgage obligations issued by federally chartered, privately owned corporations.

The trust indentures contain positive and negative covenants. Events of default include the following: failure to make timely payment of both principal and interest on any outstanding bond; failure to make timely payment of any other monies required to be paid to the Trustee; and non-performance or non-observance of any other covenants, agreements or conditions contained in the indentures. Management believes they are in compliance with the covenants of the indentures.

Deferred issuance costs at August 31, 2006, consist of the following:

	Aı	mount
Deferred Issuance Costs at August 31, 2006	\$	37,310,370
Less Accumulated Amortization		(26,017,755)
Deferred Issuance Costs, net	\$	11,292,615
	-	

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2006

NOTE 11: BONDED INDEBTEDNESS Cont'd

CHANGES IN BONDS PAYABLE (amounts in thousands)

				Bonds	Bonds		
		Bonds		Matured	Refunded	Bonds	Amounts Due
Description	U	utstanding 9/1/05	Bonds Issued	or Retired	or Extin- guished	Outstanding 8/31/06	Within One Year
Single Family	\$	646,775	320,625	2,590	126,965	\$ 837,845	\$ 5,850
RMRB	_	386,765	,	5,940	35,760	345,065	5,755
CHMRB		20,600	, -	, -	5,700	14,900	
SF CHMRB		3,500	-		3,500	_	_ :
Multifamily		1,033,504	111,130	3,797	32,892	1,107,945	7,037
Commercial							
Paper	_	75,000	72,191	131,993		15,198	15,198
Total							
Principal	\$_	2,166,144	503,946	144,320	204,817	\$ 2,320,953	\$ 33,840
Net Deferred							
Amt due to							
Refund		(2,155)				(1,197)	
Unamortized		7.560				12 405	
Premium		7,568				13,405	
Unamortized							
Refunding (Loss)		(4,059)				(5,012)	
Total	s ⁻	2,167,498					-
Total	•=	۷,107,498				\$ 2,328,149	•

DEBT SERVICE REQUIREMENTS

PRINCIPAL ONLY (amounts in thousands)

						2012 to	2017 to
Description	2007	2008	2009	2010	2011	2016	2021
Single-family	\$ 21,048	\$ 11,605	\$ 13,795	\$ 13,315	\$ 13,785	\$ 82,650	\$ 104,925
RMRB	5,755	6,020	6,280	6,250	5,085	26,470	59,110
CHMRB							
Multifamily	7,037	8,306	9,729	10,840	11,614	68,344	104,089
Total	\$ 33,840	\$ 25,931	\$ 29,804	\$ 30,405	\$ 30,484	\$ 177,464	\$ 268,124
	2022 to	2027 to	2032 to	2037 to	2042 to		
Description	2026	2031	2036	2041	2046	Total	
Single-family	\$142,520	\$197,085	\$223,470	\$ 28,845	\$	\$ 853,043	
RMRB	58,000	87,200	84,895			345,065	
CHMRB	14,900					14,900	
Multifamily	198,310	171,900	222,066	187,865	107,845	1,107,945	
Total	\$413,730	<u>\$456,185</u>	<u>\$530,431</u>	<u>\$216,710</u>	\$107,845	\$ 2,320,953	

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2006

NOTE 11: BONDED INDEBTEDNESS Cont'd

Actual maturities will differ from contractual maturities since the Department has the right to call or prepay obligations with or without call or prepayment penalties as the related loans and mortgage-backed securities mature or prepay.

PRINCIPAL AND INTEREST (amounts in thousands)

######################################			Parling Control of the Control of th		2012 to	2017 to
2007	2008	2009	2010	2011	2016	2021
\$ 59,601	\$ 49,711	\$ 51,363	\$ 50,359	\$ 50,261	\$ 254,927	\$ 255,686
24,281	24,291	24,273	23,953	22,520	109,766	132,979
1,028	1,031	1,028	1,028	1,028	5,146	5,143
<u>78,346</u>	73,456	74,430	75,036	75,183	372,631	378,980
<u>\$163,256</u>	<u>\$148,489</u>	<u>\$151,094</u>	<u>\$150,376</u>	<u>\$148,992</u>	<u>\$ 742,470</u>	\$ 772,788
2022 to	2027 to	2032 to	2037 to	2042 to		
2026	2031	2036	2041	2046	Total	
\$266,750	\$278,666	\$255,075	\$ 29,412	\$	\$ 1,601,811	
114,467	127,800	90,352			694,682	
17,812					33,244	
435,559	352,939	348,328	250,465	120,536	2,635,889	
<u>\$834,588</u>	<u>\$759,405</u>	\$693,755	\$279,877	\$120,536	\$ 4,965,626	
	\$ 59,601 24,281 1,028 78,346 \$163,256 \$2022 to 2026 \$266,750 114,467 17,812 435,559	\$ 59,601 \$ 49,711 24,281 24,291 1,028 1,031 78,346 73,456 \$ 163,256 \$ 148,489 2022 to 2027 to 2031 \$ 266,750 \$ 278,666 114,467 127,800 17,812 435,559 352,939	\$ 59,601 \$ 49,711 \$ 51,363 24,281 24,291 24,273 1,028 1,031 1,028 78,346 73,456 74,430 \$ 163,256 \$ 148,489 \$ 151,094 2022 to 2031 2036 \$ 266,750 \$ 278,666 \$ 255,075 114,467 127,800 90,352 17,812 435,559 352,939 348,328	\$ 59,601 \$ 49,711 \$ 51,363 \$ 50,359 24,281 24,291 24,273 23,953 1,028 1,031 1,028 1,028 78,346 73,456 74,430 75,036 \$ 163,256 \$ 148,489 \$ 151,094 \$ 150,376 2022 to 2027 to 2032 to 2037 to 2032 to 2041 \$ 266,750 \$ 278,666 \$ 255,075 \$ 29,412 114,467 127,800 90,352 17,812 435,559 352,939 348,328 250,465	\$ 59,601 \$ 49,711 \$ 51,363 \$ 50,359 \$ 50,261 24,281 24,291 24,273 23,953 22,520 1,028 1,031 1,028 1,028 1,028 78,346 73,456 74,430 75,036 75,183 \$ \$163,256 \$ \$148,489 \$ \$151,094 \$ \$150,376 \$ \$148,992 \$ \$ \$2022 to 2027 to 2032 to 2037 to 2042 to 2026 2031 2036 2041 2046 \$ \$266,750 \$278,666 \$255,075 \$ 29,412 \$ \$ 114,467 127,800 90,352 17,812 435,559 352,939 348,328 250,465 120,536	2007 2008 2009 2010 2011 2016 \$ 59,601 \$ 49,711 \$ 51,363 \$ 50,359 \$ 50,261 \$ 254,927 24,281 24,291 24,273 23,953 22,520 109,766 1,028 1,031 1,028 1,028 1,028 5,146 78,346 73,456 74,430 75,036 75,183 372,631 \$163,256 \$148,489 \$151,094 \$150,376 \$148,992 \$ 742,470 2022 to 2027 to 2032 to 2037 to 2042 to 2042 to 2026 2031 2036 2041 2046 Total \$266,750 \$278,666 \$255,075 \$ 29,412 \$ \$ 1,601,811 114,467 127,800 90,352 694,682 17,812 33,244 435,559 352,939 348,328 250,465 120,536 2,635,889

VARIABLE TO FIXED INTEREST RATE SWAP OBJECTIVE

In order to hedge against increases in interest rates on variable rate demand bond issues, the Department has entered into three interest rate swap agreements with the objective of reducing the interest rate risk of certain variable rate demand bonds. The variable rate demand bonds were issued at a lower total interest cost than attainable through traditional fixed rate bond structures. The Department has entered into interest rate swap agreements with various rated counterparties. Under the terms of the agreements, the Department makes periodic fixed interest rate payments in exchange for receiving variable rate payments comparable to the rates payable on the variable rate demand bonds. The swap notional amounts amortize in accordance with the scheduled and/or anticipated reductions in the related variable rate demand bond liability. The Department is potentially exposed to loss in the event of nonperformance by the counterparties under the swap agreements. Termination of the swap agreements may result in the Department making or receiving termination payments. Each swap agreement includes optional early termination provisions granting the Department the right, but not an obligation, to terminate the interest rate swaps at par without a termination payment after an effective date.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2006

NOTE 11: BONDED INDEBTEDNESS Cont'd

TERMS AND FAIR VALUE

The terms, including the fair value of the outstanding swaps as of August 31, 2006 are as follows. The fair value of the swaps are not shown in the financial statements. The notional amounts of the swaps match the principal amount of the associated debt

Counterparty	Notional Amount	Fair Value	Effective Date	Fixed Rate	Variable Rate	Swap Termination Date
UBS AG	\$53,000,000	\$(341,966)	9/1/04	3.843 %	63% of LIBOR + .30%	9/1/34 (a)
Goldman Sachs	35,000,000	(58,177)	1/1/05	3.6125 %	Lesser of (the greater of 65% of LIBOR and 56% of LIBOR + .45%) and LIBOR	3/1/35 (b)
Bear Stearns	100,000,000	(1,581,395)	8/1/05	3.99 %	Less of (the greater of 65% of LIBOR and 56% of LIBOR + .45%) and LIBOR	9/1/36 (c)
Total	\$188,000,000	\$(1,981,538)				

- a. The swap agreement is subject to optional early termination, at par value, starting on March 1, 2015 and semiannually thereafter. The maximum notional amount subject to early termination equals 60% of the current notional amount.
- b. The swap agreement is subject to optional early termination, at par value, starting on September 1, 2014 and semiannually thereafter. The maximum notional amount subject to early termination equals 60% of the applicable notional amount through September 1, 2023 and 100% of the applicable notional amount thereafter.
- c. The swap agreement is subject to optional early termination, at par value, from prepayments at any time with a ten business day notice.

CREDIT RISK

As of August 31, 2006, the Department is not exposed to credit risk on any of its outstanding swaps because the swaps have negative fair values. If interest rates change and the fair value of the swaps become positive, the department would be exposed to credit risk on those swaps. The swap agreements contain varying collateral agreements and insurance policies with the counterparties. The credit ratings for the counterparties are as follows.

Counterparty	Standard & Poor's	Moody's	Fitch
UBS AG	AA+	Aa2	AA+
Goldman Sachs Capital			
Markets, LP	Not Rated	Aa3	AA-
Bear Stearns Financial			
Products, Inc.	AAA	Not Rated	Not Rated

BASIS RISK

The Department's variable-rate bond coupon payments are equivalent to the Bond Market Association Municipal Swap Index (BMA) rate. The swap agreements designate a function of London Inter-Bank Offered Rate (LIBOR) as the rate for payments received on these swaps. The Department will be exposed to basis risk should LIBOR and BMA converge. The swap agreements provide an option to terminate as stated above.

ROLLOVER RISK

The Department is exposed to rollover risk on swap agreements which mature or may be terminated prior to the maturity of the associated debt. The following debt is exposed to rollover risk if the option for early termination is executed:

Associated Debt Issuance	Debt Maturity Date	Swap Termination Date
2004B Single Family	September 2034	May be terminated as early as March 2014
2004D Single Family	March 2035	May be terminated as early as September 2014
2005A Single Family	September 2036	May be terminated at anytime giving 10 day notice

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2006

NOTE 11: BONDED INDEBTEDNESS Cont'd

SWAP PAYMENTS AND ASSOCIATED DEBT

Using rates as of August 31, 2006, debt service requirements of the Department's outstanding variable-rate debt and net swap payments are as follows. As rates vary, variable-rate debt bond interest payments and new swap payments will vary. The Department's swap agreements contain scheduled reductions to outstanding notional amounts that are expected to follow scheduled reductions in the associated bonds outstanding.

Fiscal Year Ending August	Variable-Rate Bonds					Interest Rate	
31		Principal		Interest		Swaps, Net	Total
2007	\$	885,000	\$	4,579,948	\$	2,512,348	\$ 7,977,296
2008		1,820,000		4,545,905		2,491,508	8,857,413
2009		1,895,000		4,498,985		2,462,783	8,856,768
2010		1,970,000		4,450,216		2,432,927	8,853,143
2011		2,050,000		4,399,471		2,401,861	8,851,332
2012-2016		16,580,000		21,086,827		11,462,774	49,129,601
2017-2021		31,270,000		18,010,781		9,778,257	59,059,038
2022-2026		37,815,000		13,707,451		7,460,536	58,982,987
2027-2031		44,410,000		8,647,712		4,719,303	57,777,015
2032-2036		46,500,000		2,674,453		1,481,603	50,656,056
2037-2038	_	2,805,000		105,188	_	64,395	2,974,583
Total	\$.	188,000,000	\$	86,706,937	\$	47,268,295	\$ 321,975,232

Current Refunding

On December 15, 2005, the Department issued Series 2005 B, C & D Residential Mortgage Revenue Bonds. Series 2005 B and 2005 C were issued for the primary purpose of refunding and redeeming the Single Family Mortgage Revenue Bonds Series 1995A and 1995C. This refunding transaction resulted in a deferred loss of \$798,680, which will be amortized for recognition purposes over the life of the new debt per GASB Statement 23. During the current period, \$145,001 of the deferral amount has been recognized as period bond interest expense within the Revenue Bond Enterprise Fund. This transaction also gave rise to an \$8,477,117 economic gain.

Advance Refunding Bonds

On 6/28/06, the Department issued the 2006 Single Family Revenue Bonds (Series ABCDE) in the amount of \$228,830,000. The proceeds for Series D (\$29,685,000) and Series E (\$17,295,000) with average rates of 4.50% and 4.06%, respectively, were used to advance refund outstanding bonds. The Series D bond proceeds refunded the 1996A Single Family Revenue Bonds (\$5,765,000) and the 1996D Single Family Revenue Bonds (\$23,920,000) with average rates of 6.3% and 6.25%, respectively. The Series E bond proceeds refunded the 1996E Single Family Revenue Bonds (\$17,295,000) with an average rate of 6.15%. The bond proceeds were used to purchase U.S. Government Securities. The securities were deposited with an escrow agent to provide for all future debt service on the 1996 bonds. As a result, the 1996 bonds are considered to be defeased and the liability for those bonds has been removed from the Department's financial statements.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$546,869. Since the old debt will be redeemed on 9/1/06, the entire difference will be amortized this fiscal year increasing interest expense. The Department advance refunded the 1996 Single Family Revenue Bonds Series ADE to reduce its total debt service payments over the next 30 years by \$16,009,337 and to obtain an economic gain of \$11,711,590.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2006

NOTE 12: SUBSEQUENT EVENTS

On September 14, 2006, the Department issued \$5,015,000 in multifamily revenue bonds (Red Hills Villas) made up as follows:

\$ 5,015,000 MF 2006 Series A

On September 14, 2006, the Department issued \$5,125,000 in multifamily revenue bonds (Champion's Crossing Apartments) made up as follows:

\$ 5,125,000 MF 2006 Series A

On September 15, 2006, the Department issued \$11,300,000 in multifamily revenue bonds (Stonehaven Apartment Homes) made up as follows:

\$ 11,300,000 MF 2006 Series A

On September 19, 2006, the Department issued \$8,325,000 in multifamily revenue bonds (Center Ridge Apartments) made up as follows:

\$ 8,325,000 MF 2006 Series A

On September 26, 2006, the Department issued \$13,500,000 in multifamily revenue bonds (Meadowlands Apartments) made up as follows:

\$ 13,500,000 MF 2006 Series A

On October 24, 2006, the Department issued \$13,500,000 in multifamily revenue bonds (East Tex Pines Apartments) made up as follows:

\$ 13,500,000 MF 2006 Series A

On November 8, 2006, the Department issued \$7,200,000 in multifamily revenue bonds (Villas @ Henderson Apartments) made up as follows:

\$ 7,200,000 MF 2006 Series A

On November 9, 2006, the Department issued \$9,800,000 in multifamily revenue bonds (Aspen Park Apartments) made up as follows:

\$ 9,800,000 MF 2006 Series A

On November 22, 2006, the Department issued \$14,250,000 in multifamily revenue bonds (Idlewilde Apartments) made up as follows:

\$ 14,250,000 MF 2006 Series A

The multifamily bonds are issued for the primary purpose to finance the acquisition, construction and equipping of multifamily residential rental developments. Red Hills Villas will be located in Round Rock, Texas. Champion's Crossing Apartments will be located in San Marcos, Texas. Stonehaven Apartments and Meadowlands Apartments will be located in Houston, Texas. Center Ridge Apartments will be located in Duncanville, Texas. Villas @ Henderson Apartments will be located in Cleburne, Texas. East Tex Pines, Aspen Park, and Idlewilde Apartments will be located in Houston, Texas.

On November 15, 2006, the Department issued \$132,195,000 in single family revenue bonds made up as follows:

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2006

NOTE 12: SUBSEQUENT EVENTS Cont'd

\$81,195,000 SF 2006 Series F (AMT) \$15,000,000 SF 2006 Series G (AMT) \$36,000,000 SF 2006 Series H (AMT)

The Series 2006 F (AMT) and Series H (AMT) bonds are being issued for the primary purpose of providing funds for the purchase of mortgage-backed, pass-through certificates (the "2006 F/G/H Mortgage Certificates") guaranteed as to timely payment of principal and interest by either Government National Mortgage Association ("Ginnie Mae"), Freddie Mac or Fannie Mae which represent beneficial ownership of pools of Mortgage Loans (the "2006 Mortgage Loans"). The Series G (AMT) bonds are being issued for the primary purpose of refunding the Department's outstanding Single Family Mortgage Revenue Refunding Tax-Exempt Commercial Paper Notes, Series A, thereby providing funds for the purchase of 2006 F/G/H Mortgage Certificates. In connection with the issuance of the Series H (AMT) bonds, the Department will enter into an interest rate swap agreement (the "Swap Agreement") with the UBS AG (the "Swap Provider"), which will become effective upon the delivery of the Series H (AMT) bonds. Pursuant to the swap agreement payments will begin accruing on the date of delivery of the bonds and payments will be made semiannually beginning March 1, 2007. The swap provider will agree to pay to the Department on such date, payments computed based on a variable rate of 63% of LIBOR plus .30% intended to approximate the variable interest rate on the Series H (AMT) bonds, on a notional amount corresponding to the outstanding principal amount of the Series H (AMT) bonds, provided that the variable rate payments to the Department may not equal the variable interest payable on the Series H (AMT) bonds.

SUPPLEMENTARY BOND

SCHEDULES

Supplementary Bond Schedules SCHEDULE 1-A

MISCELLANEOUS BOND INFORMATION

For the fiscal year ended August 31, 2006 (Amounts in Thousands)

				led Mat.	First
Description of Issue	Bonds Issued To Date	Range Of Interest Rates	First Year	Last Year	Call Date
1995 Single Fumily Series A 1995 Single Fumily Series C	\$ 85,760 71,760	4.15% 6.15% 6.44% 7.76%	1997 2006	2027 2017	09/01/2005 09/01/2005
1996 Single Family Series C	15,000	4.50% 6.30%	2000	2028	09/01/2005
1996 Single Family Series D	70,760	5.45% 6.25%	2021	2028	09/01/2006
1996 Single Family Series E	98,730	3.90% 6.00%	1997	2017	09/01/2006
1997 Single Family Series A	44,465	5.25% 5.80%	2013	2029	09/01/2007
997 Single Family Series B	9,510	5.45% 5.45%	2019	2019	09/01/2007
1997 Single Family Series D	44,795	5.65% 5.70%	2029	2029	09/01/2007
1997 Single Family Series F	20,000	6.77% 6.77%	2029	2029	09/01/2007
2002 Single Family Series A (Jr. Lien)	10,000	7.01% 7.01%	2025	2026	09/01/2012
2002 Single Family Series A	38,750	5.45% 5.55%	2023	2034	03/01/2012
2002 Single Family Series B	52,695	5.35% 5.55%	2033	2033	03/01/2012
2002 Single Family Series C	12,950	2.80% 5.20%	2004	2017	03/01/2012
2002 Single Family Series D 2004 Single Family Series A	13,605 123,610	2.00% 4.50% 2.00% 4.70%	2003 2006	2012 2035	03/01/2012 03/01/2013
2004 Single Family Series B	53,000	VAR - Weekly	2015	2033	03/01/2015 (g)
2004 Single Family Series A (Jr. Lien)	4,140	VAR - Weekly	2036	2036	09/01/2036 (g)
2004 Single Family Series C	41,245	4.30% 4.80%	2019	2036	09/01/2014
2004 Single Family Series D	35,000	VAR - Weekly	2035	2035	(h)
2004 Single Family Series E	10,825	2.45% 4.30%	2006	2013	09/01/2014
2005 Single Family Series A	100,000	VAR - Weekly	2007	2036	03/01/2006
2005 Single Family Series B	25,495	4.38% 4.38%	2006	2026	03/01/2006
2005 Single Family Series C	8,970	4.31% 5.39%	2017	2017	03/01/2006
2005 Single Family Series D	3,730	5.00% 5.00%	2025	2035	03/01/2006
2006 Single Family Series A	59,555	5.00% 5.00%	2008	2037	09/01/2006
2006 Single Family Series B	70,485	5.00% 5.00%	2008	2034	09/02/2006
2006 Single Family Series C	105,410	5.13% 5.13%	2008	2037	09/03/2006
2006 Single Family Series D 2006 Single Family Series E	29,685 17,295	4.50% 4.50% 4.06% 4.06%	2018 2007	2028 2017	09/04/2006 09/05/2006
1998 RMRB Series A	102,055	4.05% 5.35%	2007	2031	01/01/2009
1998 RMRB Series B	14,300	5.30% 5.30%	2022	2022	01/01/2009
1999 RMRB Series A	25,615	4.80% 5.50%	2018	2021	01/01/2009
1999 RMRB Series B-1	52,260	6.32% 7.10%	2021	2032	07/01/2009
1999 RMRB Series C	12,150	5.05% 6.25%	2003	2024	07/01/2009
2000 RMRB Series A	50,000	5.10% 6.30%	2003	2031	07/01/2010
2000 RMRB Series B	82,975	5.70% 5.70%	2005	2033	07/01/2010
2000 RMRB Series C	13,675	5.82% 5.85%	2011	2025	07/01/2010
2000 RMRB Series D	18,265	4.55% 5.85%	2003	2020	07/01/2010
2001 RMRB Series A	52,715	3.15% 5.70%	2004	2033	07/01/2011
2001 RMRB Series B	15,585	5.00% 5.25%	2011	2022	07/01/2011
2001 RMRB Series C 2001 RMRB Series D	32,225	2.55% 4.63%	2003	2015	07/01/2011
2002 RMRB Series A	300 42,310	5.35% 5.35% 2.25% 5.35%	2008 2004	2033 2034	07/01/2011 07/01/2012
2003 RMRB Series A	73,630	1.70% 5.00%	2004	2034	01/01/2013
1992 Coll Home Mtg Rev Bonds, Series C	72,700	3.48% 10.27%	2024	2024	05/04/1995
1994 SF MRB CHMRB Series C	15,360	6.25% 6.25%	2026	2026	06/27/2005
2006 Commercial Paper Series A	15,198	3.63% 3.63%	2006	2006	11/09/2006
TOTAL SINGLE FAMILY & RMRB BONDS	\$ 1,968,543				
1987 MF Series (South Texas Rental Housing)	1,400	9.50% 9.50%	1988	2012	02/01/1988
1993 MF Series A/B (RemHill/HighPt)	26,370	VAR - Weekly	2023	2023	02/01/2000
1996 MF Series A/B (Brighton's Mark)	10,174	6.13% 6.13%	2026	2026	01/01/2003
1996 MF Series A/B (Las Colinas)	15,469	5.65% 5.65%	2026	2026	01/01/2003
1996 MF Series A/B (Braxton's Mark) 1996 MF Series A-D (Harbors/Plumtree)	14,867 13,050	5.81% 5.81% 5.90% 10.00%	2026	2026 2026	01/01/2003 07/01/2006
1998 MF Series A (Pebble Brook)	10,900	5.90% 10.00% 4.95% 5,60%	1997 2001	2020	06/01/2001
1998 MF Series A-C (Residence Oaks)	8,200	5.98% 7.18%	2001	2030	05/01/2001
1998 MF Series A (Volente Project)	10,850	5,00% 5,63%	2001	2031	07/01/2001
1998 MF Series A (Dallas Oxford Refndg)	10,300	7.25% 7.25%	2018	2018	01/01/2004
1998 MF Series A/B (Greens of Hickory Trial)	13,500	5,20% 6,03%	2001	2030	09/01/2008
1999 MF Series A-C (Mayfield)	11,445	5.70% 7.25%	2001	2031	05/01/2002
1999 MF Series A (Woodglen Village) 2000 MF Series A (Timber Point Apts)	10,660 8,100	7.38% 8.25% VAR - Weekly	2002 2003	2039 2032	12/01/2016 07/01/2000 (a)
2000 MF Series A (Timber Point Apis) 2000 MF Series A/B (Oaks at Hampton)	10,060	7.20% 9.00%	2003	2032	07/01/2000 (a) 03/01/2017 (a)
2000 MF Series A (Deerwood Apts)	6,435	5,25% 6,40%	2003	2032	06/01/2010
• • •	•				

Supplementary Bond Schedules SCHEDULE 1-A (Continued) MISCELLANEOUS BOND INFORMATION

For the fiscal year ended August 31, 2006

(Amounts in Thousands)

	F1 f	D 000	Schedul		First	
Description of Issue	Bonds Issued To Date	Range Of Interest Rates	First Year	Last Year	Cali Date	
Description of Issue 2000 MF Series A (Creek Point Apts)	\$ 7,200	VAR - Weekly	2004	2032	07/01/2000	- /.
2000 MF Series A/B (Parks @ Westmoreland)	9,990	7,20% 9,00%	2004	2040	07/01/2000	
2000 MF Series A (Honeycreek)	20,485	7.63% 8.15%	2004	2035	06/30/2007	
2000 MF Series A-C (Highland Meadow Apts)	13,500	6.75% 8.00%	2004	2033	05/01/2019	
2000 MF Series A/B (Greenbridge)	20,085	7.40% 10.00%	2003	2040	03/01/2014	
2000 MF Series A-C (Collingham Park) 2000 MF Series A/B (Williams Run)	13,500 12,850	6.72% 7.72% 7.65% 9,25%	2004 2002	2033 2040	05/01/2019 01/01/2011	
2000 MF Series A/B (Red Hills Villas)	10,300	8.40% 9.50%	2003	2040	12/01/2017	
2001 MF Series A (Bluffview Senior Apts)	10,700	7.65% 7.65%	2003	2041	05/01/2018	
2001 MF Series A (Knollwood Villas Apts)	13,750	7.65% 7.65%	2003	2041	05/01/2018	
2001 MF Series A (Skyway Villas)	13,250	6,00% 6.50%	2005	2034	12/01/2011	
1901 MF Series A/B (Cobb Park) 1901 MF Series A (Greens Road Apts.)	7,785 8,375	6.77% 6.77% 5.30% 5.40%	2003 2004	2041 2034	07/01/2018 12/01/2011	
1001 MF Series A/B (Meridian Apts.)	14,310	5.45% 6.85%	2004	2034	12/01/2011	
001 MF Series A/B (Wildwood Apts.)	14,365	5.45% 6.75%	2004	2034	12/01/2011	
2001 MF Series A-C (Fallbrook Apts.)	14,700	6.06% 6.78%	2005	2034	01/01/2012	
2001 MF Series A (Oak Hollow Apts.)	8,625	7.00% 7.90%	2003	2041	11/01/2018	
2001 MF Series A/B (Hillside Apts.) 2002 MF Series A (Millstone Apts.)	12,900 12,700	7.00% 9.25% 5,35% 5.86%	2003 2005	2041 2035	11/01/2018 06/01/2012	
2002 MF Series A (Sugar Creek Apts.)	11,950	6.00% 6.00%	2004	2042	01/01/2016	
2002 MF Series A (West Oaks Apts.)	10,150	7.15% 7.50%	2004	2042	12/01/2018	
2002 MF Series A (Park Meadows Apts)	4,600	6,53% 6,53%	2004	2034	05/01/2012	
2002 MF Series A (Clarkridge Villas Apts)	14,600	7.00% 7.00%	2004	2042	08/01/2019	
2002 MF Series A (Hickory Trace Apts) 2002 MF Series A (Green Crest Apts)	11,920 12,500	7.00% 7.00% 7.00% 7.00%	2004 2004	2042 2042	12/01/2019 11/01/2019	
1902 MF Series A/B (Ironwood Crossing)	16,970	5.50% 8.75%	2004	2042	10/01/2019	
002 MF Series A (Woodway Village Apts)	9,100	4,95% 5,20%	2006	2023	01/01/2013	
003 MF Series A/B (Reading Road)	12,200	VAR - Weekly	2007	2036	01/01/2004	(
003 MF Series A/B (North Vista Apts)	14,000	4.10% 5.41%	2006	2036	06/01/2013	
003 MF Series A/B (West Virginia Apts) 003 MF Series A/B (Sphinx @ Murdeaux)	9,450	4.15% 5.41%	2006 2005	2036 2042	06/01/2013 06/20/2013	
003 MF Series A/B (Primrose Houston School)	15,085 16,900	3,55% 5,00% 5,50% 8,00%	2005	2036	07/01/2003	
003 MF Series A/B (Timber Oaks Apts)	13,200	6,75% 8,75%	2005	2043	06/01/2020	
003 MF Series A/B (Ash Creek Apts)	16,375	5,60% 15,00%	2006	2036	10/01/2003	(
003 MF Series A/B (Peninsula Apts)	12,400	4.25% 5.30%	2007	2024	10/01/2013	
003 MF Series A (Evergreen @ Mesquite)	11,000	6.60% 8.00% VAR - Weekly (c)	2006 2007	2043 2036	09/01/2020	
1903 MF Series A/B (Arlington Villas) 1903 MF Series A/B (Parkview Twnhms)	17,100 16,600	6.60% 8.50%	2007	2043	01/01/2007 12/01/2020	
903 MF Series A (NHP-Asmara) Refunding	31,500	VAR - Weekly	2007	2033	07/01/2007	
004 MF Series A/B (Timber Ridge)	7,500	5,75% 8,00%	2007	2037	03/01/2007	
004 MF Series A/B (Century Park)	13,000	VAR - Weekly (d)	2007	2037	05/01/2007	
004 MF Series A (Addison Park)	14,000	VAR - Weekly (c)	2007	2044	01/01/2007	
004 MF Series A/B (Veterans Memorial) 004 MF Series A (Rush Creek)	16,300 10,000	6.60% 8.50% 5,38% 6.70%	2006 2006	2044 2044	03/01/2006 03/01/2021	
004 MF Series A (Humble Park)	11,700	6.60% 6.60%	2007	2041	07/01/2021	
004 MF Series A (Chisholm Trail)	12,000	VAR - Weekly (b)	2006	2037	10/15/2006	
004 MF Series A (Evergreen @ Plano)	14,750	5.25% 6.55%	2007	2044	06/01/2021	
004 MF Series A (Montgomery Pines)	12,300	VAR - Weekly	2006	2037	12/15/2006	
004 MF Series A (Bristol) 004 MF Series A (Pinnacle)	12,625 14,500	VAR - Weekly VAR - Weekly (c)	2007 2007	2037 2044	06/15/2007 09/01/2007	
004 MF Series A (Tranquility Bay)	14,350	VAR - Weekly (c)	2007	2044	06/01/2021	
004 MF Series A (Sphinx @ Delafield)	11,380	5,05% 5.35%	2006		07/20/2014	
004 MF Series A (Churchill @ Pinnacle)	10,750	5.25% 6.55%	2007	2044	09/01/2021	
004 MF Series A/B (Post Oak East)	13,600	VAR - Weekly	(e)	2037	(c)	
004 MF Series A (Village Fair)	14,100	5.00% 6.50%	2007	2044 2045	12/01/2021 01/01/2022	
005 MF Series A (Pecan Grove) 005 MF Series A (Prairie Oaks)	14,030 11,050	5.00% 6,50% 4,75% 6.50%	2007 2007	2045	01/01/2022	
005 MF Series A (Port Royal)	12,200	5.00% 6.50%	2007	2045	02/01/2022	
005 MF Series A (Del Rio)	11,490	5,00% 6.50%	2007	2045	02/01/2022	
005 MF Series A (Atascocita Pines)	11,900	VAR - Weekly (c)	2007	2037	(g)	
005 MF Series A (Tower Ridge)	15,000	VAR - Weekly (b)	2009	2038	(g)	
005 MF Series A (Alta Cullen)	14,000	5.89% 6.60%	2007	2045 2038	06/01/2022	
005 MF Series A (Lafayette Village) 005 MF Series A (Prairie Ranch)	14,100 12,200	VAR - Weekly 4,85% 4.85%	2008 2007	2045	n/a 12/20/2015	
905 MF Series A (St Augustine)	7,650	VAR - Weekly	2009	2038	n/a	
2005 MF Series A (Park Manor)	10,400	5.00% 6.40%	2008	2045	09/01/2022	

Supplementary Bond Schedules SCHEDULE 1-A (Continued) MISCELLANEOUS BOND INFORMATION

MISCELLANEOUS BOND INFORM

For the fiscal year ended August 31, 2006 (Amounts in Thousands)

TOTAL MULTIFAMILY BONDS

				Schedu	ed Mat.	First
	Bonds Issued		Range Of	First	Last	Call
Description of Issue	To	Date	Interest Rates	Year	Year	Date
2005 MF Series A (Chase Oaks)	S	14,250	5.05% 5.05%	2007	2035	(i)
2006 MF Series A/B (Canal Place)		16,100	VAR - Weekly	2009	2039	(i)
2006 MF Series A (Coral Hills)		5,320	5,05% 5,05%	2038	2038	08/01/2015
2006 MF Series A (Harris Branch)		15,000	VAR - Weekly	2009	2039	(k)
2006 MF Series A (Bella Vista)		6,800	6,15% 6,15%	2008	2046	04/01/2016
2006 MF Series A (Village Park)		13,660	4.75% 5.13%	2009	2026	06/01/2021
2006 MF Series A (Oakmoor)		14,635	5,50% 6,00%	2008	2046	03/01/2023
2006 MF Series A (Sunset Pointe)		15,000	VAR - Weekly	2039	2039	(j)
2006 MF Series A (Hillcrest)		12,435	5.25% 5.25%	2009	2039	04/01/2021
2006 MF Series A (Pleasant Village)		6,000	6.00% 6.00%	2008	2023	(1)
2006 MF Series A (Grove Village)		6,180	6.00% 6.00%	2008	2023	(1)

1.175,365

TOTAL BONDS ISSUED \$ 3,143,908

FOOTNOTES:

- (a) The taxable bonds shall be subject to redemption prior to maturity in whole or any part on any interest payment date after the completion date from the proceeds of an optional prepayment of the loan by the borrower.
- (b) Variable rate not to exceed the maximum rate permitted by applicable law.
- (c) Variable rate could change to fixed rate provided the conversion option is exercised.
- (d) Variable rate series and fixed rate series-variable rate could change to fixed rate provided the conversion option is exercised.
- (e) No set amortization, per trustee, amortization will occur in \$100,000 denominations when the amount in the principal reserve fund exceeds 20% of the issue.
- (f) The bonds are subject to redemption, in whole, at the option of the Issuer acting at the direction of the Holders of a majority of the outstanding principal amount of the Bonds.
- (g) The Bonds shall be subject to redemption prior to maturity, after giving the required notice, as follows: During the variable interest rate period the bonds shall be subject to optional redemption by the Department, in whole or in part on any business day, at a redemption price equal to 100% of the principal amount thereof to be redeemed plus accrued interest, if any, to the redemption date.
- (h) The Series bonds are subject to redemption prior to maturity, after giving notice as provided in the Trust Indendure, as follows: During a daily interest rate period or weekly interest rate period for the Series bonds, the bonds shall be subject to optional redemption by the Department, in whole or in part on any business day, at a redemption price equal to 100% of the principal amount thereof to be redeemed plus accrued interest, if any, to the redemption date.
- (i) The bonds are subject to redemption at the option of the Issuer, at the direction of the Borrower, in whole or in part on the first day of any month, in the event and to the extent the trustee receives funds from the Borrower representing an optional prepayment of the principal of the note, at a redemption price equal to the principal thereof, plus accrued interest to the redemption date plus any premium remitted therewith as required by the note.
- (j) Bonds are subject to redemption if and to the extent the Borrower is entitled to make, or is required to make, a prepayment pursuant to the loan agreement.
- (k) The Bonds are subject to optional redemption in whole or in part upon optional prepayment of the Loan by the Borrower as permitted by theloan documents.
- (1) The Bonds are subject to optional redemption at the direction of the Borrower on any interest payment date, in whole or in part, at the redemption price (as calculated by the sole bondholder) calculated in accordance with the Exhibit H plus accrued and unpaid interest, if any, to the redemption date. Optional redemptions may be made only in denominations of \$100,000 plus integral multiples of \$5,000 or for the entire amount of the bonds outstanding.

Supplementary Bond Schedules
SCHEDULE 1-B
MISCELLANEOUS BOND INFORMATION - CHANGES IN BOND INDEBTEDNESS
For the fiscal year ended August 31, 2006

For the fiscal year ended August 31, 2006	Bonds	Bonds	Bonds	Bonds	Bonds	Amounts
	Outstanding	Issued and	Matured or	Refunded or	Outstanding	Due Within
Description of Issue	9/1/05	Accretions	Retired	Extinguished	8/31/06	One Year
1995 SERIES A	\$ 29,750,000			\$ 29,750,000		
1995 SERIES C	12,915,000			12,915,000		
1996 SERIES A 1996 SERIES D	8,875,000			8,875,000		
1996 SERIES E	28,775,000		1 110 000	28,775,000		
1997 SERIES A	21,915,000		1,230,000	20,685,000	10 176 000	
1997 SERIES B	30,175,000 7,330,000			6 500 000	30,175,000	
1997 SERIES D	18,055,000			6,590,000	740,000	
1997 SERIES F	5,625,000			3,350,000 5,625,000	14,705,000	
2002 SERIES A (Jr Lien)	9,945,000			860,000	9,085,000	
2002 SERIES A	37,570,000			85,000	37,485,000	
2002 SERIES B	47,760,000			4,005,000	43,755,000	
2002 SERIES C	12,120,000		450.000	20,000	11,650,000	470,000
2002 SERIES D	8,270,000		910,000	415,000	6,945,000	895,000
2004 SERIES A	123,485,000		710,000	770,000	122,715,000	1,635,000
2004 SERIES B	53,000,000			710,000	53,000,000	1,035,000
2004 SERIES A (Jr Lien)	4,140,000				4,140,000	
2004 SERIES C	41,245,000			2,375,000	38,870,000	280,000
2004 SERIES D	35,000,000			-,,	35,000,000	200,200
2004 SERIES E	10,825,000			320,000	10,505,000	1,310,000
2005 SERIES A	100,000,000			30,000	99,970,000	885,000
2005 SERIES B		25,495,000		965,000	24,530,000	375,000
2005 SERIES C		8,970,000		310,000	8,660,000	2.2,000
2005 SERIES D		3,730,000		245,000	3,485,000	
2006 SERIES A		59,555,000		,	59,555,000	
2006 SERIES B		70,485,000			70,485,000	
2006 SERIES C		105,410,000			105,410,000	
2006 SERIES D		29,685,000			29,685,000	
2006 SERIES E		17,295,000			17,295,000	
1998 SERIES A	52,745,000		1,295,000	5,375,000	46,075,000	1,315,000
1998 SERIES B	8,645,000			450,000	8,195,000	
1999 SERIES A	7,785,000			1,070,000	6,715,000	
1999 SERIES B-1	30,200,000			4,450,000	25,750,000	
1999 SERIES C	4,480,000			600,000	000,088,£	
2000 SERIES A	21,730,000		270,000	3,050,000	18,410,000	260,000
2000 SERIES B	63,020,000			8,275,000	54,745,000	
2000 SERIES C	9,580,000			665,000	8,915,000	
2000 SERIES D	9,430,000		595,000	1,035,000	7,800,000	570,000
2001 SERIES A	40,595,000		695,000	3,175,000	36,725,000	685,000
2001 SERIES B	12,680,000			290,000	12,390,000	
2001 SERIES C	14,845,000		1,270,000	1,755,000	11,820,000	1,145,000
2001 SERIES D	235,000				235,000	
2002 SERIES A	39,060,000		635,000	4,245,000	34,180,000	605,000
2003 SERIES A	71,735,000		1,180,000	1,325,000	69,230,000	1,175,000
1992 SERIES A-C	20,600,000			5,700,000	14,900,000	
1994 SERIES C	3,500,000			3,500,000	•	
COMMERCIAL PAPER NOTES SERIES A	\$ 75,000,000	<u>\$</u> 72,191,000	\$ 131,993,000	<u>s -</u>	\$ 15,198,000	\$ 15,198,000
TOTAL SINGLE FAMILY BONDS	\$ 1,132,640,000	\$ 392,816,000	\$ 140,523,000	5 171,925,000	\$ 1,213,008,000	\$ 26,803,000
1996 SERIES A&B (BRIGHTON'S MARK)	\$ 8,075,000				\$ 8,075,000	
1996 SERIES A&B (MARKS OF LAS COLINAS)	14,869,512			2,199,512	12,670,000	
1998 SERIES (DALLAS-OXFORD REFDG)	10,300,000				10,300,000	
1996 SERIES A&B (BRAXTON'S MARK)	14,273,700				14,273,700	
1993 SERIES A&B (REMHILL / HIGHPT)	11,390,000				11,390,000	
1987 SOUTH TEXAS RENTAL HOUSING	773,136		76,612		696,524	84,000
1996 SERIES A-D (HARBORS/PLUMTREE)	11,360,000		255,000	11,105,000		
1998 SERIES (PEBBLE BROOK)	10,245,000		170,000		10,075,000	180,000
1998 SERIES A-C (RESIDENCE OAKS)	7,683,000		134,000		7,549,000	141,000
1998 SERIES (VOLENTE)	10,170,000		165,000		10,005,000	175,000
1998 SERIES (GREENS-HICKORY TRAIL)	12,755,000		210,000		12,545,000	220,000
1999 SERIES (MAYFIELD)	10,793,000		187,000		10,606,000	199,000
1999 SERIES (WOODGLEN VILLAGE)	10,505,283		-		10,505,283	118,000
2000 SERIES (TIMBER POINT APTS)	7,900,000			100,000	7,800,000	
2000 SERIES A/B (OAKS at HAMPTON) 2000 SERIES (DEERWOOD APTS)	9,884,487		62,394		9,822,093	68,000
2000 SERIES (DEERWOOD AP 13)	6,245,000		85,000		6,160,000	85,000

Supplementary Bond Schedules
SCHEDULE 1-B (Continued)
MISCELLANEOUS BOND INFORMATION - CHANGES IN BOND INDEBTEDNESS
For the fiscal year ended August 31, 2006

Pol tile tiseat year ended August 51, 2000	Bonds	Danda	Davida	B1-	D-m-In	
		Bonds	Bonds	Bonds	Bonds	Amounts
Description of laws	Outstanding 9/1/05	Issued and	Matured or	Refunded or	Outstanding	Due Within
Description of Issue 2000 SERIES (CREEK POINT APTS)		Accretions	Retired	Extinguished	8/31/2006	One Year
2000 SERIES (CREEK FOINT AF15) 2000 SERIES A/B (PARKS at WESTMORELAND)	6,785,000		61.161	100,000	6,685,000	67.00p
•	9,832,514		61,161		9,771,353	67,000
2000 SERIES (HONEYCREEK)	20,363,158		117.000		20,363,158	253,000
2000 SERIES A-C (HIGHLAND MEADOW APTS)	11,159,000		137,000		11,022,000	145,000
2000 SERIES A/B (GREENBRIDGE @ BUCKINGHM)	19,891,056		142.000		19,891,056	211,000
2000 SERIES A-C (COLLINGHAM PARK APTS)	13,277,000		162,000		13,115,000	172,000
2000 SERIES A/B (WILLIAMS RUN APTS)	12,577,216		16,309		12,560,907	173,000
2000 SERIES A/B (RED HILLS VILLAS APTS)	10,187,423		48,765		10,138,657	54,000
2001 SERIES (BLUFF SENIOR APTS)	10,595,007		50,999		10,544,008	55,000
2001 SERIES (KNOLLWOOD VILLAS APTS)	13,615,079		65,536		13,549,544	71,000
2001 SERIES A (SKYWAY VILLAS)	\$ 13,115,000		\$ 160,000	\$ 4,070,000	\$ 8,885,000	\$ 130,000
2001 SERIES A/B (COBB PARK APTS)	7,722,172		34,851		7,687,321	38,000
2001 SERIES A (GREENS ROAD APTS)	8,275,000		105,000		8,170,000	110,000
2001 SERIES A/B (MERIDIAN APARTMENTS)	14,220,000		160,000		14,060,000	175,000
2001 SERIES A/B (WILDWOOD BRANCH	14,280,000		165,000		14,115,000	175,000
2001 SERIES A-C (FALLBROOK APTS)	14,614,000		180,000		14,434,000	193,000
2001 SERIES (OAK HOLLOW APTS)	8,122,370		38,595	1,665,933	6,417,842	37,000
2001 SERIES A/B (HILLSIDE APTS)	12,803,449		62,578		12,740,871	69,000
2001 SERIES A (MILLSTONE APTS)	12,620,000		165,000		12,455,000	180,000
2002 SERIES (SUGARCREEK APTS)	11,855,000		35,000		11,820,000	105,000
2002 SERIES (WEST OAKS APTS)	9,676,026		32,764		9,643,262	70,000
2002 SERIES (PARK MEADOWS APTS)	4,550,000		55,000	100,000	4,395,000	60,000
2002 SERIES (CLARKRIDGE VILLAS APTS)	14,531,069		73,914		14,457,154	79,000
2002 SERIES A (HICKORY TRACE APTS)	11,873,376		58,748	351,582	11,463,047	62,000
2002 SERIES A (GREEN CREST APTS)	12,451,108		44,474	978,737	11,427,896	77,000
2002 SERIES A/B (IRON WOOD CROSSING)	16,970,000		51,355	•	16,918,645	67,000
2002 SERIES A (WOODWAY VILLAGE)	9,100,000		90,000	1,265,000	7,745,000	100,000
2003 SERIES A/B (READING ROAD)	12,200,000		•		12,200,000	120,000
2003 SERIES A/B (NORTH VISTA)	14,000,000				14,000,000	200,000
2003 SERIES A/B (WEST VIRGINIA)	9,450,000				9,450,000	135,000
2003 SERIES A/B (SPHINX @ MURDEAUX)	15,015,000		140,000		14,875,000	160,000
2003 SERIES A/B (PRIMROSE HOUSTON)	16,900,000		5,798	270,000	16,624,202	73,000
2003 SERIES A/B (TIMBER OAKS)	13,196,252		47,169	2.0,000	13,149,082	51,000
2003 SERIES A/B (ASH CREEK APTS)	16,375,000		11,675	11,519	16,351,806	73,000
2003 SERIES A/B (PENINSULA APTS)	12,400,000		11,015	11,512	12,400,000	80,000
2003 SERIES A (EVERGREEN @ MESQUITE)	11,000,000		41,003		10,958,997	103,000
2003 SERIES A/B (ARLINGTON VILLAS)	17,100,000		411000		17,100,000	46,000
2003 SERIES A/B (PARKVIEW TWNHMS)	16,600,000		45,334			
2003 SERIES (NHP-ASMARA)REFUNDING	31,500,000		45,554	9,875,000	16,554,666	73,000
2004 SERIES A/B (TIMBER RIDGE)	7,500,000			800,000	21,625,000	335,000
2004 SERIES A/B (CENTURY PARK)	13,000,000			500,000	6,700,000	32,000
2004 SERIES A (ADDISON PARK)					13,000,000	65,000
·	14,000,000		11111		14,000,000	60,000
2004 SERIES A/B (VETERANS MEMORIAL)	16,300,000		34,111		16,265,889	73,000
2004 SERIES (RUSH CREEK)	10,000,000		4,143		9,995,857	52,000
2004 SERIES (HUMBLE PARK)	11,700,000				11,700,000	90,000
2004 SERIES (CHISHOLM TRAIL)	12,000,000				12,000,000	130,000
2004 SERIES (EVERGREEN @ PLANO)	14,750,000				14,750,000	13,000
2004 SERIES (MONTGOMERY PINES)	12,300,000				12,300,000	145,000
2004 SERIES (BRISTOL)	12,625,000				12,625,000	75,000
2004 SERIES (PINNACLE)	14,500,000				14,500,000	90,000
2004 SERIES (TRANQUILITY BAY)	14,350,000		18,954		14,331,046	79,000
2004 SERIES (SPHINX @ DELAFIELD)	11,380,000		50,000		11,330,000	95,000
2004 SERIES (CHURCHILL @ PINNACLE)	10,750,000				10,750,000	
2004 SERIES A/B (POST OAK EAST)	13,600,000				13,600,000	105,000
2004 SERIES (VILLAGE FAIR)	14,100,000				14,100,000	50,000
2005 SERIES (PECAN GROVE)	14,030,000				14,030,000	44,000
2005 SERIES (PRAIRIE OAKS)	11,050,000				11,050,000	34,000
2005 SERIES (PORT ROYAL)	12,200,000				12,200,000	32,000
2005 SERIES (MISSION DEL RIO)	11,490,000				11,490,000	31,000
2005 SERIES (ATASCOCITA)	11,900,000				11,900,000	
2005 SERIES (TOWER RIDGE)	15,000,000				15,000,000	
2005 SERIES (ALTA CULLEN)	14,000,000				14,000,000	
2005 SERIES (LAFAYETTE VILLAGE)	14,100,000				14,100,000	
2005 SERIES (PRAIRIE RANCH)	12,200,000				12,200,000	
2005 SERIES (ST. AUGUSTINE)	7,650,000				7,650,000	

Supplementary Bond Schedules
SCHEDULE 1-B (Continued)
MISCELLANEOUS BOND INFORMATION - CHANGES IN BOND INDEBTEDNESS
For the fiscal year ended August 31, 2006

	Bonds Bonds		Bonds	Bonds	Bonds	Amounts
	Outstanding	Issued and	Matured or	Refunded or	Outstanding	Due Within
Description of Issue	9/1/05	Accretions	Retired	Extinguished	8/31/2006	One Year
2005 SERIES (PARK MANOR)	10,400,000				10,400,000	
2005 SERIES (PROVIDENCE @ MOCKINGBIRD)	14,360,000				14,360,000	
2005 SERIES (PLAZA CHASE OAKS)	14,250,000				14,250,000	95,000
2005 SERIES (CANAL PLACE)		16,100,000			16,100,000	
2006 SERIES (CORAL HILLS)		5,320,000			5,320,000	
2006 SERIES (HARRIS BRANCH)		15,000,000			15,000,000	
2006 SERIES (BELLA VISTA)		6,800,000			6,800,000	
2006 SERIES (VILLAGE PARK)		13,660,000			13,660,000	
2006 SERIES (OAKMOOR)		14,635,000			14,635,000	
2006 SERIES (SUNSET POINTE)		15,000,000			15,000,000	
2006 SERIES (HILLCREST)		12,435,000			12,435,000	
2006 SERIES (PLEASANT VILLAGE)		6,000,000			6,000,000	
2006 SERIES (GROVE VILLAGE)		6,180,000			6,180,000	
TOTAL MULTIFAMILY BONDS	5 1,033,504,393	\$ 111,130,000	\$ 3,797,242	<u>\$ 32,892,283</u>	\$ 1,107,944,868	\$ 7,037,000
TOTAL BONDS	\$ 2,166,144,393	S 503,946,000	5 144,320,242	S 204,817,283	\$ 2,320,952,868	(a) S 33,840,000

FOOTNOTES:

roomores,		
(a) Bonds Outstanding balance at 8/31/06 does not include unamortized premi	ium c	or discounts.
Bonds Outstanding per schedule	S	2,320,952,868
Unamortized (Discount)/Premium:		
Single Family		11,119,575
RMRB		2,525,365
CHMRB		324,590
Multi-Family		(564,591)
Unamortized Deferred Gain/(Loss) on Refunding:		
Single Family		(3,569,996)
RMRB		(1,442,188)
Deferred Amount on Refunding		(1,197,067)
Bonds Outstanding per Exhibit I	5	2,328,148,557

Texas Department of Housing & Community Affairs (332)

Supplementary Bond Schedules SCHEDULE I-C DERT SERVICE REQUIREME

DEBT SERVICE REQUIREMENTS (PRINCIPAL & INTEREST)

August 31, 2006 (Amounts in Thousands)

DESCRIPTION		2007	2008	2009	2010	2011
1997 Single Family Series A 1997 Single Family Series A	Principal Interest	\$ 1,750	\$ 1,750	S 1,750	\$ 1,750	\$ 1,750
1997 Single Family Series B 1997 Single Family Series B	Principal Interest	40	40	40	40	40
1997 Single Family Series D 1997 Single Family Series D	Principal Interest	835	835	835	835	835
2002 Single Family Series A Junior Lien 2002 Single Family Series A Junior Lien	Principal Interest	637	637	637	637	637
2002 Single Family Series A 2002 Single Family Series A	Principal Interest	2,063	2,063	2,063	2,063	2,063
2002 Single Family Series B 2002 Single Family Series B	Principal Interest	2,376	2,376	2,376	2,376	2,376
2002 Single Family Series C 2002 Single Family Series C	Principal Interest	470 556	500 536	525 514	555 490	590 463
2002 Single Family Series D 2002 Single Family Series D	Principal Interest	895 251	915 218	945 182	985 141	1,01 <i>5</i> 97
2004 Single Family Series A 2004 Single Family Series A	Principal Interest	1,635 5,439	3,335 5,360	3,430 5,266	2,495 5,191	2,490 5,108
2004 Single Family Series B 2004 Single Family Series B	Principal Interest	1,804	1,804	1,800	1,802	1,802
2004 Single Family Series A (Jr. Lien) 2004 Single Family Series A (Jr. Lien)	Principal Interest	221	221	220	221	221
2004 Single Family Series C 2004 Single Family Series C	Principal Interest	280 1,851	570 1,823	595 1,794	615 1,763	640 1,732
2004 Single Family Series D 2004 Single Family Series D	Principal Interest	1,211	1,212	1,210	1,211	1,211
2004 Single Family Series E 2004 Single Family Series E	Principal Interest	1,310 347	1,080 318	1,110 284	1,155 246	1,200 202
2005 Single Family Series A 2005 Single Family Series A	Principal Interest	885 3,434	1,820 3,375	1,895 3,304	1,970 3,239	2,050 3,169
2005 Single Family Series B 2005 Single Family Series B	Principal Interest	375 1,064	385 1,051	400 1,036	425 1,020	440 1,003
2005 Single Family Series C 2005 Single Family Series C	Principal Interest	462	462	461	462	462
2005 Single Family Series D 2005 Single Family Series D	Principal Interest	174	174	£74	174	174
2006 Single Family Series A 2006 Single Family Series A	Principal Interest	2,978	230 2,972	490 2,948	525 2,922	560 2,895
2006 Single Family Series B 2006 Single Family Series B	Principal Interest	3,524	725 3,506	1,495 3,432	1,560 3,355	1,630 3,274

Texas Department of Housing & Community Affairs (332)

Supplementary Bond Schedules
SCHEDULE 1-C (Continued)
DEBT SERVICE REQUIREMENTS (PRINCIPAL & INTEREST)

August 31, 2006 (Amounts in Thousands)

	2012-16		2017-21	2022-26	2027-31	2032-36	2037-41	2042-46 Total Required
s	8,750	5	8,750	\$ 8,750	\$ 30,175 5,253			S 30,175 40,253
	200		740 104					740 504
	4,175		4,175	4,175	14,705 2,286			14,705 18,986
	3,185		3,185	6,800 2,707	2,285			9,085 12,262
	10,315		10,315	21,240 7,684	4,510	16,245 2,009		37,485 45,148
	11,880		11,880	11,880	10,135 10,402	33,620 2,567		43,755 60,489
	6,630 1,499		2,380 58					11,650 4,116
	2,190 51							6,945 940
	13,870 23,912		10,800 21,497	13,045 18,751	15,915 15,349	55,700 8,425		122,715 114,298
	4,230 8,817		10,300 7,354	12,435 5,409	13,585 3,208	12,450 651		53,000 34,451
	1,104		1,103	1,104	1,164	1,101	4,140	4,140 6,620
	4,205 8,107		6,560 6,837	8,325 4,998	8,600 3,019	8,480 789		38,870 32,713
	2,310 5,957		6,94 <i>5</i> 5,020	8,320 3,651	8,600 2,22 9	8,825 555		35,000 23,467
	4,240 344		410 20					10,505 1,761
	11,535 14,697		14,025 12,474	17,060 9,776	20,730 6,496	25,200 2,506	2,800	99,970 62,470
	2,475 4,713		3,090 4,041	3,300 3,197	13,640			24,530 17,125
	2,309		8,660 459					8,660 5,077
	870		870	585 853	2,165 307	735 61		3,485 3,831
	3,430 13,989		4,775 12,959	6,535 11,526	8,720 9,61 l	22,275 6,297	12,015 307	59,555 69,404
	9,305 15,030		11,520 12,405	14,330 9,161	18,000 5,083	11,920 728		70,485 59,498

Supplementary Bond Schedules SCHEDULE 1-C DEBT SERVICE REQUIREMENTS (PRINCIPAL & INTEREST)

August 31, 2006 (Amounts in Thousands)

DESCRIPTION		2007	2008	2009	2010	2011
2006 Single Family Series C 2006 Single Family Series C	Principal Interest	\$ 5,402	\$ 755 5,383	\$ 1,570 5,303	\$ 1,650 5,220	\$ 1,735 5,132
2006 Single Family Series D 2006 Single Family Series D	Principal Interest	1,336	1,336	1,336	1,336	1,336
2006 Single Family Series E 2006 Single Family Series E	Principal Interest	703	1,290 654	1,340 603	1,380 550	1,435 494
Tax - Exempted Commercial Paper Notes Tax - Exempted Commercial Paper Notes	Principal Interest	15,198 95				
Total Single Fa	mily Bands	\$ 59,601	\$ 49,711	\$ 51,363	\$ 50,359	S 50,261
1998 RMRB Series A 1998 RMRB Series A	Principal Interest	1,315 2,372	1,370 2,311	1,435 2,245	1,495 2,175	2,133
1998 RMRB Series B 1998 RMRB Series B	Principal Interest	434	434	434	434	434
1999 RMRB Series A 1999 RMRB Series A	Principal Interest	345	345	345	345	345
1999 RMRB Series B-1 1999 RMRB Series B-1	Principal Interest	1,698	1,698	1,698	1,698	1,698
1999 RMRB Series C 1999 RMRB Series C	Principal Interest	242	242	242	242	242
2000 RMRB Series A 2000 RMRB Series A	Principal Interest	260 1,144	270 1,129	285 1,114	1,104	1,104
2000 RMRB Series B 2000 RMRB Series B	Principal Interest	3,175	3,175	3,175	3,175	3,175
2000 RMRB Series C 2000 RMRB Series C	Principal Interest	520	520	520	520	520
2000 RMRB Series D 2000 RMRB Series D	Principal Interest	570 402	605 374	645 343	690 309	730 273
2001 RMRB Series A 2001 RMRB Series A	Principal Interest	685 1,972	730 1,937	765 1,899	800 1,859	210 1,830
2001 RMRB Series B 2001 RMRB Series B	Principal Interest	638	638	638	638	725 623
2001 RMRB Series C 2001 RMRB Series C	Principal Interest	1,145 480	1,205 434	1,255 384	1,315 330	1,375 272
2001 RMRB Series D 2001 RMRB Series D	Principal Interest	13	5 13	10 12	10 12	10 11
2002 RMRB Series A 2002 RMRB Series A	Principal Interest	60 <i>5</i> 1,778	625 1,751	640 1,721	665 1,690	715 1,657
2003 RMRB Series A 2003 RMRB Series A	Principal Interest	1,175 3,313	1,210 3,270	1,245 3,223	1,275 3,172	1,320 3,118
Total Residential Mtg Reve		\$ 24,281				s 22,520

Supplementary Bond Schedules
SCHEDULE 1-C (Continued)
DEBT SERVICE REQUIREMENTS (PRINCIPAL & INTEREST)

August 31, 2006 (Amounts in Thousands)

l Required	2042-46 Tota	 2037-41		2032-36		2027-31		2022-26		2017-21		2012-16	
105,410 107,622	\$	9,890 260	\$	28,020 5,916	S	21,735 12,337	5	16,850 17,316	S	13,065 21,180	S	t0,140 24,173	\$
29,685 23,030						8,095 387		13,695 3,292		7,895 5,991		6,680	
17,295 4,608										3,760 84		8,090 1,520	
15,198 95													
1,601,811	<u>- S</u>	\$ 29,412 \$	S	255,075	<u>s</u>	278,666	5	266,750	_\$	255,686	S	254,927	5
46,075 45,288						30,645 6,263		8,090		9,815 9,034		10,665	
8,195 6,734				٠				8,195 224		2,170		2,170	
6,715 4,539										6,715 1,089		1,725	
25,750 36,768				16,650 885		5,260		5,260		9,100 8,383		8,490	
3,880 4,325								3,880 695		1,210		1,210	
18,410 24,044						13,105 3,987		4,130		4,490 4,812		5,520	
54,745 77,826				42,745 2,762		12,380		12,000 15,059		15,875		15,875	
8,915 8,162								3,675 719		5,240 2,243		2,600	
7,800 2,637										1,075 210		3,485 726	
36,725 38,707				7,220 439		14,235 4,034		9,050 7,287		1,705 8,510		1,325 8,940	
12,390 6,936								1,410 44		5,920 1,211		4,335 2,506	
11,820 2,373												5,525 473	
235 185				25 2		45 12		45 25		45 36		40 49	
34,180 30,824				4,650 270		10,535 2,761		6,325 5,032		5,255 6,472		4,165 7,692	
69,230 60,269				13,605 1,099		18,635 5,903		13,420 9,902		9,750 12,614		7,595 14,655	
694,682	- S	 -		90,352	5	127,800	s	114,467	s	132,979	\$	109,766	5

Supplementary Bond Schedules SCHEDULE 1-C DEBT SERVICE REQUIREMENTS (PRINCIPAL & INTEREST) August 31, 2006 (Amounts in Thousands)

1992 Coll Home Mig Rev Bda Series C Principal 1922 Coll Home Mig Rev Bda Series C 1928 1,028 1,031 1,038 1,038 1,028	DESCRIPTION		2007	2008	2009	2010	2011
1992 Coll Home Mig Rev Bds Series C	1997 Coll Home May Rev Rdc Series C	Principal					
1987 MF Series (South Texas Rental Housing)			1,028	1,031	1,028	1,028	1,028
1987 MF Series (South Texas Rental Housing)				*****		·	***************************************
1987 MF Series (Sauth Texas Rental Housing) Interest 62 53 44 34 23 1996 MF Series AU (Intiplion's Mark) Principal 1996 MF Series AU (Interest AU (Inter	Total Coll Home Mtg Revenue Bonds		5 1,028	5 1,031	\$ t,028	\$ 1,028	<u>\$ 1,028</u>
1987 MF Series A2B (Brighten's Mark)	1987 MF Series (South Texas Rental Housing)	Principal	84	93	102	112	123
1996 MF Series A/B (Brighton's Mark) Interest 495 495 495 495 495 495 495 1996 MF Series A/B (Las Colinas) Principal Interest 716			62	53	44	34	23
1996 MF Series AB (Las Colinas)	1996 MF Series A/B (Brighton's Mark)	Principal					
1998 MF Series A/B (Las Colinas)	1996 MF Series A/B (Brighton's Mark)	Interest	495	495	495	495	495
1998 MF Series A (Dallas Oxfurd Refindg)							
1998 MF Series A (Dalbas Oxford Refindp)	1996 MF Series A/B (Las Colinas)	Interest	716	716	716	716	716
1996 MF Series A/B (Braxton's Mark) 1996 MF Series A/B (Braxton's Mark) 1993 MF Series A&B (RemHill/HighPt Ref) 1995 MF Series (Pebble Brook) 1995 MF Series A-C (Residence Oaks) 1995 MF Series A-C (Volente Project) 1995 MF Series A-C (Volente Project) 1995 MF Series A-C (Volente Project) 1995 MF Series (Greens of Hickory Trail) 1995 MF Series (Greens of Hick		•					
1996 MF Scries A/B (Braxton's Mark) Interest 829 820	1998 MF Series A (Dallas Oxford Refindg)	Interest	708	708	708	708	708
1993 MF Scries A&B (RemHill/HighPt Ref)	1996 MF Series A/B (Braxton's Mark)	Principal					
1993 MF Series A&B (RemHill/HighPt Ref) Interest 393	1996 MF Series A/B (Braxton's Mark)	Interest	829	829	829	829	829
1998 MF Series (Pebble Brook)	1993 MF Series A&B (RemHill/HighPt Ref)	Principal					
1998 MF Series (Pebble Brook) Interest 553 544 535 524 513 1998 MF Series A-C (Residence Oaks) Principal 141 151 159 169 180 1998 MF Series A-C (Residence Oaks) Interest 448 440 430 420 410 1998 MF Series A (Volente Project) Principal 175 185 190 215 225 1998 MF Series A (Volente Project) Interest 554 545 536 524 512 1998 MF Series (Greens of Hickory Trail) Principal 120 240 250 270 290 1998 MF Series (Greens of Hickory Trail) Interest 668 654 640 624 608 1999 MF Series (Greens of Hickory Trail) Interest 599 587 575 562 548 1999 MF Series A-C (Mayfield) Principal 199 209 222 235 248 1999 MF Series (Woodglen Village) Principal 118 66 71 76 82 1999 MF Series (Woodglen Village) Principal 118 66 71 76 82 1999 MF Series (Woodglen Village) Principal 118 66 71 76 82 1990 MF Series (Timber Point Apts) Principal 200 273 273 273 273 2000 MF Series (Timber Point Apts) Interest 273 273 273 273 273 2000 MF Series (Caks at Hampton) Principal 68 75 82 89 96 2000 MF Series (Dass at Hampton) Interest 387 383 377 372 365 2000 MF Series (Creek Point Apts) Interest 387 383 377 372 365 2000 MF Series (Creek Point Apts) Interest 234 234 234 234 2000 MF Series (Creek Point Apts) Interest 234 234 234 234 2000 MF Series (Creek Point Apts) Interest 234 234 234 234 2000 MF Series (AB (Parks @ Westmoreland) Principal 67 73 80 87 94 2000 MF Series (Honeyrreek) Principal 67 73 80 87 94 2000 MF Series (Honeyrreek) Principal 253 142 153 165 178 2000 MF Series (Honeyrreek) Principal 253 142 153 165 178 2000 MF Series (Honeyrreek) Principal 253 142 153 165 178 2000 MF Series (Honeyrreek) Principal 253 142 153 165 178 2000 MF Series (Honeyrr	1993 MF Series A&B (RemHill/HighPt Ref)	Interest	393	393	393	393	393
1998 MF Series A-C (Residence Oaks)	1998 MF Series (Pebble Brook)	Principal	180	190	205	215	225
1998 MF Series A-C (Residence Oaks)	1998 MF Series (Pebble Brook)	Interest	553	544	535	524	513
1998 MF Series A-C (Residence Oaks)	1998 MF Series A-C (Residence Oaks)	Principal	141	151	159	169	180
1998 MF Scries A (Volente Project) Interest 554 545 536 524 512 1998 MF Scries (Greens of Hickory Trail) Principal 220 240 250 270 290 1998 MF Scries (Greens of Hickory Trail) Interest 668 654 640 662 608 1999 MF Scries A-C (Mayfield) Principal 199 209 222 235 248 1999 MF Scries A-C (Mayfield) Interest 599 587 575 562 548 1999 MF Scries (Woodglen Village) Principal 118 66 71 76 82 1999 MF Scries (Woodglen Village) Interest 1,542 764 759 753 748 2000 MF Scries (Timber Point Apts) Principal 2000 MF Scries (Timber Point Apts) Interest 273 273 273 273 273 2000 MF Scries (Oaks at Hampton) Principal 68 75 82 89 96 2000 MF Scries (Oaks at Hampton) Interest 710 703 696 689 681 2000 MF Scries (Deerwood Apts) Interest 387 383 377 372 365 2000 MF Scries (Creek Point Apts) Interest 234 234 234 234 2000 MF Scries (Creek Point Apts) Interest 234 234 234 2000 MF Scries (Creek Point Apts) Interest 234 234 234 2000 MF Scries (Creek Point Apts) Interest 234 234 234 2000 MF Scries (Creek Point Apts) Interest 234 234 234 2000 MF Scries (Creek Point Apts) Interest 234 234 234 2000 MF Scries (Creek Point Apts) Interest 234 234 234 2000 MF Scries (Creek Point Apts) Interest 234 234 234 2000 MF Scries (Creek Point Apts) Interest 234 234 234 2000 MF Scries (Creek Point Apts) Interest 234 234 234 2000 MF Scries (Creek Point Apts) Interest 234 234 234 2000 MF Scries (Creek Point Apts) Interest 234 234 234 2000 MF Scries (Creek Point Apts) Interest 234 234 234 234 2000 MF Scries (Creek Point Apts) Interest 234 234 234 234 2000 MF Scries (Creek Point Apts) Interest 234 234 234 234 234 2000 MF Scries (Creek Point Apts) Interest 234 234 234 234 234 234 234			448		430	420	410
1998 MF Scries (Greens of Hickory Trail)	1998 MF Series A (Volente Project)	Principal	175	185	190	215	225
1998 MF Series (Greens of Hickory Trail) Interest 668 654 640 624 608 1999 MF Series A-C (Mayfield) Principal 199 209 222 235 248 1999 MF Series A-C (Mayfield) Interest 599 587 575 562 548 1999 MF Series (Woodglen Village) Principal 118 66 71 76 82 1999 MF Series (Woodglen Village) Principal 118 66 71 76 82 1999 MF Series (Timber Point Apts) Principal 2000 MF Series (Timber Point Apts) Principal 2000 MF Series (Gaks at Hampton) Principal 68 75 82 89 96 2000 MF Series (Oaks at Hampton) Interest 710 703 696 689 681 2000 MF Series (Deerwood Apts) Principal 85 95 95 105 115 2000 MF Series (Deerwood Apts) Interest 387 383 377 372 365 2000 MF Series (Creek Point Apts) Interest 234 234 234 234 2000 MF Series (Creek Point Apts) Interest 234 234 234 234 2000 MF Series (Creek Point Apts) Interest 234 234 234 234 2000 MF Series A/B (Parks @ Westmoreland) Principal 67 73 80 87 94 2000 MF Series (Honeycreek) Principal 253 142 153 165 178 2000 MF Series (Honeycreek) Principal 253 142 153 165 178 2000 MF Series (Honeycreek) Principal 253 142 153 165 178 2000 MF Series (Honeycreek) Principal 253 142 153 165 178 2000 MF Series (Honeycreek) Principal 253 142 153 165 178 2000 MF Series (Honeycreek) Principal 253 142 153 165 178 2000 MF Series (Honeycreek) Principal 253 142 153 165 178 2000 MF Series (Honeycreek) Principal 253 142 153 165 178 2000 MF Series (Honeycreek) Principal 253 142 153 165 178 2000 MF Series (Honeycreek) Principal 253 142 153 165 178 2000 MF Series (Honeycreek) Principal 253 142 153 165 178 2000 MF Series (Honeycreek) Principal 253 142 153 165 178 2000 MF Series (Honeycreek) Principal 253 142 153 1	1998 MF Series A (Volente Project)	Interest	554	545	536	524	512
1999 MF Series A-C (Mayfield)	1998 MF Series (Greens of Hickory Trail)	Principal	220	240	250	270	290
1999 MF Series (Woodglen Village) Principal 118 66 71 76 82 1999 MF Series (Woodglen Village) Principal 118 66 71 76 75 75 75 75 76 1999 MF Series (Woodglen Village) Interest 1,542 764 759 753 748 2000 MF Series (Timber Point Apts) Principal 2000 MF Series (Timber Point Apts) 273 273 273 273 273 273 273 273 273 273	1998 MF Series (Greens of Hickory Trail)	Interest	668	654	640	624	608
1999 MF Scries (Woodglen Village)	1999 MF Series A-C (Mayfield)	Principal	199	209	222	235	248
1999 MF Series (Woodglen Village) Interest 1,542 764 759 753 748	1999 MF Series A-C (Mayfield)	Interest	599	587	575	562	548
2000 MF Series (Timber Point Apts)	1999 MF Series (Woodglen Village)	Principal	118	66	71	76	82
2000 MF Series (Timber Point Apts) Interest 273 273 273 273 273 2000 MF Series (Oaks at Hampton) Principal 68 75 82 89 96 2000 MF Series (Oaks at Hampton) Interest 710 703 696 689 681 2000 MF Series (Deerwood Apts) Principal 85 95 95 105 115 2000 MF Series (Deerwood Apts) Interest 387 383 377 372 365 2000 MF Series (Creek Point Apts) Principal 234	1999 MF Series (Woodglen Village)	Interest	1,542	764	759	753	748
2000 MF Series (Oaks at Hampton)	2000 MF Series (Timber Point Apts)	Principal					
2000 MF Series (Oaks at Hampton) Interest 710 703 696 689 681 2000 MF Series (Deerwood Apts) Principal 85 95 95 105 115 2000 MF Series (Deerwood Apts) Interest 387 383 377 372 365 2000 MF Series (Creek Point Apts) Principal 2000 MF Series (Creek Point Apts) 234 <t< td=""><td>2000 MF Series (Timber Point Apts)</td><td>Interest</td><td>273</td><td>273</td><td>273</td><td>273</td><td>273</td></t<>	2000 MF Series (Timber Point Apts)	Interest	273	273	273	273	273
2000 MF Series (Deerwood Apts) Principal 85 95 95 105 115 115 2000 MF Series (Deerwood Apts) Interest 387 383 377 372 365 365 37	2000 MF Series (Oaks at Hampton)	Principal	68	75	82	89	96
2000 MF Series (Deerwood Apts) Interest 387 383 377 372 365 2000 MF Series (Creek Point Apts) Principal 234 234 234 234 234 234 2000 MF Series (Creek Point Apts) Principal 67 73 80 87 94 2000 MF Series A/B (Parks @ Westmoreland) Interest 829 823 816 809 801 2000 MF Series (Honeycreek) Principal 253 142 153 165 178	2000 MF Series (Oaks at Hampton)	Interest	710	703	696	689	681
2000 MF Series (Creek Point Apts) Principal 234	2000 MF Series (Deerwood Apts)	Principal	85	95	95	105	115
2000 MF Series (Creek Point Apts) Interest 234 234 234 234 234 2000 MF Series A/B (Parks @ Westmoreland) Principal 67 73 80 87 94 2000 MF Series A/B (Parks @ Westmoreland) Interest 829 823 816 809 801 2000 MF Series (Honeycreek) Principal 253 142 153 165 178		Interest	387	383	377	372	365
2000 MF Series A/B (Parks @ Westmoreland) Principal 67 73 80 87 94 2000 MF Series A/B (Parks @ Westmoreland) Interest 829 823 816 809 801 2000 MF Series (Honeycreek) Principal 253 142 153 165 178	2000 MF Series (Creek Point Apts)						
2000 MF Series A/B (Parks @ Westmoreland) Interest 829 823 816 809 801 2000 MF Series (Honeycreek) Principal 253 142 153 165 178	2000 MF Series (Creek Point Apts)	Interest	234	234	234	234	234
2000 MF Series (Honeycreek) Principal 253 142 153 165 178	2000 MF Series A/B (Parks @ Westmoreland)	Princ ip al	67	73	80	87	94
	2000 MF Series A/B (Parks @ Westmoreland)	Interest	829	823	816	809	801
2000 MF Series (Honeycreek) Interest 3,087 1,529 1,517 1,505 1,491	2000 MF Series (Honeycreek)	Principal	253	142	153	165	178
	2000 MF Series (Honeycreek)	luterest	3,087	1,529	1,517	1,505	1,491

Supplementary Bond Schedules SCHEDULE 1-C (Continued)

DEBT SERVICE REQUIREMENTS (PRINCIPAL & INTEREST)
August 31, 2006
(Amounts in Thousands)

	2012-16	2017-21	2022-26	2027-31	2032-36	2037-41	2042-46	Tota	Required
	5,146	5,143	14,900 2,912						14,900 18,344
S	5,146	\$ 5,143	\$ 17,812		-			s	33,244
	183 12								697 228
	2,475	2,475	8,075 2,475						8,075 9,900
	3,580	3,580	12,670 3,577						12,670 14,317
		10,300							10,300
	3,540	1,122							8,202
	4,145	4,145	14,274 4,153						14,274 16,588
			11,390						11,390
	1,965	1,965	557						6,452
	1,385	1,900	2,600	3,175					10,075
	2,358	1,916	1,307	463					8,713
	391			6,358					7,549
	1,929	1,905	1,905	1,621					9,508
	1,380	1,885	2,595	3,155					10,005
	2,350	1,901	1,283	431					8,636
	1,765	2,405	3,240	3,865					12,545
	2,762	2,227	1,504	523					10,210
	1,477	1,960	2,602	3,454					10,606
	2,505	2,017	1,373	516					9,282
	514	743	1,072	1,549	2,238	3,976			10,505
	3,634	3,405	3,074	2,599	1,909	742			19,929
					7,800				7,800
	1,365	1,365	1,365	1,365	273				7,098
	601	860	1,231	1,764	2,525	2,432			9,823
	3,288	3,030	2,659	2,126	1,364	330			16,276
	120	1,305			4,240				6,160
	1,775	1,687	1,355	1,355	410				8,466
					6,685				6,685
	1,170	1,170	1,170	1,170	253				6,103
	584	836 3,571	1,197	1,712	2,451	2,590 454			9,771 19,311
	3,868	3,371	3,144	2,535	1,661	434			17,511
	1,124 7,219	1,645 6,696	2,405 5,931	3,516 4,813	10,782 2,615				20,363 36,403

Supplementary Bond Schedules SCHEDULE 1-C DEBT SERVICE REQUIREMENTS (PRINCIPAL & INTEREST) August 31, 2006 (Amounts in Thousands)

	2007	2008	2009	2010	2011
Principal S	145 \$	155 \$	166 \$	177 S	190
Interest	742	732	721	710	697
Principal	211	109	127	137	148
Interest	2,928	1,451	1,441	1,432	1,421
Principal	172	182	208	230	244
Interest	877	864	850	905	888
Principal	173	84	91	98	106
Interest	2,227	945	938	931	923
Principat	54	59	65	71	77
Interest	852	847	841	834	828
Principal	55	59	64	69	74
Interest	905	900	894	889	883
Principal	71	77	82	89	96
Interest	1,168	1,162	1,156	1,149	1,142
Principal Interest	130	145	155	160	160 460
Principal	38	42	46	51	56 590
Principal	110	120	130	135	145 408
Principal	175	185	200	215	230
Principal	175	190	205	220	762 235
Principal	193	794 206	781	767 235	752 251
Interest	875	861	847	831	815
Principal	37	40	43	46	49
Interest	448 60	445	442	439	436 96
Interest	ŧ,006	1,000	992	984	978
Principal	680	195	205	215	225
Interest	180	670	659	647	636
Principal	105	80	85	90	100
Interest	705	701	696	691	685
Principal	70	57	62	66	7 ł
Interest	950	716	711	706	70 l
Principal	60	60	70	65	80
Interest	285	281	277	273	268
Principal	79	85	91	98	105
Interest	1,009	1,003	997	990	983
Principal	62	67	71	77	82
Interest	800	796	791	786	780
Principal	77	66	71	76	82
Interest	997	792	787	782	777
Principal	67	73	79	87	95
Interest	1,215	1,209	1,202	1,195	1,187
	Principal Interest	Principal S Interest 145 S 742 Principal Interest 211 Interest Principal Interest 2,928 Principal Interest 172 Interest Principal Interest 2,227 Principal Interest 54 Interest Interest 905 Principal Interest 71 Interest Interest 491 Principal Interest 38 Interest Principal Interest 435 Principal Interest 435 Principal Interest 815 Principal Interest 806 Principal Interest 448 Principal Interest 448 Principal Interest 680 Principal Interest 705 Principal Interest 70 Principal Interest 705 Principal Interest 70 Principal Inter	Principal S Interest 145 S 155 S 155 S 156 Interest 742 732 Principal Interest 2,928 I,451 Principal Interest 172 I82 Interest Interest 877 864 Principal I73 B4 Interest 2,227 945 Principal 54 59 Interest 55 59 Interest Principal 55 59 Interest 905 900 Principal 71 77 Interest 1,168 1,162 Principal 130 145 Interest 491 484 Principal 38 42 Interest 608 604 Principal 110 120 Interest 435 429 Principal 175 185 Interest 815 803 Principal 175 190 Interest 806 794 Principal 175 190 Interest 861 Principal 37 40 Interest 448 445 Principal 69 75 Interest 406 1,000 Principal 180 195 Interest 600 670 Principal 105 80 Interest 701 70 Principal 70 57 701 70 57 Principal 60 60 Interest 285 281 Principal 79 85 Interest 285 281 Principal 79 85 Interest 796 796 Principal 79 85 Interest 200 796 <td< td=""><td>Principal Interest \$ 145 \$ 155 \$ 166 \$ 721 Principal Interest 2,928 1,451 1,441 Principal Interest 2,928 1,451 1,441 Principal Interest 877 864 850 Principal Interest 173 84 91 Interest 2,227 945 938 Principal Interest 54 59 65 Interest 852 847 841 Principal Interest 905 900 894 Principal Interest 1,168 1,162 1,156 Principal Interest 491 484 477 Principal Interest 491 484 477 Principal Interest 408 604 599 Principal Interest 435 42 46 Interest 435 429 422 Principal Interest 815 803 791 Principal Interest 806 794 781 Princ</td><td>Principal Interest S 145 S 155 S 166 S 177 S Principal Interest 2,728 1,451 1,441 1,432 1,432 Principal Interest 877 864 850 905 Principal Interest 877 864 850 905 Principal Interest 877 864 850 905 Principal Interest 52,227 945 938 931 Principal Interest 59 65 71 Interest 893 Principal Interest 55 59 64 69 69 Principal Interest 1,168 1,162 1,156 1,149 Principal Interest 491 484 477 468 Principal Interest 608 604 599 595 Principal Interest 435 429 422 415 Principal Interest 815 803 791 777 Principal Interest 806<</td></td<>	Principal Interest \$ 145 \$ 155 \$ 166 \$ 721 Principal Interest 2,928 1,451 1,441 Principal Interest 2,928 1,451 1,441 Principal Interest 877 864 850 Principal Interest 173 84 91 Interest 2,227 945 938 Principal Interest 54 59 65 Interest 852 847 841 Principal Interest 905 900 894 Principal Interest 1,168 1,162 1,156 Principal Interest 491 484 477 Principal Interest 491 484 477 Principal Interest 408 604 599 Principal Interest 435 42 46 Interest 435 429 422 Principal Interest 815 803 791 Principal Interest 806 794 781 Princ	Principal Interest S 145 S 155 S 166 S 177 S Principal Interest 2,728 1,451 1,441 1,432 1,432 Principal Interest 877 864 850 905 Principal Interest 877 864 850 905 Principal Interest 877 864 850 905 Principal Interest 52,227 945 938 931 Principal Interest 59 65 71 Interest 893 Principal Interest 55 59 64 69 69 Principal Interest 1,168 1,162 1,156 1,149 Principal Interest 491 484 477 468 Principal Interest 608 604 599 595 Principal Interest 435 429 422 415 Principal Interest 815 803 791 777 Principal Interest 806<

Supplementary Bond Schedules SCHEDULE 1-C (Continued) DEBT SERVICE REQUIREME

DEBT SERVICE REQUIREMENTS (PRINCIPAL & INTEREST)

August 31, 2006

(Amounts in Thousands)

_		•						
	2012-16	2017-21	2022-26	2027-31	2032-36	2037-41	2042–46 Tet	lal Required
\$	1,162 \$	1,616 \$	2,257 \$	3,145 \$		•	- S	11,022
	3,273	2,816	2,180	1,291	206			13,368
	227				. 050	0.101		10.001
	926	1,340	1,937	2,802	4,050	8,104		19,891
	6,916	6,501	5,899	5,030	3,773	1,764		38,556
	1,459	1,971	2,679	3,669	2,301			13,115
	4,139	3,520	2,678	1,530	205			16,456
	1,122	3,520	2,010	1,220	-05			10,455
	671	983	1,439	2,107	3,084	3,725		12,561
	4,475	4,163	3,707	3,039	2,062	649		24,059
	485	701	1,014	1,467	2,121	4,025		10,139
	4,028	3,782	3,427	2,914	2,171	1,027		21,551
	470	687	1,002	1,464	2,139	4,461		10,544
	4,303	4,057	3,699	3,176	2,414	1,267		23,387
	604	882	1 700	1 003	1760	5,727		12.540
	5,579	5,286	1,288 4,861	1,883 4,238	2,750 3,329	1,884		13,549 30,954
	2,212	3,280	4,001	4,230	وعدرد	1,004		30,534
	970	1,285	1,680	2,230	1,970			8,885
	2,151	1,841	1,429	882	198			8,881
								,
	348	504	718	1,054	1,526	3,304		7,687
	2,874	2,708	2,469	2,119	1,615	879		15,660
	875	1,180	1,605	2,190	1,680			8,170
	1,909	1,638	1,270	764	140			7,830
	1,405	2,065	2,695	3 636	3,255			14,060
	3,553	2,003 2,990	2,093	3,635 1,424	3,235 321			14,530
	2,233	÷,550	2,274	1,424	321			14,550
	1,450	2,065	2,700	3,625	3,250			14,115
	3,496	2,946	2,288	1,422	322			14,374
		·	·	·				•
	1,512	2,038	2,746	3,702	3,331			14,434
	3,820	3,287	2,567	1,597	365			15,865
	306	432	613	868	1,232	1,745	1,007	6,418
	2,119	1,993	1,811	1,552	1,188	671	16	11,560
	50.4	0.43		1 500	7 400	2 452		
	594	842	1,195	1,693	2,400	3,402	2,202	12,741
	4,756	4,476	4,077	3,511	2,708	1,555	55	26,098
	1,345	1,745	2,280	3,000	3,065			12,455
	2,971	2,552	2,006	1,276	348			12,445
	,,		_,,	.,_,				1-111
	605	75					10,680	11,820
	3,326	3,206	3,205	3,205	3,205	3,205	214	23,044
	441	632	902	1,288	1,839	2,627	1,588	9,643
	3,414	3,215	2,930	2,522	1,939	1,108	36	18,948
		.						
	455	625	865	1,195	920			4,395
	1,255	1,081	839	505	93			5,157
	649	920	1,305	1,849	2,622	3,716	2,938	14,457
	4,791	4,519	4,132	3,585	2,822	1,706	172	26,693
		11012	*****	-,	2,000	2+1100		-0,073
	507	721	1,022	1,448	2,053	2,910	2,443	11,463
	3,802	3,588	3,285	2,856	2,248	1,386	161	21,279
	507	717	1,017	1,443	2,044	2,898	2,430	11,428
	3,784	3,573	3,271	2,844	2,238	1,380	161	21,386
	619	957	1,408	1,997	2,830	4,012	4,695	16,919
	5,787	5,446	4,994	4,400	3,562	2,374	334	32,905
	365	1.035	E 700					7.7
	765	1,025	5,380					7,745
	1,766	1,543	493					5,731

Supplementary Bond Schedules SCHEDULE 1-C DEBT SERVICE REQUIREMENTS (PRINCIPAL & INTEREST) August 31, 2006 (Amounts in Thousands)

DESCRIPTION		2007	2008	2009	2010	2011
2003 MF Series A/B (Reading Road)	Principal \$	120 \$	120 \$	220 \$	130 \$	230
2003 MF Series A/B (Reading Road)	Interest	394	391	386	380	374
2003 MF Series A/B (North Vista Apts)	Principal	200	210	215	230	245
2003 MF Series A/B (North Vista Apts)	Interest	694	685	676	666	656
2003 MF Series A/B (West Vîrginia Apts)	Principal	135	145	150	155	165
2003 MF Series A/B (West Virginia Apts)	Interest	469	463	45 6	450	443
2003 MF Series A/B (Sphinx @ Murdeaux)	Principal	160	165	170	180	185
2003 MF Series A/B (Sphinx @ Murdeaux)	Interest	1,993	1,998	2,005	2,013	2,022
2003 MF Series A/B (Primrose Houston School)	Principal	73	79	85	93	101
2003 MF Series A/B (Primrose Houston School)	Interest	1,102	1,096	1,090	1,083	1,075
1031 ME Series A/B/Timber Oaks Auto)	ttainnina t		E.C.	61	67	71
2003 MF Series A/B (Timber Oaks Apts) 2003 MF Series A/B (Timber Oaks Apts)	Principal Interest	51 930	56 925	61 920	67 915	73 909
2005 Wit Genes 70 B (Thinker Gaks Apis)	Micrest	9,00	340	920	212	202
2003 MF Series A/B (Ash Creek Apts)	Principal	73	80	86	94	101
2003 MF Series A/B (Ash Creek Apts)	Interest	1,095	1,089	1,082	1,075	1,067
2555 (M. 52112) 22 (1152 51221 (1pm)	***************************************	1,050	1,525	1,002	1,070	1,001
2003 MF Series A/B (Peninsula Apts)	Principal	80	160	170	180	190
2003 MF Series A/B (Peninsula Apts)	Interest	645	639	632	623	614
• • •						
2003 MF Series A (Evergreen @ Mesquite)	Principal	103	110	117	125	133
2003 MF Series A (Evergreen @ Mesquite)	Interest	751	744	737	729	720
2003 MF Series A/B (Artington Villas)	Principal	46	74	80	87	95
2003 MF Series A/B (Arlington Villas)	Interest	1,179	1,174	1,167	1,161	1,153
2003 MF Series A/B (Parkview Townhomes)	Principal	73	79	86	94	102
2003 MF Series A/B (Parkview Townhomes)	Interest	1,119	1,112	1,105	1,098	1,089
2003 MF Series A (NHP-Asmara/Refunding)	Principal	335	360	380	400	430
2003 MF Series A (NHP-Asmara/Refunding)	Interest	751	739	725	713	699
boo in benes i (itti italiana teranang)	Interest	,,,	7,55		,,,,	(32)
2004 MF Series A/B (Timber Ridge)	Principal	32	34	37	39	42
2004 MF Series A/B (Timber Ridge)	Interest	451	449	446	444	441
2004 MF Series A/B (Century Park)	Principal	65	150	160	175	185
2004 MF Series A/B (Century Park)	Interest	700	693	685	676	666
2004 MF Series A (Addison Park)	Principal	60	70	75	80	90
2004 MF Series A (Addison Park)	Interest	506	504	501	499	496
2004 MF Series A/B (Veterans Memorial)	Principal	73	79	86	94	102
2004 MF Series A/B (Veterans Memorial)	Interest	1,094	1,088	1,081	1,073	1,065
2004 3 F Carlos A / Break Courts	15-2	£7	ce	£0	63	c=1
2004 MF Series A (Rush Creek)	Principal	52	55	59	63	67
2004 MF Series A (Rush Creek)	Interest	668	664	660	656	652
2004 MF Series A (Humble Park)	Principal	90	100	110	110	120
2004 MF Series A (Humble Park)	Interest	770	764	757	749	742
2007 FIT SETEST (THINDE PAIR)	Interest	,,,	701	.57	1-12	
2004 MF Series A (Chisholm Trail)	Principal	130	135	145	155	165
2004 MF Series A (Chisholm Trail)	Interest	431	427	421	416	410
•						
2004 MF Series A (Evergreen @ Plano)	Principal	13	80	85	91	97
2004 MF Series A (Evergreen @ Plano)	Interest	966	962	957	951	945
2004 MF Series A (Montgomery Pines)	Principal	145	155	160	170	180
2004 MF Series A (Montgomery Pines)	Interest	442	438	431	426	419

Texas Department of Housing & Community Affairs (332)

Supplementary Bond Schedules SCHEDULE 1-C (Continued) DEBT SERVICE REQUIREMENTS (PRINCIPAL & INTEREST)

August 31, 2006 (Amounts in Thousands)

\$ 1,170 \$ 1,550 \$ 2,030 \$ 2,860 \$ 3,790 \$ 1,220 \$ 7,782 \$ 1,395 \$ 1,320 \$ 2,410 \$ 3,140 \$ 4,155 \$ 1,325 \$ 1,225 \$ 1,620 \$ 2,130 \$ 2,799 \$ 366 \$ 9,017 \$ 1,365 \$ 1,323 \$ 1,465 \$ 990 \$ 366 \$ 9,017 \$ 1,323 \$ 1,465 \$ 990 \$ 366 \$ 9,017 \$ 1,323 \$ 1,465 \$ 990 \$ 366 \$ 9,017 \$ 1,323 \$ 1,465 \$ 990 \$ 366 \$ 1,260 \$ 1,276 \$ 1,365 \$ 1,365 \$ 1,735 \$ 2,195 \$ 2,800 \$ 3,585 \$ 1,260 \$ 1,475 \$ 7,428 \$ 3,049 \$ 2,684 \$ 2,213 \$ 1,608 \$ 826 \$ 64 \$ 27,903 \$ 645 \$ 962 \$ 1,361 \$ 1,895 \$ 11,330 \$ 16,624 \$ 5,236 \$ 4,923 \$ 4,535 \$ 4,013 \$ 5,235 \$ 1,260 \$ 1,347 \$ 1,348 \$ 4,430 \$ 4,166 \$ 3,767 \$ 3,277 \$ 2,623 \$ 1,709 \$ 330 \$ 24,991 \$ 650 \$ 958 \$ 1,344 \$ 1,883 \$ 11,083 \$ 1,349 \$ 2,694 \$ 4,889 \$ 4,509 \$ 3,980 \$ 3,003 \$ 26,983 \$ 1,135 \$ 1,530 \$ 8,955 \$ 1,246 \$ 1,122 \$ 1,530 \$ 2,104 \$ 2,710 \$ 1,100 \$ 1,006 \$ 10,939 \$ 3,452 \$ 3,140 \$ 2,708 \$ 2,116 \$ 1,301 \$ 627 \$ 106 \$ 17,131 \$ 604 \$ 905 \$ 1,323 \$ 1,868 \$ 2,636 \$ 9,382 \$ 17,100 \$ 3,452 \$ 3,140 \$ 2,708 \$ 2,116 \$ 1,301 \$ 627 \$ 106 \$ 17,131 \$ 604 \$ 905 \$ 1,323 \$ 1,868 \$ 2,636 \$ 9,382 \$ 17,100 \$ 5,635 \$ 5,335 \$ 4,920 \$ 4,934 \$ 4,545 \$ 3,993 \$ 3,227 \$ 2,161 \$ 518 \$ 3,239 \$ 2,394 \$ 664 \$ 1,002 \$ 1,409 \$ 1,958 \$ 2,721 \$ 3,781 \$ 4,586 \$ 1,523 \$ 2,975 \$ 2,604 \$ 1,154 \$ 1,41 \$ 1,2978 \$ 2,575 \$ 3,250 \$ 2,742 \$ 2,064 \$ 1,154 \$ 1,41 \$ 1,2778 \$ 2,575 \$ 3,250 \$ 2,742 \$ 2,064 \$ 1,154 \$ 1,41 \$ 1,2778 \$ 2,575 \$ 3,250 \$ 2,742 \$ 2,064 \$ 1,154 \$ 1,41 \$ 1,2978 \$ 2,550 \$ 3,425 \$ 4,585 \$ 6,150 \$ 3,010 \$ 2,1625 \$ 3,250 \$ 2,742 \$ 2,064 \$ 1,154 \$ 1,41 \$ 1,2978 \$ 2,575 \$ 3,250 \$ 2,742 \$ 2,064 \$ 1,154 \$ 1,41 \$ 1,2978 \$ 2,575 \$ 3,250 \$ 2,742 \$ 2,064 \$ 1,154 \$ 1,41 \$ 1,2978 \$ 2,550 \$ 3,425 \$ 4,585 \$ 6,150 \$ 3,010 \$ 2,1625 \$ 3,250 \$ 2,742 \$ 2,064 \$ 1,154 \$ 1,41 \$ 1,2978 \$ 2,550 \$ 3,425 \$ 4,585 \$ 6,150 \$ 3,010 \$ 2,1625 \$ 3,250 \$ 2,742 \$ 2,064 \$ 1,154 \$ 1,41 \$ 1,2978 \$ 2,550 \$ 3,425 \$ 4,585 \$ 6,150 \$ 3,010 \$ 2,1625 \$ 3,250 \$ 2,742 \$ 2,064 \$ 1,154 \$ 1,41 \$ 1,2978 \$ 2,550 \$ 3,425 \$ 4,585 \$ 6,150 \$ 3,010 \$ 3,164 \$ 2,813 \$ 2,315 \$ 1,425 \$ 1,455 \$ 1,455 \$ 1,455 \$ 1,455 \$ 1,455 \$ 1,455 \$ 1,455 \$ 1,455 \$ 1,455 \$ 1,455 \$ 1,455 \$ 1,455 \$ 1,	2	2012-16		2017-21	2022-26		2027-31		2032-36	2037-41	2042-46	Total Required
1,771	5	1.170	5	1,530 \$	2,030	5	2,860	5	3,790			\$ 12,200
3,160	•											7,782
3,160		1 305		1.870	2.410		3 140		4 135			14.000
2,092 1,823 1,465 990 366 9,017 1,075 1,365 1,735 2,195 2,800 3,585 1,260 14,875 7,428 3,049 2,684 2,213 1,608 826 64 27,903 645 962 1,361 1,895 11,330 16,624 2,774 3,183 3,409 13,149 478 738 1,135 1,624 2,274 3,183 3,409 13,149 4,430 4,166 3,767 3,277 2,623 1,709 330 24,901 650 958 1,344 1,883 11,083 1,709 330 24,901 650 958 1,344 1,883 11,083 1,709 330 26,933 1,135 1,530 8,955 1,2400 1,006 10,939 3,452 3,140 2,708 2,116 1,100 1,006 10,959 3,452 3,141 2,730 2,164 1,101 62												
1,075 1,365 1,735 2,195 2,800 3,585 1,260 14,875 7,428 3,049 2,684 2,213 1,608 826 64 27,903 645 962 1,361 1,895 11,330 2,7388 478 738 1,135 1,624 2,274 3,183 3,409 13,149 4,430 4,166 3,767 3,277 2,623 1,709 330 24,901 650 958 1,344 1,883 11,083 16,552 2,693 5,194 4,889 4,509 3,980 3,003 26,983 1,135 1,530 8,955 12,400 1,006 10,999 3,452 3,140 2,708 2,116 1,301 627 106 17,131 604 905 1,323 1,868 2,636 9,382 17,100 5,635 5,335 4,920 4,383 3,639 158 29,994 664		935		1,225	1,620		2,130		2,790			9,450
7,428 3,049 2,684 2,213 1,608 826 64 27,903 645 962 1,361 1,895 11,330 16,624 2,738 27,388 478 738 1,135 1,624 2,274 3,183 3,409 13,149 4,430 4,166 3,767 3,277 2,623 1,709 330 24,901 650 650 8,955 1,344 1,883 11,083 1,6352 2,6933 1,135 1,530 8,955 12,400 1,006 10,059 3,482 12,400 1,006 10,059 3,482 17,100 1,006 10,059 3,482 17,100 1,006 10,059 3,482 3,140 2,708 2,116 1,201 627 106 17,331 604 9,055 1,4333 3,629 158 2,984 6,64 1,002 1,4843 3,980 3,629 158 2,984 1,451 1,451 1,451 141 1,4586 1,655 5,233 3,222		2,092		1,823	1,465		990		366			9,017
645 962 1,361 1,895 11,330 16,624 5,236 4,923 4,535 4,013 3,235 27,388 478 738 1,135 1,624 2,274 3,183 3,409 13,149 4,430 4,166 3,767 3,277 2,623 1,709 330 24,901 650 958 1,344 1,883 11,083 16,552 2,693 5,194 4,889 4,509 3,980 3,003 26,983 11,315 1,530 8,955 12,400 10,000 809 1,112 1,530 2,104 2,710 1,100 1,006 10,959 3,452 3,140 2,708 2,116 1,301 627 106 17,131 604 905 1,323 1,868 2,636 9,382 17,100 5,635 5,335 4,920 4,383 3,629 158 29,594 664 1,002 1,469 1,958		1,075		1,365	1,735		2,195					
5,236 4,923 4,535 4,013 3,235 27,388 478 738 1,135 1,624 2,274 3,183 3,469 13,149 4,430 4,166 3,767 3,277 2,623 1,709 330 24,901 650 958 1,344 1,883 11,083 6,552 2,698 5,194 4,889 4,509 3,980 3,003 26,983 1,135 1,530 8,955 12,400 1,006 10,959 3,452 3,140 2,708 2,116 1,301 627 106 10,959 3,452 3,140 2,708 2,116 1,301 627 106 17,131 604 905 1,323 1,868 2,636 9,382 17,100 5,635 5,335 4,920 4,383 3,629 158 29,894 664 1,002 1,409 1,958 2,721 3,781 4,586 16,555 5,292		7,428		3,049	2,684		2,213		1,608	826	64	27,903
478 738 1,135 1,624 2,274 3,183 3,409 13,149 4,430 4,166 3,767 3,277 2,623 1,709 330 24,901 650 958 1,344 1,883 11,083 16,352 26,983 5,194 4,889 4,509 3,980 3,003 26,983 1,135 1,530 8,955 2,917 2,573 1,357 2,917 2,573 1,357 2,104 2,710 1,100 1,006 10,959 3,452 3,140 2,708 2,116 1,301 627 106 17,131 604 905 1,323 1,868 2,636 9,382 17,100 5,635 5,335 4,920 4,383 3,629 158 29,894 664 1,002 1,469 3,993 3,271 3,781 4,586 16,555 5,292 4,954 4,585 6,150 3,010 2,161 518 30,213												
4,430 4,166 3,767 3,277 2,623 1,709 330 24,901 650 958 1,344 1,883 11,083 16,352 26,983 1,135 1,530 8,955 12,400 1,000 1,000 1,000 809 1,112 1,530 2,104 2,710 1,100 1,006 10,959 3,452 3,140 2,708 2,116 1,301 627 106 17,131 604 905 1,323 1,868 2,636 9,382 17,100 5,635 5,335 4,920 4,383 3,629 158 29,894 664 1,002 1,409 1,958 2,721 3,781 4,586 16,555 5,292 4,954 4,545 3,993 3,227 2,161 518 30,213 2,550 3,425 4,585 6,150 3,010 21,625 3,20 2,742 2,064 1,154 141 12,978 261 </td <td></td> <td>5,236</td> <td></td> <td>4,923</td> <td>4,535</td> <td></td> <td>4,013</td> <td></td> <td>3,235</td> <td></td> <td></td> <td>27,388</td>		5,236		4,923	4,535		4,013		3,235			27,388
4,430 4,166 3,767 3,277 2,623 1,709 330 24,901 650 958 1,344 1,883 11,083 16,352 26,983 1,135 1,530 8,955 12,400 1,000 1,000 1,000 809 1,112 1,530 2,104 2,710 1,100 1,006 10,959 3,452 3,140 2,708 2,116 1,301 627 106 17,131 604 905 1,323 1,868 2,636 9,382 17,100 5,635 5,335 4,920 4,383 3,629 158 29,894 664 1,002 1,409 1,958 2,721 3,781 4,586 16,555 5,292 4,954 4,545 3,993 3,227 2,161 518 30,213 2,550 3,425 4,585 6,150 3,010 21,625 3,20 2,742 2,064 1,154 141 12,978 261 </td <td></td> <td>478</td> <td></td> <td>738</td> <td>1.135</td> <td></td> <td>1.624</td> <td></td> <td>2,274</td> <td>3,183</td> <td>3,409</td> <td>13,149</td>		478		738	1.135		1.624		2,274	3,183	3,409	13,149
5,194 4,889 4,509 3,980 3,003 26,983 1,135 1,530 8,955 12,400 1,000 809 1,112 1,530 2,104 2,710 1,100 1,006 10,959 3,452 3,140 2,708 2,116 1,301 627 106 17,131 604 905 1,323 1,868 2,636 9,382 17,100 5,635 5,335 4,920 4,383 3,629 158 29,894 664 1,002 1,409 1,958 2,721 3,781 4,586 16,555 5,292 4,954 4,545 3,993 3,227 2,161 518 30,213 2,550 3,425 4,585 6,150 3,010 21,625 3,250 2,742 2,064 1,154 141 12,978 2,617 2,651 1,903 1,690 1,372 11,404 1,095 1,510 2,080 2,825 3,840 915 13,004 2,424 2,813 2,335 1,679 787												
1,135 1,530 8,955 12,400 2,917 2,573 1,357 10,000 809 1,112 1,530 2,104 2,710 1,100 1,006 10,959 3,452 3,140 2,708 2,116 1,301 627 106 17,131 604 905 1,323 1,868 2,636 9,382 17,100 5,635 5,335 4,920 4,383 3,629 158 29,894 664 1,002 1,409 1,958 2,721 3,781 4,586 16,555 5,292 4,954 4,545 3,993 3,227 2,161 518 30,213 2,550 3,425 4,585 6,150 3,010 21,625 3,200 2,742 2,064 1,154 141 12,278 2,61 369 521 739 4,626 6,700 6,700 2,157 2,051 1,903 1,690 1,372 11,404 1,095 1,510 2,080 2,825 3,840 915 13,000 3,14,221 1,4221 <td></td> <td>650</td> <td></td> <td>958</td> <td>1,344</td> <td></td> <td>1,883</td> <td></td> <td>11,083</td> <td></td> <td></td> <td>16,352</td>		650		958	1,344		1,883		11,083			16,352
2,917 2,573 1,357 10,000 809 1,112 1,530 2,104 2,710 1,100 1,006 10,959 3,452 3,140 2,708 2,116 1,301 627 106 17,131 604 905 1,323 1,868 2,636 9,382 17,100 5,635 5,335 4,920 4,383 3,629 158 29,894 664 1,002 1,409 1,958 2,721 3,781 4,586 16,555 5,292 4,954 4,545 3,993 3,227 2,161 518 30,213 2,550 3,425 4,585 6,150 3,010 21,625 3,250 2,742 2,064 1,154 141 12,978 261 369 521 739 4,626 6,700 6,700 2,157 2,051 1,903 1,690 1,372 11,404 1,095 1,510 2,080 2,825 3,840 915		5,194		4,889	4,509		3,980		3,003			26,983
809 1,112 1,530 2,104 2,710 1,100 1,006 10,959 3,452 3,140 2,708 2,116 1,301 627 106 17,131 604 905 1,323 1,868 2,636 9,382 17,100 5,635 5,335 4,920 4,383 3,629 158 29,894 664 1,002 1,409 1,958 2,721 3,781 4,586 16,555 5,292 4,954 4,545 3,993 3,227 2,161 518 30,213 2,550 3,425 4,585 6,150 3,010 21,625 3,250 2,742 2,064 1,154 141 12,978 261 369 521 739 4,626 6,700 6,700 2,157 2,051 1,903 1,690 1,372 13,404 1,095 1,510 2,080 2,825 3,840 915 13,00 1,095 1,510 2,080									-			
3,452 3,140 2,708 2,116 1,301 627 106 17,131 604 905 1,323 1,868 2,636 9,382 17,100 5,635 5,335 4,920 4,383 3,629 158 29,894 664 1,002 1,409 1,958 2,721 3,781 4,586 16,555 5,292 4,954 4,545 3,993 3,227 2,161 518 30,213 2,550 3,425 4,585 6,150 3,010 21,625 3,250 2,742 2,064 1,154 141 141 12,978 261 369 521 739 4,626 6,700 6,700 2,157 2,051 1,903 1,690 1,372 11,404 1,095 1,510 2,080 2,825 3,840 915 13,000 3,164 2,813 2,335 1,679 787 23 14,221 555 820 1,225 <		2,917		2,573	1,357							10,000
604 905 1,323 1,868 2,636 9,382 17,100 5,635 5,335 4,920 4,383 3,629 158 29,894 664 1,002 1,409 1,958 2,721 3,781 4,586 16,555 5,292 4,954 4,545 3,993 3,227 2,161 518 30,213 2,550 3,425 4,585 6,150 3,010 21,625 3,250 2,742 2,064 1,154 141 12,978 261 369 521 739 4,626 6,700 6,700 2,157 2,051 1,903 1,690 1,372 11,404 1,095 1,510 2,080 2,825 3,840 915 13,000 3,164 2,813 2,335 1,679 787 23 14,221 555 820 1,225 1,795 2,660 3,940 2,630 14,000 2,424 2,304 2,126 1,860		809		1,112								
5,635 5,335 4,920 4,383 3,629 158 29,894 664 1,002 1,409 1,958 2,721 3,781 4,586 16,555 5,292 4,954 4,545 3,993 3,227 2,161 518 30,213 2,550 3,425 4,585 6,150 3,010 21,625 3,250 2,742 2,064 1,154 141 12,978 261 369 521 739 4,626 6,700 6,700 2,157 2,051 1,903 1,690 1,372 11,404 1,095 1,510 2,080 2,825 3,840 915 13,000 3,164 2,813 2,335 1,679 787 23 14,221 555 820 1,225 1,795 2,660 3,940 2,630 14,000 2,424 2,304 2,126 1,860 1,469 890 147 13,726 663 980 1,364		3,452		3,140	2,708		2,116		1,301	627	106	17,131
664 1,002 1,409 1,958 2,721 3,781 4,586 16,555 5,292 4,954 4,545 3,993 3,227 2,161 518 30,213 2,550 3,425 4,585 6,150 3,010 21,625 3,250 2,742 2,064 1,154 141 141 12,978 261 369 521 739 4,626 6,700 6,700 2,157 2,051 1,903 1,690 1,372 11,404 1,095 1,510 2,080 2,825 3,840 915 13,000 3,164 2,813 2,335 1,679 787 23 14,221 555 820 1,225 1,795 2,660 3,940 2,630 14,000 2,424 2,304 2,126 1,860 1,469 890 147 13,726 663 980 1,364 1,895 2,634 3,662 4,634 16,266 5,171		604		905	1,323		868,1		2,636	9,382		
5,292 4,954 4,545 3,993 3,227 2,161 518 30,213 2,550 3,425 4,585 6,150 3,010 21,625 2,578 3,250 2,742 2,064 1,154 141 21,2978 261 369 521 739 4,626 6,700 2,157 2,051 1,903 1,690 1,372 11,404 1,095 1,510 2,080 2,825 3,840 915 13,000 3,164 2,813 2,335 1,679 787 23 14,221 555 820 1,225 1,795 2,660 3,940 2,630 14,000 2,424 2,304 2,126 1,860 1,469 890 147 13,726 663 980 1,364 1,895 2,634 3,662 4,634 16,266 5,171 4,853 4,466 3,932 3,189 2,157 543 29,712 413 <t< td=""><td></td><td>5,635</td><td></td><td>5,335</td><td>4,920</td><td></td><td>4,383</td><td></td><td>3,629</td><td>158</td><td></td><td>29,894</td></t<>		5,635		5,335	4,920		4,383		3,629	158		29,894
2,550 3,425 4,585 6,150 3,010 21,625 3,250 2,742 2,064 1,154 141 12,978 261 369 521 739 4,626 6,700 2,157 2,051 1,903 1,690 1,372 11,404 1,095 1,510 2,080 2,825 3,840 915 13,000 3,164 2,813 2,335 1,679 787 23 14,221 555 820 1,225 1,795 2,660 3,940 2,630 14,000 2,424 2,304 2,126 1,860 1,469 890 147 13,726 663 980 1,364 1,895 2,634 3,662 4,634 16,266 5,171 4,853 4,466 3,932 3,189 2,157 543 29,712 413 578 806 1,126 1,573 2,197 3,007 9,996 3,182 3,019 2,		664		1,002	1,409		1,958		2,721	3,781	4,586	16,555
3,250 2,742 2,064 1,154 141 12,978 261 369 521 739 4,626 6,700 2,157 2,051 1,903 1,690 1,372 11,404 1,095 1,510 2,080 2,825 3,840 915 13,000 3,164 2,813 2,335 1,679 787 23 14,221 555 820 1,225 1,795 2,660 3,940 2,630 14,000 2,424 2,304 2,126 1,860 1,469 890 147 13,726 663 980 1,364 1,895 2,634 3,662 4,634 16,266 5,171 4,853 4,466 3,932 3,189 2,157 543 29,712 413 578 806 1,126 1,573 2,197 3,007 9,996 3,182 3,019 2,787 2,466 2,017 1,390 369 18,530 730<		5,292		4,954	4,545		3,993		3,227	2,161	518	30,213
261 369 521 739 4,626 6,700 2,157 2,051 1,903 1,690 1,372 11,404 1,095 1,510 2,080 2,825 3,840 915 13,000 3,164 2,813 2,335 1,679 787 23 14,221 555 820 1,225 1,795 2,660 3,940 2,630 14,000 2,424 2,304 2,126 1,860 1,469 890 147 13,726 663 980 1,364 1,895 2,634 3,662 4,634 16,266 5,171 4,853 4,466 3,932 3,189 2,157 543 29,712 413 578 806 1,126 1,573 2,197 3,007 9,96 3,182 3,019 2,787 2,466 2,017 1,390 369 18,530 730 1,025 1,425 1,955 2,710 3,325 11,700		2,550		3,425	4,585		6,150		3,010			21,625
2,157 2,051 1,903 1,690 1,372 11,404 1,095 1,510 2,080 2,825 3,840 915 13,000 3,164 2,813 2,335 1,679 787 23 14,221 555 820 1,225 1,795 2,660 3,940 2,630 14,000 2,424 2,304 2,126 1,860 1,469 890 147 13,726 663 980 1,364 1,895 2,634 3,662 4,634 16,266 5,171 4,853 4,466 3,932 3,189 2,157 543 29,712 413 578 806 1,126 1,573 2,197 3,007 9,996 3,182 3,019 2,787 2,466 2,017 1,390 369 18,530 730 1,025 1,425 1,955 2,710 3,325 11,700 3,576 3,291 2,894 2,341 1,582 537		3,250		2,742	2,064		1,154		141			12,978
1,095 1,510 2,080 2,825 3,840 915 13,000 3,164 2,813 2,335 1,679 787 23 14,221 555 820 1,225 1,795 2,660 3,940 2,630 14,000 2,424 2,304 2,126 1,860 1,469 890 147 13,726 663 980 1,364 1,895 2,634 3,662 4,634 16,266 5,171 4,853 4,466 3,932 3,189 2,157 543 29,712 413 578 806 1,126 1,573 2,197 3,007 9,996 3,182 3,019 2,787 2,466 2,017 1,390 369 18,530 730 1,025 1,425 1,955 2,710 3,325 11,700 3,576 3,291 2,894 2,341 1,582 537 18,003 995 1,380 1,890 2,595 3,555		261		369	521		739		4,626			6,700
3,164 2,813 2,335 1,679 787 23 14,221 555 820 1,225 1,795 2,660 3,940 2,630 14,000 2,424 2,304 2,126 1,860 1,469 890 147 13,726 663 980 1,364 1,895 2,634 3,662 4,634 16,266 5,171 4,853 4,466 3,932 3,189 2,157 543 29,712 413 578 806 1,126 1,573 2,197 3,007 9,996 3,182 3,019 2,787 2,466 2,017 1,390 369 18,530 730 1,025 1,425 1,955 2,710 3,325 11,700 3,576 3,291 2,894 2,341 1,582 537 18,003 995 1,380 1,890 2,595 3,555 855 12,000 1,949 1,735 1,438 1,033 477 <t< td=""><td></td><td>2,157</td><td></td><td>2,051</td><td>1,903</td><td></td><td>1,690</td><td></td><td>1,372</td><td></td><td></td><td>11,404</td></t<>		2,157		2,051	1,903		1,690		1,372			11,404
555 820 1,225 1,795 2,660 3,940 2,630 14,000 2,424 2,304 2,126 1,860 1,469 890 147 13,726 663 980 1,364 1,895 2,634 3,662 4,634 16,266 5,171 4,853 4,466 3,932 3,189 2,157 543 29,712 413 578 806 1,126 1,573 2,197 3,007 9,996 3,182 3,019 2,787 2,466 2,017 1,390 369 18,530 730 1,025 1,425 1,955 2,710 3,325 11,700 3,576 3,291 2,894 2,341 1,582 537 18,003 995 1,380 1,890 2,595 3,555 855 12,000 1,949 1,735 1,438 1,033 477 14 8,751 591 819 1,137 1,577 2,186 3		1,095		1,510	2,080		2,825		3,840			13,000
2,424 2,304 2,126 1,860 1,469 890 147 13,726 663 980 1,364 1,895 2,634 3,662 4,634 16,266 5,171 4,853 4,466 3,932 3,189 2,157 543 29,712 413 578 806 1,126 1,573 2,197 3,007 9,996 3,182 3,019 2,787 2,466 2,017 1,390 369 18,530 730 1,025 1,425 1,955 2,710 3,325 11,700 3,576 3,291 2,894 2,341 1,582 537 18,003 995 1,380 1,890 2,595 3,555 855 12,000 1,949 1,735 1,438 1,033 477 14 8,751 591 819 1,137 1,577 2,186 3,029 5,045 14,750 4,619 4,387 4,069 3,629 3,016 <		3,164		2,813	2,335		1,679		787	23		14,221
663 980 1,364 1,895 2,634 3,662 4,634 16,266 5,171 4,853 4,466 3,932 3,189 2,157 543 29,712 413 578 806 1,126 1,573 2,197 3,007 9,996 3,182 3,019 2,787 2,466 2,017 1,390 369 18,530 730 1,025 1,425 1,955 2,710 3,325 11,700 3,576 3,291 2,894 2,341 1,582 537 18,003 995 1,380 1,890 2,595 3,555 855 12,000 1,949 1,735 1,438 1,033 477 14 8,751 591 819 1,137 1,577 2,186 3,029 5,045 14,750 4,619 4,387 4,069 3,629 3,016 2,166 700 27,367 1,090 1,455 1,955 2,630 3,520		555		820	1,225		1,795		2,660	3,940	2,630	14,000
5,171 4,853 4,466 3,932 3,189 2,157 543 29,712 413 578 806 1,126 1,573 2,197 3,007 9,996 3,182 3,019 2,787 2,466 2,017 1,390 369 18,530 730 1,025 1,425 1,955 2,710 3,325 11,700 3,576 3,291 2,894 2,341 1,582 537 18,003 995 1,380 1,890 2,595 3,555 855 12,000 1,949 1,735 1,438 1,033 477 14 8,751 591 819 1,137 1,577 2,186 3,029 5,045 14,750 4,619 4,387 4,069 3,629 3,016 2,166 700 27,367 1,090 1,455 1,955 2,630 3,520 840 12,300		2,424		2,304	2,126		1,860		1,469	890	147	13,726
413 578 806 1,126 1,573 2,197 3,007 9,996 3,182 3,019 2,787 2,466 2,017 1,390 369 18,530 730 1,025 1,425 1,955 2,710 3,325 11,700 3,576 3,291 2,894 2,341 1,582 537 18,003 995 1,380 1,890 2,595 3,555 855 12,000 1,949 1,735 1,438 1,033 477 14 8,751 591 819 1,137 1,577 2,186 3,029 5,045 14,750 4,619 4,387 4,069 3,629 3,016 2,166 700 27,367 1,090 1,455 1,955 2,630 3,520 840 12,300		663		980	1,364		1,895		2,634	3,662	4,634	16,266
3,182 3,019 2,787 2,466 2,017 1,390 369 18,530 730 1,025 1,425 1,955 2,710 3,325 11,700 3,576 3,291 2,894 2,341 1,582 537 18,003 995 1,380 1,890 2,595 3,555 855 12,000 1,949 1,735 1,438 1,033 477 14 8,751 591 819 1,137 1,577 2,186 3,029 5,045 14,750 4,619 4,387 4,069 3,629 3,016 2,166 700 27,367 1,090 1,455 1,955 2,630 3,520 840 12,300		5,171		4,853	4,466		3,932		981,6	2,157	543	29,712
730 1,025 1,425 1,955 2,710 3,325 11,700 3,576 3,291 2,894 2,341 1,582 537 18,003 995 1,380 1,890 2,595 3,555 855 12,000 1,949 1,735 1,438 1,033 477 14 8,751 591 819 1,137 1,577 2,186 3,029 5,045 14,750 4,619 4,387 4,069 3,629 3,016 2,166 700 27,367 1,090 1,455 1,955 2,630 3,520 840 12,300		413		578	806		1,126		1,573	2,197	3,007	9,996
3,576 3,291 2,894 2,341 1,582 537 18,003 995 1,380 1,890 2,595 3,555 855 12,000 1,949 1,735 1,438 1,033 477 14 8,751 591 819 1,137 1,577 2,186 3,029 5,045 14,750 4,619 4,387 4,069 3,629 3,016 2,166 700 27,367 1,090 1,455 1,955 2,630 3,520 840 12,300		3,182		3,019	2,787		2,466		2,017	1,390	369	18,530
3,576 3,291 2,894 2,341 1,582 537 18,003 995 1,380 1,890 2,595 3,555 855 12,000 1,949 1,735 1,438 1,033 477 14 8,751 591 819 1,137 1,577 2,186 3,029 5,045 14,750 4,619 4,387 4,069 3,629 3,016 2,166 700 27,367 1,090 1,455 1,955 2,630 3,520 840 12,300		730		1,025	1,425		1,955		2,710	3,325		11,700
1,949 1,735 1,438 1,033 477 14 8,751 591 819 1,137 1,577 2,186 3,029 5,045 14,750 4,619 4,387 4,069 3,629 3,016 2,166 700 27,367 1,090 1,455 1,955 2,630 3,520 840 12,300		3,576			2,894		2,341		1,582	537		18,003
591 819 1,137 1,577 2,186 3,029 5,045 14,750 4,619 4,387 4,069 3,629 3,016 2,166 700 27,367 1,090 1,455 1,955 2,630 3,520 840 12,300		995		1,380	1,890		2,595					
4,619 4,387 4,069 3,629 3,016 2,166 700 27,367 1,090 1,455 1,955 2,630 3,520 840 12,300		1,949		1,735	1,438		1,033		477	14		8,751
1,090 1,455 1,955 2,630 3,520 840 12,300		591		819	1,137		1,577			3,029		
, , , , , , , , , , , , , , , , , , , ,		4,619		4,387	4,069		3,629		3,016	2,166	700	27,367
		1,090		1,455	1,955		2,630		3,520	840		12,300
		1,988		1,759	1,454		1,041		492	16		8,906

Supplementary Bond Schedules SCHEDULE 1-C DEBT SERVICE REOUIREME!

DEBT SERVICE REQUIREMENTS (PRINCIPAL & INTEREST)

August 31, 2006 (Amounts in Thousands)

DESCRIPTION		2007	2008	2009	2010	2011
2004 MF Series A (Bristol)	Principal S	75 \$	160 \$	170 \$	180 S	190
2004 MF Series A (Bristol)	Interest	456	452	445	439	433
2004 MF Series A (Pinnacle)	Principal	90	185	195	210	220
2004 MF Series A (Pinnacle)	Interest	523	519	511	504	497
2004 MF Series A (Tranquility Bay)	Principal	79 -	84	90	96	102
2004 MF Series A (Tranquility Bay)	Interest	929	923	918	912	905
enduling the American Lists	n.ttt	n.r.	100	110	110	170
2004 MF Series A (Sphinx @ Delafield) 2004 MF Series A (Sphinx @ Delafield)	Principal Interest	95 593	100 588	110 583	110 577	120 572
2004 MF Series A (Churchill @ Pinnacle) 2004 MF Series A (Churchill @ Pinnacle)	Principal Interest	704	57 702	61 698	65 694	70 690
2004 MI Series A (Churchin (a) Finnacie)	interest	704	702	020	0,54	636
2004 MF Series A/B (Post Oak East)	Principal	105	220	225	235	245
2004 MF Series A/B (Post Oak East)	Interest	502	497	488	480	471
2004 MF Series (Village Fair)	Principal	50	80	85	91	97
2004 MF Series (Village Fair)	Interest	915	910	905	899	893
2005 MF Series (Pecan Grove)	Principal	44	79	84	90	96
2005 MF Series (Pecan Grove)	Interest	911	831	902	896	890
2005 MF Series (Prairie Oaks)	Principal	34	62	66	71	75
2005 MF Series (Prairie Oaks)	Interest	718	714	710	706	700
angered 5 to the Down	n-!!	22	60		70	อา
2005 MF Series (Port Royal) 2005 MF Series (Port Royal)	Principal Interest	32 792	68 789	73 784	78 779	83 774
2005 MF Series (Del Rio)	Principal Interest	31 746	64 743	69 738	73 734	78 729
2005 MF Series (Del Rio)	meresi	770	, 75	120	,54	,_,
2005 MF Series (Atascocita Pines)	Principal			143	152	162
2005 MF Series (Alascocita Pines)	Interest	434	435	431	426	420
2005 MF Series (Tower Ridge)	Principal			100	100	100
2005 MF Series (Tower Ridge)	Interest	545	546	544	541	537
2005 MF Series (Alta Cullen)	Principal		61	78	83	89
2005 MF Series (Alta Cullen)	Interest	924	922	917	912	906
2005 MF Series (Lafayette Village)	Principal			178	189	200
2005 MF Scries (Lafayette Village)	Interest	514	515	511	505	498
2005 MF Series (Prairie Ranch)	Principal		150	115	125	125
2005 MF Series (Prairie Ranch)	Interest	592	589	583	577	571
	B ! !			17	OD.	184
2005 MF Series (St Augustine) 2005 MF Series (St Augustine)	Principal Interest	279	279	47 278	98 275	104 271
2005 III BEIID (BITTING PURITY						
2005 MF Series (Park Manor)	Principal Interest	830	666	58 664	62 660	66 656
2005 MF Series (Park Manur)	Interest	a3U	uuu	uU#	500	420
2005 MF Series (Mockingbird)	Principal		80	85	91	97
2005 MF Series (Mockinghird)	Interest	919	916	911	905	899
2005 MF Series (Chase Oaks)	Principal	95	236	248	261	275
2005 MF Series (Chase Oaks)	Interest	719	709	697	684	671
2005 MF Series (Canal Place)	Principal				56	18
2005 MF Series (Canal Place)	Interest	609	610	609	608	604

Texas Department of Housing & Community Affairs (332)

Supplementary Bond Schedules SCHEDULE 1-C (Continued) DEBT SERVICE REQUIREMENTS (PRINCIPAL & INTEREST) August 31, 2006 (Amounts in Thousands)

	2012-16		2017-21		2022-26		2027-31	2032-36		2037-41	2042-46	Total	Required
5	1,140	5	1,525	5	2,030	5	2,700	\$ 3,605	5	850		\$	12,625
	2,049		1,809		1,491		1,065	502		14			9,155
	1,315		1,750		2,330		3,100	4,130		975			14,500
	2,351		2,075		1,708		1,222	573		20			10,503
							1.651	2 202		2 157	1 107		14 221
	625		863		1,195		1,651	2,282		3,157	4,107		14,331
	4,413		4,172		3,840		3,382	2,747		1,868	536		25,545
	710		925		1,220		1,595	2,090		2,645	1,610		11,330
	2,759		2,556		2,291		1,930	1,454		836	134		14,873
	428		591		819		1,137	1,576		2,184	3,762		10,750
	3,370		3,204		2,976		2,656	2,214		1,602	553		20,063
	1,415		1,775		2,230		2,810	3,530		810			13,600
	2,210		1,920		1,556		1,096	517		21			9,758
	500		21-		1 120		1.761	1 160		2,985	4,454		14,100
	590		817		1,130		1,561	2,160			679		25,624
	4,359		4,131		3,817		3,384	2,781		1,951	075		20,024
	584		808		1,118		1,544	2,138		2,956	4,489		14,030
	4,343		4,120		3,810		3,382	2,792		1,974	723		25,574
	461		636		880		1,217	1,683		2,328	3,537		11,050
	3,418		3,241		2,997		2,659	2,189		1,542	548		20,142
	505		698		965		1,336	1,848		2,555	3,959		12,200
	3,777		3,583		3,315		2,941	2,427		1,716	627		22,304
	5,,		2,202										
	476		658		909		1,258	1,742		2,406	3,726		11,490
	3,558		3,374		3,121		2,770	2,286		1,617	590		21,006
	971		1,313		1,781		2,420	3,304		1,654			11,900
	2,000		1,791		1,509		1,126	603		51			9,226
	500		1,100		1,800		2,600	3,800		4,900			15,000
	2,631		2,494		2,236		1,835	1,263		256			13,428
	544		756		1,050		1,460	2,028		2,819	5,032		14,000
	4,431		4,218		3,922		3,509	2,938		2,144	867		26,610
								2 24		1 1100			11.100
	1,197		1,602		2,143		2,870	3,841		1,880 72			14,100 10,910
	2,368		2,114		1,775		1,321	717		12			10,510
	750		965		1,260		1,610	2,020		2,555	2,525		12,200
	2,755		2,551		2,288		1,942	1,511		965	284		15,208
	624		839		1,128		1,513	2,033		1,264			7,650
	1,292		1,157		977		735	409		50			6,002
	100		££0		757		1.047	1,432		1,971	4,062	ı	10,400
	400 3,209		550 3,058		757 2,852		1,042 2,567	2,177		1,637	781		19,757
	ح∪ــرد		24046		_,03_		#120)						
	588		809		1,113		1,532	2,109		2,902	4,954		14,360
	4,392		4,170		3,863		3,444	2,864		2,067	87€)	26,220
	1,601		2,059		9,475								14,250
	3,127		2,668		1,156								10,431
	519		777		1,088		1,497	2,059		10,023			16,100
	2,945		2,777		2,596		2,359	2,035		911			16,663
	-,		_,		,		,	•					

Supplementary Bond Schedules SCHEDULE 1-C DEBT SERVICE REQUIREMENTS (PRINCIPAL & INTEREST) August 31, 2006 (Amounts in Thousands)

DESCRIPTION		200	7	2008		2009		2010		2011
2005 MF Series (Coral Hills)	Principal									
2005 MF Series (Coral Hills)	Interest	\$ 26	9 \$	269	S	269	\$	269	\$	269
	P-111							200		200
2006 MF Series (Harris Branch)	Principal Interest	51	n	519		519		515		508
2006 MF Series (Harris Branch)	interest	31	y	319		213		213		300
2006 MF Series (Bella Vista)	Principal			15		45		45		45
2006 MF Series (Bella Vista)	Interest	41	8	418		416		413		411
								100		100
2006 MF Series (Village Park)	Principal					105		190		190
2006 MF Series (Village Park)	Interest	70	0	700		699		690		680
2006 MF Series (Oakmoor)	Principal					75		95		101
2006 MF Series (Oakmoor)	Interest	87	В	878		876		871		865
1000 111 001102 (0111111-111)	***************************************									
2006 MF Series (Sunset Pointe)	Principal									
2006 MF Series (Sunset Pointe)	Interest	51	9	519		519		519		519
2006 MF Series (Hillcrest)	Principal							175		160
2006 MF Series (Hillcrest)	Interest	65	2	653		653		647		638
2006 Mr Series (Minicresi)	meresi	0-	,	0.55		625		041		656
2006 MF Series (Pleasant Village	Principal			34		71		75		80
2006 MF Series (Pleasant Village	Interest	36	5	365		361		356		351
2006 MF Series (Grove Village)	Principal			35		73		77		82
2006 MF Series (Grove Village)	Interest	37	6	376		371		367		362
Fotal Mututamily E	lands	\$ 78,34	6 S	73,456	-	74,430		75,036	-	75,183
Tom wasanny L		.3 /0,34			-4	,,,430				75,143
	Total	\$ 163,256	5	148,489	5	151.094	5	150,376	S	148,992
Less In	terest	129,416		122,558		121,290		119,971		118,508
Total Pris	icipal	\$ 33,840	\$	25,931	S	29,804	5	30,405	5	30,484

Supplementary Bond Schedules SCHEDULE 1-C (Continued) DEBT SERVICE REQUIREMENTS (PRINCIPAL & INTEREST) August 31, 2006 (Amounts in Thousands)

	2017-21		2022-26										
			2022-20		2027-31		2032-36		2037-41		2042-46	Tot	al Required
								Ş	5,320			S	5,320
\$	1,345	5	1,345	S	1,345	\$	1,345		505				8,575
	1,600		2,200		3,000		3,900		2,600				15,000
	2,174		1,843		1,400		805		120				11,342
	385		530		710		970		1,320		2,450		6,800
	1,903		1,763		1,576		1,320		973		483		12,099
	1,495		1,985		8,575								13,660
	2,907		2,465		110								12,189
	819		1,104		1,491		2,011		2,713		5,619		14,635
	4,008		3,721		3,333		2,811		2,106		1,089		25,657
									15,000				15,000
	2,595		2,595		2,595		2,595		1,489				17,059
	1,300		1,770		425				7,645				12,435
	2,751		2,347		2,013		2,005		1,038				16,446
	650		4,611										6,000
	1,505		543										5,522
•	669		4,751										6,180
	1,550		421										5,551
\$	378,980	S	435,559	_\$	352,939	\$	348,328	5	250,465	\$	120,536	\$	2,635,889
5	772,788	5	834,588	\$	759,405	s	693,755	s	279,877	5	120,536	S	4,965,626
_	504,664		420,858	_	303,220		163,324		63,167	_	12,690	_	2,644,672
\$	268,124	\$	413,730	5	456,185	<u>s</u>	530,431	\$	216,710	\$	107,846	<u>\$</u>	2,320,954
	<u>\$</u>	1,600 2,174 385 1,903 1,495 2,907 819 4,008 2,595 1,300 2,751 650 1,505 669 1,550 \$\frac{378,980}{\$\frac{378,980}{\$\frac{572,788}{504,664}}\$	1,600 2,174 385 1,903 1,495 2,907 819 4,008 2,595 1,300 2,751 650 1,505 669 1,550 \$ 378,980 \$ \$ \$ 772,788 \$ 504,664	1,600 2,200 2,174 1,843 385 530 1,903 1,763 1,495 1,985 2,907 2,465 819 1,104 4,008 3,721 2,595 2,595 1,300 1,770 2,751 2,347 650 4,611 1,505 543 669 4,751 1,550 421 \$ 378,980 \$ 435,559 \$ 772,788 \$ 834,588 504,664 420,858	1,600 2,200 2,174 1,843 385 530 1,903 1,763 1,495 1,985 2,907 2,465 819 1,104 4,008 3,721 2,595 2,595 1,300 1,770 2,751 2,347 650 4,611 1,505 543 669 4,751 1,550 421 \$ 378,980 \$ 435,559 \$ \$ \$ 772,788 \$ 834,588 \$ \$ 504,664 420,858	1,600 2,200 3,000 2,174 1,843 1,400 385 530 710 1,903 1,763 1,576 1,495 1,985 8,575 2,907 2,465 110 819 1,104 1,491 4,008 3,721 3,333 2,595 2,595 2,595 1,300 1,770 425 2,751 2,347 2,013 650 4,611 1,505 543 669 4,751 1,550 421 \$ 378,980 \$ 435,559 \$ 352,939 \$ 772,788 \$ 834,588 \$ 759,405 504,664 420,858 303,220	1,600 2,200 3,000 2,174 1,843 1,400 385 530 710 1,903 1,763 1,576 1,495 1,985 8,575 2,907 2,465 110 819 1,104 1,491 4,008 3,721 3,333 2,595 2,595 2,595 1,300 1,770 425 2,751 2,347 2,013 650 4,611 1,505 543 669 4,751 1,550 421 \$ 378,980 \$ 435,559 \$ 352,939 \$ \$ 772,788 \$ 834,588 \$ 759,405 \$ \$ 504,664 420,858 303,220	1,600 2,200 3,000 3,900 2,174 1,843 1,400 805 385 530 710 970 1,903 1,763 1,576 1,320 1,495 1,985 8,575 10 2,907 2,465 110 2,011 819 1,104 1,491 2,011 4,008 3,721 3,333 2,811 2,595 2,595 2,595 2,595 1,300 1,770 425 2,013 2,005 650 4,611 1,505 543 669 4,751 1,550 421 \$ 378,980 \$ 435,559 \$ 352,939 \$ 348,328 \$ 772,788 \$ 834,588 \$ 759,405 \$ 693,755 504,664 420,858 303,220 163,324	1,600 2,200 3,000 3,900 2,174 1,843 1,400 805 385 530 710 970 1,903 1,763 1,576 1,320 1,495 1,985 8,575 2,907 2,465 110 819 1,104 1,491 2,011 4,008 3,721 3,333 2,811 2,595 2,595 2,595 2,595 1,300 1,770 425 2,013 2,005 650 4,611 1,505 543 669 4,751 1,550 421 \$ 378,980 \$ 435,559 \$ 352,939 \$ 348,328 \$ \$ 772,788 \$ 834,588 \$ 759,405 \$ 693,755 \$ \$ 504,664 420,858 303,220 163,324	1,600 2,200 3,000 3,900 2,600 2,174 1,843 1,400 805 120 385 530 710 970 1,330 1,903 1,763 1,576 1,320 973 1,495 1,985 8,575 2,907 2,465 110 819 1,104 1,491 2,011 2,713 4,008 3,721 3,333 2,811 2,106 2,595 2,595 2,595 2,595 1,489 1,300 1,770 425 2,013 2,005 1,038 650 4,611 1,505 543 543 543 669 4,751 1,550 421 5378,980 \$ 435,559 \$ 352,939 \$ 348,328 \$ 250,465 \$ 772,788 \$ 834,588 \$ 759,405 \$ 693,755 \$ 279,877 504,664 420,858 303,220 163,324 63,167	1,600 2,200 3,000 3,900 2,600 2,174 1,843 1,400 805 120 385 530 710 970 1,330 1,903 1,763 1,576 1,320 973 1,495 1,985 8,575 2,907 2,465 110 819 1,104 1,491 2,011 2,713 4,008 3,721 3,333 2,811 2,106 2,595 2,595 2,595 1,489 1,300 1,770 425 7,645 2,751 2,347 2,013 2,005 1,038 650 4,611 1,505 543 669 4,751 1,550 421 \$ 378,980 \$ 435,559 \$ 352,939 \$ 348,328 \$ 250,465 \$ \$ 772,788 \$ 834,588 \$ 759,405 \$ 693,755 \$ 279,877 \$ \$ 504,664 420,858 303,220 163,324 63,167	1,600 2,200 3,000 3,900 2,600 2,174 1,843 1,400 805 120 385 530 710 970 1,320 2,450 1,903 1,763 1,576 1,320 973 483 1,495 1,985 8,575 2,907 2,465 110 2,713 5,619 819 1,104 1,491 2,011 2,713 5,619 4,008 3,721 3,333 2,811 2,106 1,089 2,595 2,595 2,595 2,595 1,489 1,300 1,770 425 7,645 2,751 2,347 2,013 2,005 1,038 650 4,611 1,505 543 421 420 450 40,038 \$ 120,536 \$ 378,980 \$ 435,559 \$ 352,939 \$ 348,328 \$ 250,465 \$ 120,536 \$ 772,788 \$ 834,588 \$ 759,405 \$ 693,755 \$ 279,877 \$ 126,536 \$ 504,664 420,858 303,220 163,324 63,167 12,690	1,600 2,200 3,000 3,900 2,600 2,174 1,843 1,400 805 120 385 530 710 970 1,320 2,450 1,903 1,763 1,576 1,320 973 483 1,495 1,985 8,575 2,907 2,465 110 819 1,104 1,491 2,011 2,713 5,619 4,008 3,721 3,333 2,811 2,106 1,089 2,595 2,595 2,595 2,595 1,489 1,300 1,770 425 7,645 2,751 2,347 2,013 2,005 1,038 650 4,611 1,505 543 669 4,751 1,550 421 \$ 378,980 \$ 435,559 \$ 352,939 \$ 348,328 \$ 250,465 \$ 120,536 \$ \$ 772,788 \$ 834,588 \$ 759,405 \$ 693,755 \$ 279,877 \$ 120,536 \$ \$ 504,664 420,858 303,220 163,324 63,167 12,690

Suplementary Bond Schedules Schedule 1-D Analysis of Funds Available for Debt Service- Revenue Bonds For the Fiscal Year Ended August 31, 2006 (Amounts in thousands)

(Amounts in thousands)	Pledged and Ot	her Sources and Related	Expenditures	for FY 2006
	Net Available		t Service	
		Operating		•
	Total Pledged and	Expenses/Expenditures		
Description of Issue	Other Sources	and Capital Outlay	Principal	Interest
1995 Single Family Series A	\$ 30,459	\$ 18		\$ 475
1995 Single Family Series C	12,917	13		244
1996 Single Family Series A	9,645	53		352
1996 Single Family Series D	29,854	79		1,350
1996 Single Family Series E	21,499	59	\$ 1,230	950
1997 Single Family Series A	1,963	66		1,750
1997 Single Family Series B	6,630	1		126
1997 Single Family Series D	5,179	105		864
1997 Single Family Series F	5,625			118
2002 Single Family Series A	1,960	61		2,063
2002 Single Family Series A Junior Lien	1,055	20		682
2002 Single Family Series B	6,176	70		2,425
2002 Single Family Series C	612	19	450	573
2002 Single Family Series D	711	10	910	286
2004 Single Family Series A	5,887	336		5,489
2004 Single Family Series A (Jr. Lien)	101	15		190
2004 Single Family Series B	2,193	144		1,723
2004 Single Family Series C	4,008	108		1,897
2004 Single Family Series D	1,456	96		1,153
2004 Single Family Series E	782	30		379
2005 Single Family Series A	3,883	315		3,222
2005 Single Family Series B	1,929	23		1,043
2005 Single Family Series C	655	8		115
2005 Single Family Series D	375	3		44
2006 Single Family Series A	595	4		521
2006 Single Family Series B	709	5		617
2006 Single Family Series C	1,049	8		945
2006 Single Family Series D	312	2		234
2006 Single Family Series E	170	<u></u>		123
Total Single Family Bonds	158,389	1,672	2,590	29,953
1998 RMRB Series A	8,355	147	1,295	2,558
1998 RMRB Series B	976	26		443
1999 RMRB Series A	1,770	23		371
1999 RMRB Series B-1	6,417	46		1,855
1999 RMRB Series C	894	7		261
2000 RMRB Series A	4,393	52	270	1,262
2000 RMRB Series B	11,983	67		3,436
2000 RMRB Series C	1,243	10		538
2000 RMRB Series D	1,565	10	595	455
2001 RMRB Series A	5,420	26	695	2,106
2001 RMRB Series B	1,038	9		644
2001 RMRB Series C	2,466	8	1,270	563
2001 RMRB Series D	37			13
2002 RMRB Series A	6,052	39	635	1,940
2003 RMRB Series A	4.623	88	1,180	3,388
Total Residential Mtg Revenue Bonds	57,232	558	5,940	19,833
1992 Coll Home Mtg Rev Bds Series C	<u>\$ 7,116</u>	\$ 20	<u>s</u> -	<u>\$ 1,232</u>
Total Coll Home Mtg Revenue Bonds	7,116	20		1,232

Suplementary Bond Schedules Schedule 1-D (Continued) Analysis of Funds Available for Debt Service- Revenue Bonds For the Fiscal Year Ended August 31, 2006 (Amounts in thousands)

(Timounis in mousinus)	Pledged and Ot	Expenditures for FY 2006			
		Net Available for Debt Service			
		Operating		t Service	
	Total Pledged and	Expenses/Expenditures			
Description of Issue	Other Sources	and Capital Outlay	Principal	Interest	
1994 SF MRB CHMRB Series C	3,651	45		180	
Total Single Family MRB 1994 CHMRB	3,651	45		180	
1987 MF Series (South Texas Rental					
Housing)	109		77	70	
1993 MF Series A&B (RemHill/HighPt Ref)	365	5		360	
1996 MF Series A/B (Braxton's Mark)	857	3		841	
1996 MF Series A/B (Brighton's Mark)	1,356	2		502	
1996 MF Series A/B (Las Colinas)	2,122	4		757	
1996 MF Series A/B (NHP Foundation)					
1996 MF Series A-D (Harbors/Plumtree)	11,764		255	659	
1998 MF Series A (Dallas Oxford Refndg)	719			715	
1998 MF Series (Greens of Hickory Trail)	674		210	674	
1998 MF Series (Pebble Brook)	560		170	560	
1998 MF Series A (Volente Project)	563		165	563	
1998 MF Series A-C (Residence Oaks)	456		134	456	
1999 MF Series (Woodglen Village)	775			775	
1999 MF Series A-C (Mayfield)	609		187	609	
2000 MF Series (Creek Point Apts)	318			218	
2000 MF Series (Deerwood Apts)	391		85	391	
2000 MF Series (Honeycreek)	1,553			1,553	
2000 MF Series (Oaks at Hampton)	715		62	715	
2000 MF Series (Timber Point Apts)	354			254	
2000 MF Series A/B (Greenbridge)	1,478			1,478	
2000 MF Series A/B (Parks @					
Westmoreland)	710		61	710	
2000 MF Series A/B (Red Hills Villas)	758		49	758	
2000 MF Series A/B (Williams Run)	956		16	956	
2000 MF Series A-C (Collingham Park)	890		162	890	
2000 MF Series A-C (Highland Meadow					
Apts)	744		137	744	
2001 MF Series (Bluffview Senior Apts)	805		51	805	
2001 MF Series (Greens Road Apts.)	441		105	441	
2001 MF Series (Knollwood Villas Apts)	1,033		66	1,033	
2001 MF Series (Oak Hollow Apts.)	2,165		39	499	
2001 MF Series (Skyway Villas)	4,692		160	609	
2001 MF Series A/B (Cobb Park)	582		35	574	
2001 MF Series A/B (Hillside Apts.)	900		63	900	
2001 MF Series A/B (Meridian Apts.)	826		160	826	
2001 MF Series A/B (Wildwood Apts.)	790		165	790	
2001 MF Series A-C (Fallbrook Apts.)	888		180	888	
2002 MF Series (Clarkridge Villas Apts)	1,029		74	1,014	
2002 MF Series (Green Crest Apts)	1,809		44	818	
2002 MF Series (Hickory Trace Apts)	1,182		59	819	

Suplementary Bond Schedules Schedule 1-D (Continued) Analysis of Funds Available for Debt Service- Revenue Bonds For the Fiscal Year Ended August 31, 2006 (Amounts in thousands)

,	Piedged and Other Sources and Related Expenditures for FY 2006			
•	Net Available for Debt Service		Debi	t Service
•		Operating		
	Total Pledged and	Expenses/Expenditures		
Description of Issue	Other Sources	and Capital Outlay	Principal	Interest
2002 MF Series (Millstone Apts.)	690		165	690
2002 MF Series (Park Meadows Apts)	393		55	293
2002 MF Series (Sugar Creek Apts.)	719		35	710
2002 MF Series (West Oaks Apts.)	690		33	690
2002 MF Series (Woodway Village Apts)	1,697		90	423
2002 MF Series A/B (Ironwood Crossing)	1,237		51	1,220
2003 MF Series A (Evergreen @ Mesquite)	792		41	789
2003 MF Series A/B (Ash Creek Apts)	1,076		12	1,062
2003 MF Series A/B (North Vista Apts)	713			699
2003 MF Series A/B (Peninsula Apts)	648			-647
2003 MF Series A/B (Primrose Houston				
School)	1,443		6	1,156
2003 MF Series A/B (Reading Road)	478			465
2003 MF Series A/B (Sphinx @ Murdeaux)	746		140	731
2003 MF Series A/B (Timber Oaks Apts)	948		47	934
2003 MF Series A/B (West Virginia Apts)	482			472
2004 MF Series A (Bristol)	411			411
2004 MF Series A (Chisholm Trail)	394			391
2004 MF Series A (Churchill @ Pinnacle)	646			646
2004 MF Series A (Evergreen @ Plano)	902			902
2004 MF Series A (Humble Park)	772			772
2004 MF Series A (Montgomery Pines)	401			401
2004 MF Series A (Pinnacle)	472			472
2004 MF Series A (Rush Creek)	680		4	670
2004 MF Series A (Sphinx @ Delafield)	596		50	596
2004 MF Series A (Tranquility Bay)	889		19	885
2004 MF Series A (Addison Park)	495			481
2004 MF Series A/B (Century Park)	714			701
2004 MF Series A/B (Post Oak East)	452			452
2004 MF Series A/B (Timber Ridge)	1,310			502
2004 MF Series A/B (Veterans Memorial)	1,116		34	1,100
2004 Wil Defies 70 D (* eteralis Memorial)	1,110		٠,٠	1,100
2003 MF Series A/B (Parkview Townhomes)	1,141		45	1,125
2003 MF Series A/B (Arlington Villas)	1,065			1,065
2003 WII delies Arb (Armigion Vinas)	1,005			1,005
2003 MF Series A (NHP-Asmara/Refunding)	11,627			767
2004 MF Series (Village Fair)	723			723
2005 MF Series (Pecan Grove)	737			737
	557			557
2005 MF Series (Prairie Oaks) 2005 MF Series (Port Royal)	625			625
				589
2005 MF Series (Del Rio)	589 391			391
2005 MF Series (Atascocita Pines)				
2005 MF Series (Tower Ridge)	495			495
2005 MF Series (Alta Cullen)	824			824
2005 MF Series (Lafayette Village)	463			463
2005 MF Series (Prairie Ranch)	592			592
2005 MF Series (St Augustine)	249			249

Suplementary Bond Schedules Schedule 1-D (Continued) Analysis of Funds Available for Debt Service- Revenue Bonds For the Fiscal Year Ended August 31, 2006 (Amounts in thousands)

•	PJ	edged and Ot	her Sources and Relate	d Exp	oenditures	for FY 2006	
		Net Available for Debt Service			Debt Service		
Description of Issue		Pledged and er Sources	Operating Expenses/Expenditure and Capital Outlay		rincipal	Interest	
2005 MF Series (Park Manor)		520	ALLIMAN AND AND AND AND AND AND AND AND AND A			520	
2005 MF Series (Mockingbird)		919				919	
2005 MF Series (Chase Oaks)		720				720	
2005 MF Series (Canal Place)		522				522	
2005 MF Series (Coral Hills)		191				191	
2006 MF Series (Harris Branch)		261				261	
2006 MF Series (Bella Vista)		167				167	
2006 MF Series (Village Park)		268				268	
2006 MF Series (Oakmoor)		287				287	
2006 MF Series (Sunset Pointe)		75				75	
2006 MF Series (Hillcrest)		- 51				51	
2006 MF Series (Pleasant Village		1				I	
2006 MF Series (Grove Village)		1				1	
Total Multifamily Bonds	\$	94,001	\$ 14.0	0 \$	3,798	\$ 59,772	
Total	S	320,389	\$ 2,309	S	12,328	\$110,970	

Supplementary Bond Schedules SCHEDULE 1-E DEFEASED BONDS OUTSTANDING For the fiscal year ended August 31, 2006

Description of Issue	Year Refunded	 Par Value Outstanding	
Business-Type Activities			
1996 Multi Family Series A/B (NHP Foundation)	2003	\$ 24,525,000	
1996 Single Family Series A	2006	5,765,000	
1996 Single Family Series D	2006	23,920,000	
1996 Single Family Series E	2006	 17,295,000	
Total Business-Type Activities		\$ 71,505,000	

Supplementary Bond Schedules SCHEDULE 1-F

EARLY EXTINGUISHMENT AND REFUNDING

For the fiscal year ended August 31, 2006

					or Refunding On	
			Amount	Refunding	Cash Flow	Economic
			Extinguished	Issue	Increase	Gain/
Description of Issue	Category		or Refunded	Par Value	(Decrease)	(Loss)
Business-Type Activities		•	1255 000			
1995 Single Family Series A	Early Extinguishment	5	4,255,000	£ 75 405 000	e 12 040 120	e 60317
1995 Single Family Series A	Refunding		25,495,000	\$ 25,495,000	\$ 12,849,130	\$ 6,821,3
1995 Single Family Series C	Early Extinguishment		4,235,000	የ ለማስ በበለ	717 100	1 655 7
1995 Single Family Series C	Refunding		8,680,000	8,970,000	713,188	1,655,7
996 Single Family Series A	Early Extinguishment		3,110,000	E 765 000	7 700 005	1,691,4
996 Single Family Series A	Advance Refunding		5,765,000	5,765,000	2,290,985	1,170,1
996 Single Family Series D	Early Extinguishment		4,855,000	22 020 000	0.766.971	77111
996 Single Family Series D	Advance Refunding		23,920,000	23,920,000	9,766,831	7,211,1
996 Single Family Series E	Early Extinguishment		3,390,000	17 205 000	7.051.530	2 500 0
1996 Single Family Series E	Advance Refunding		17,295,000	17,295,000	3,951,520	2,808,9
997 Single Family Series B	Early Extinguishment		6,590,000			
1997 Single Family Series D	Early Extinguishment		3,350,000			
997 Single Family Series F	Early Extinguishment		5,625,000			
2002 Single Family Series A (Jr. Lien)	Early Extinguishment		860,000			
2002 Single Family Series A	Early Extinguishment		85,000			
2002 Single Family Series B	Early Extinguishment		4,005,000			
2002 Single Family Series C	Early Extinguishment		20,000			
2002 Single Family Series D	Early Extinguishment		415,000			
2004 Single Family Series A	Early Extinguishment		770,000			
2004 Single Family Series C	Early Extinguishment		2,375,000			
2004 Single Family Series E	Early Extinguishment		320,000			
2005 Single Family Series A	Early Extinguishment		30,000			
2005 Single Family Series B	Early Extinguishment		965,000			
2005 Single Family Series C	Early Extinguishment		310,000	•		
2005 Single Family Series D	Early Extinguishment		245,000			
1998 RMRB Series A	Early Extinguishment		5,375,000			
1998 RMRB Series B	Early Extinguishment		450,000			
1999 RMRB Series A	Early Extinguishment		1,070,000			
1999 RMRB Series B-1	Early Extinguishment		4,450,000			
1999 RMRB Series C	Early Extinguishment		600,000			
2000 RMRB Series A	Early Extinguishment		3,050,000			
2000 RMRB Series B	Early Extinguishment		8,275,000			
2000 RMRB Series C	Early Extinguishment		665,000			
2000 RMRB Series D	Early Extinguishment		1,035,000			
2001 RMRB Series A	Early Extinguishment		3,175,000			
2001 RMRB Series B	Early Extinguishment		290,000			
2001 RMRB Series C	Early Extinguishment		1,755,000			
2002 RMRB Series A	Early Extinguishment		4,245,000			
2003 RMRB Series A	Early Extinguishment		1,325,000			
1992 Coll Home Mtg Rev Bonds, Series C	Early Extinguishment		5,700,000			
1994 SF MRB CHMRB Series C	Early Extinguishment		3,500,000			
1996 MF Series A/B (Las Colinas)	Early Extinguishment		2,199,512			
1996 MF Series A-D (Harbors/Plumtree)	Early Extinguishment		11,105,000			
2000 MF Series A (Timber Point Apts)	Early Extinguishment		100,000			
2000 MF Series A (Creek Point Apts)	Early Extinguishment		100,000			
1001 MF Series A (Skyway Villas)	Early Extinguishment		4,070,000			
2001 MF Series A (Oak Hollow Apts)	Early Extinguishment		1,665,933			
2002 MF Series A (Park Meadows Apts)	Early Extinguishment		100,000			
2002 MF Series A (Hickory Trace Apts)	Early Extinguishment		351,582			
2002 MF Series A (Green Crest Apts)	Early Extinguishment		978,737			
2002 MF Series A (Woodway Village Apts)	Early Extinguishment		1,265,000			
2003 MF Series A/B (Primerose Houston School)	Early Extinguishment		270,000			
2003 MF Series A/B (Ash Creek Apts)	Early Extinguishment		11,519			
2003 MF Series A (NHP-Asmara) Refunding	Early Extinguishment		9,875,000			
2004 MF Series A/B (Timber Ridge)	Early Extinguishment		800,000			
	- -	_		<u> </u>	E 20 551 551	0.00.100
Total Business-Type Activities		\$	204,817,283	\$ 81,445,000	\$ 29,571,654	\$ 20,188,



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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED UPON THE AUDIT PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Honorable Rick Perry, Governor, and the Board of Directors of Texas Department of Housing and Community Affairs:

We have audited the basic financial statements of the Texas Department of Housing and Community Affairs (the "Department") as of and for the year ended August 31, 2006, and have issued our report thereon dated December 19, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Department's internal control over financial reporting in order to determine our procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the specific internal control components does not reduce to a relatively low level the risk that errors or misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

Deloitte & Touche LLP

As part of obtaining reasonable assurance about whether the Department's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, including the Public Funds Investment Act (§2256, Texas Government Code), regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Directors, management, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

December 19, 2006

Texas Department of Housing and Community Affairs—Revenue Bond Program

Financial Statements as of and for the Year Ended August 31, 2006, and Independent Auditors' Report

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INDEPENDENT AUDITORS' REPORT

To The Honorable Rick Perry, Governor, and the Board of Directors Texas Department of Housing and Community Affairs:

We have audited the accompanying statement of net assets of Texas Department of Housing and Community Affairs—Revenue Bond Enterprise Fund (the "Bond Program") as of August 31, 2006, and the related statements of revenues, expenses, and changes in net assets and cash flows for the year then ended and supporting schedules 3 through 8 (supplementary information on pages 42 to 64). These financial statements and supplementary schedules are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and schedules based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the financial statements present only the Revenue Bond Enterprise Fund of the Texas Department of Housing and Community Affairs (the "Department") and are not intended to present fairly the financial position of the Department or the results of its operations and the cash flows of its proprietary fund types in conformity with accounting principles generally accepted in the United States of America.

In our opinion, such financial statements present fairly, in all material respects, the financial position of the Texas Department of Housing and Community Affairs—Revenue Bond Enterprise Fund at August 31, 2006, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, schedules 3 through 8 (supplementary information on pages 42 to 64) present fairly, in all material respects, the information set forth therein.

Management's Discussion and Analysis is not a required part of the financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplementary information by bond program, included as Schedules 1 and 2, listed in the table of contents, is presented for the purpose of additional analysis and is not a required part of the financial statements. These schedules are also the responsibility of the Fund's management. Such schedules have been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, are fairly presented in all material respects when considered in relation to the financial statements taken as a whole.

December 19, 2006

Deloitte & Touche LLP

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS – REVENUE BOND PROGRAM MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) FOR THE YEAR ENDED AUGUST 31, 2006

This section of the Texas Department of Housing and Community Affairs Revenue Bond Program ("Bond Program") annual financial report presents management's discussion and analysis of the Department's financial performance during the fiscal year that ended on August 31, 2006. Please read it in conjunction with the Department's Bond Program financial statements, which follow this section.

Financial Highlights

- The Bond Program's net assets decreased by \$36 million. This was primarily as a result of the change in fair value of investments as explained below.
- The Bond Program had a decrease in Operating Income of \$17.3 million to \$39.4 million. The change in operating income was a result of different factors. The change in fair value of investments decreased from a loss of \$13.5 million in fiscal year 2005 to a loss of \$33.4 in fiscal year 2006, or \$19.9 million, which accounted for the majority of the decrease in operating income. Although interest and investment income increased by \$13.7 million, it was offset by an increase in bond interest expense of \$9.4 million and an increase in other operating expense of \$0.9 million.
- The Bond Program's debt outstanding of \$2.3 billion as of August 31, 2006, increased \$160.6 million. Debt issuances and debt retirements totaled \$503.9 million and \$349.1 million, respectively.
- Loan originations for the year totaled \$161.9 million in the Bond Program.
- The Department entered into three interest rate swap agreements with three different counterparties for a combined notional amount of \$188.0 million and a fair value of (\$2 million) as of August 31, 2006.

Financial Statements

The financial statements provide information about the Bond Program's funds. The Bond Program has only one type of fund, the proprietary fund, which is as follows:

Proprietary Fund—The Bond Program's activities in its proprietary fund are accounted for in a
manner similar to businesses operating in the private sector. Funding has primarily arisen through the
issuances of taxable and tax-exempt bonds whose proceeds are used primarily to fund various types
of loans to finance low- and moderate-income housing. The net assets of these funds represent
accumulated earnings since their inception and are generally restricted for program purposes or debt
service.

Financial Analysis of the Revenue Bond Program

Bond Program—Condensed Statement of Net Assets

	Bond	Bond Program		ecrease)
	2006	2005	Amount	Percentage
ASSETS:				
Cash and investments	\$ 1,394,915,573	\$ 1,404,188,895	\$ (9,273,322)	(0.66)%
Loans, contracts, and notes				, ,,
receivable	1,158,656,080	1,089,417,592	69,238,488	6.36 %
Interest receivable	18,621,101	12,401,510	6,219,591	50.15 %
Capital assets	136,636	159,613	(22,977)	(14.40)%
Real estate owned	243,166	57,427	185,739	323.43 %
Deferred issuance cost	11,292,615	11,469,566	(176,951)	(1.54)%
Other assets	526,791	1,184,567	(657,776)	(55.53)%
Total assets	2,584,391,962	2,518,879,170	65,512,792	2.60 %
LIABILITIES:				
Bonds/notes payable	2,328,148,557	2,167,498,974	160,649,583	7.41 %
Interest payable	32,977,121	27,172,715	5,804,406	21.36 %
Deferred revenue	2,784,444	2,950,225	(165,781)	(5.62)%
Other liabilities	180,217,279	244,615,793	(64,398,514)	(26.33)%
Total liabilities	2,544,127,401	2,442,237,707	101,889,694	4.17 %
NET ASSETS:				
Invested in capital assets	136,636	154,401	(17,765)	(11.51)%
Restricted	23,720,346	61,632,463	(37,912,117)	(61.51)%
Unrestricted	16,407,579	14,854,599	1,552,980	10.45 %
Total net assets	<u>\$ 40,264,561</u>	\$ 76,641,463	\$ (36,376,902)	(47.46)%

Net assets of the Bond Program decreased \$36.4 million, or 47.46%, to \$40.3 million. The net decrease primarily resulted from a decrease in fair value of the Bond Program's investments and an increase in expenses particularly interest expense. Restricted net assets of the Bond Program decreased \$37.9 million, or 61.51%. Unrestricted net assets increased \$1.6 million, or 10.45%.

Cash and investments decreased \$9.3 million, or 0.66%, to \$1.4 billion, since funds were used for debt service, funding of loans, and multi-family construction draws. The Bond Program loans receivable (current and non-current) increased \$69.2 million, or 6.36%, to \$1.2 billion, due primarily to \$111.1 million worth of mortgage loans originated and \$36.7 million paid down under the Multi-Family Program. Total bonds and notes payable (current and non-current) increased \$160.6 million, or 7.4%, due to new debt issuances associated with the Bond Program's Single Family and Multi-Family Programs.

A comparison between 2006 and 2005 for the Statement of Revenues, Expenses, and Changes in Net Assets is as follows:

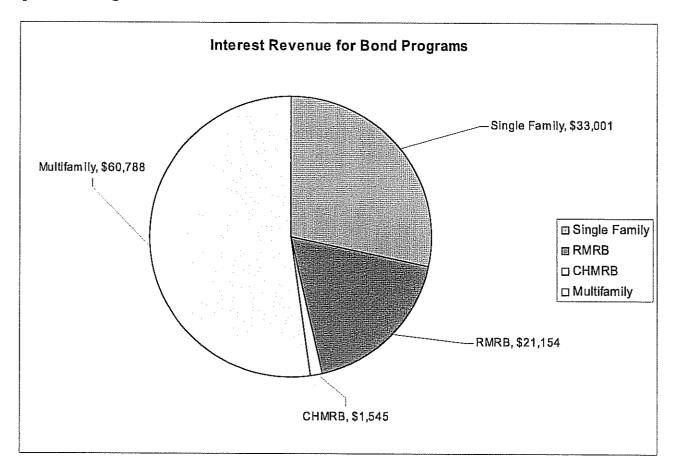
Statement of Revenues, Expenses, and Changes in Net Assets

			Increase (De	ecrease)
	2006	2005	Amount	Percentage
OPERATING REVENUES:				
Interest and investment income	\$120,279,128	\$106,544,886	\$ 13,734,242	12.89 %
Net (decrease) in fair value	(33,415,610)	(13,498,876)	(19,916,734)	147.54 %
Other operating revenues	3,663,929	4,311,029	(647,100)	(15.01)%
omer operating revenues	3,003,729	4,511,029	(047,100)	(13.01)76
Total operating revenues	90,527,447	97,357,039	(6,829,592)	(7.01)%
OPERATING EXPENSES:				
Salaries and wages	3,232,945	3,103,499	129,446	4.17 %
Payroll-related costs	1,422,995	1,492,744	(69,749)	(4.67)%
Professional fees and services	897,513	822,771	74,742	9.08 %
Travel	93,034	111,431	(18,397)	(16.51)%
Materials and supplies	105,221	159,403	(54,182)	(33.99)%
Communications and utilities	70,220	71,014	(794)	(1.12)%
Repairs and maintenance	90,150	109,661	(19,511)	(17.79)%
Rentals and leases	198,680	499,963	(301,283)	(60.26)%
Printing and reproduction	26,235	12,707	13,528	106.46 %
Depreciation expense	1,084,636	639,703	444,933	69.55 %
Interest	117,489,650	108,097,933	9,391,717	8.69 %
Other operating expenses	5,186,845	4,313,440	873,405	20.25 %
Total operating expenses	129,898,124	119,434,269	10,463,855	8.76 %
OPERATING (LOSS)	(39,370,677)	(22,077,230)	(17,293,447)	78.33 %
NONOPERATING REVENUES (EXPENSES) AND EXTRAORDINARY				
ITEMS	2,993,775	2,061,520	932,255	45.22 %
CHANGE IN NET ASSETS	_(36,376,902)	(20,015,710)	(16,361,192)	81.74 %
BEGINNING NET ASSETS	76,641,463	96,660,446	(20,018,983)	(20.71)%
RESTATEMENTS	-	(3,273)	3,273	(100.00)%
BEGINNING NET ASSETS—As restated	76,641,463	96,657,173	(20,015,710)	(20.71)%
ENDING NET ASSETS	\$ 40,264,561	\$ 76,641,463	\$(36,376,902)	(47.46)%

Net assets of the Bond Program decreased from the August 31, 2005 amount by \$36.4 million, or 47%, to \$40.3 million.

Earnings within the Bond Program's various bond indentures were \$90.5 million, of which \$87.3 million is classified as restricted and \$3.2 million, as unrestricted. Restricted earnings are composed of \$119.6 million in interest and investment income, (\$33.4) million decrease in fair value of investments, and \$1.1 million in other revenue. Interest and investment income is restricted per bond covenants for debt service, fair value in investments is an unrealized loss due to the fact that the Bond Program holds investments until maturity, and other revenue is predominantly an accounting recognition of fees received in previous years that were deferred when received and are being amortized over a period of time. Unrestricted earnings are composed of \$0.6 million in interest and investment income and \$2.5 million in other operating revenue.

The graph below will illustrate the composition of interest revenue for the various bond indentures that make up the Bond Program:



Revenues of the Bond Program were interest and investment income of \$120.3 million and a decrease in fair value of investments of (\$33.4) million. Earned interest income consists primarily of interest earned on loans under the various lending programs within the Bond Program. Investment income consists of earned interest on the various investments held within the different bond indentures of the Bond Program. Interest and investment income are restricted to the specific bond indentures to pay debt service. Total revenue decreased \$6.8 million, which consisted primarily of the decrease in fair value of investments from a loss of (\$13.5 million) in fiscal year 2005 to a loss of (\$33.4) million in fiscal year 2006.

Interest earned on program loans increased by \$9.6 million, or 17.7%, due primarily to an increase of \$9.6 million, or 18.8%, within the Bond Program's Multi-Family Program, due to higher loan amounts outstanding.

Investment income increased \$4.2 million, or 8.0%, and reflected higher investment yields. The primary changes in investment income were within the Single Family Bond Program funds, which increased \$5.9 million, or 24.3%, and the Residential Mortgage Revenue Bond Program funds, which decreased \$2.5 million, or 10.6%.

Expenses of the Bond Program consist primarily of interest expense of \$117 million, which increased \$9.4 million, or 8.7%, on the Bond Program's debt incurred to fund its various lending programs.

The Bond Program also generated \$0.5 million of unrestricted investment income, which was used primarily to partially offset its administrative costs.

The changes in net assets by bond indenture for the Bond Program for fiscal years 2006 and 2005 are as follows:

Changes in Net Assets by Fund Groups, Year Ended August 31, (Amounts in thousands)

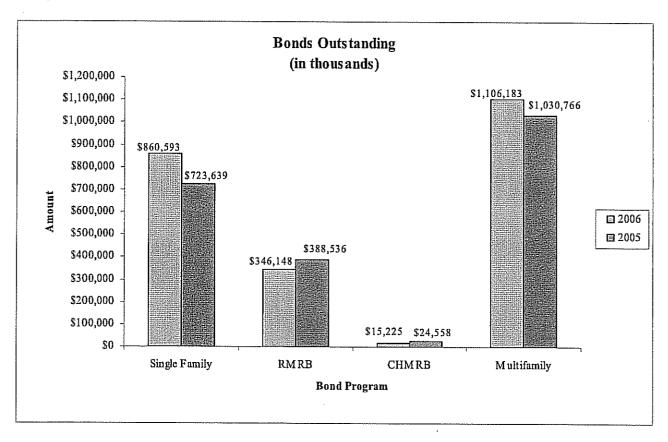
			Increase (Decrease)	
Fund	2006	2005	Amount	Percentage
Single Family	\$17,209	\$43,055	\$ (25,846)	(60.0)%
RMRB	5,352	15,498	(10,146)	(65.5)%
CHMRB	1,355	1,716	(361)	(21.0)%
Multifamily	(206)	411	(617)	(150.1)%
1993 SF CHMRB	10	757	(747)	(98.7)%
1994/1995 SF CHMRB		190	(190)	(100.0)%
Commercial paper	1	6	(5)	(83.3)%
General funds	16,544	15,009	1,535	10.2 %
Total	\$40,265	\$76,642	<u>\$ (36,377)</u>	(47.5)%

Net assets of the Single Family Bond Programs decreased by \$25.8 million, or 60%, primarily due to a decrease of \$22 million to the fair value of investments and an increase in interest expense of \$2 million. In the same manner, the net assets of the Residential Mortgage Revenue Bonds decreased by \$10.1 million due to a decrease of \$10.8 million to the fair value of investments and a decrease in interest expense of \$3.2 million.

Bond Program Debt

The Bond Program's new debt issuances during fiscal year 2006 totaled \$503.9 million. The Single Family Program issued \$392.8 million in bonds, and the Multi-Family Bond Program issued \$111.1 million. The Bond Program also had \$349.1 million in debt retirement during the year primarily due to consumer refinancing and paying off original loans. The net result was an increase in bonds payable of \$160.6 million to \$2.3 billion of which \$33.8 million is due within one year. For additional information, see Note 8, Bonds Payable, and supplementary bond information schedules.

The following graph will illustrate a comparison of bonds outstanding between fiscal year 2006 and 2005 per bond program:



Request for Information

This financial report is designed to provide a general overview of the Texas Department of Housing and Community Affairs' ("TDHCA") operations for all parties interested in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Texas Department of Housing and Community Affairs, Director of Financial Administration, P.O. Box 13941, Austin, Texas, 78711-3941.

STATEMENT OF NET ASSETS AS OF AUGUST 31, 2006

Furniture and equipment

Restricted assets:

TOTAL ASSETS

Loans and contracts

Other noncurrent assets:

Real estate owned-net

Less accumulated depreciation

Deferred bond issuance cost—net

Total noncurrent assets

ASSETS

CURRENT ASSETS:	
Cash and cash equivalents:	
Cash on hand	\$ 200
Cash in bank	159,330
Cash in state treasury	757,860
Cash equivalents	12,219,705
Restricted assets:	
Cash and cash equivalents:	
Cash in bank	1,536,516
Cash equivalents	123,625,865
Short-term investments	83,338,532
Loans and contracts	10,583,907
Interest receivable	18,621,101
Consumable inventories	14,787
Other current assets	512,004
Total current assets	251,369,807
NONCURRENT ASSETS:	
Capital assets	•
Depreciable:	

(Continued)

1,302,873

(1,166,237)

1,173,277,565

1,148,072,173

2,333,022,155

\$ 2,584,391,962

11,292,615

243,166

STATEMENT OF NET ASSETS AS OF AUGUST 31, 2006

LIABILITIES	
CURRENT LIABILITIES:	
Payables:	
Accounts payable	\$ 370,250
Accrued bond interest payable	32,977,121
Payable to General Fund	35,884
Deferred revenues	2,784,444
Employees' compensable leave	255,237
Revenue bonds payable	33,840,000
Other current liabilities	7,662,302
Total current liabilities	77,925,238
NONCURRENT LIABILITIES:	·
Employees' compensable leave	63,030
Revenue bonds payable	2,294,308,557
Other noncurrent liabilities	171,830,576
Total noncurrent liabilities	2,466,202,163
TOTAL LIABILITIES	\$ 2,544,127,401
	4 1,5 11,121,101
NET ASSETS:	
Invested in capital assets	\$ 136,636
Restricted	23,720,346
Unrestricted	16,407,579
TOTAL NET ASSETS	\$ 40,264,561
A CALLE AND	10,201,301
See notes to financial statements.	(7)
See holes to thianely statements.	(Concluded)

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS FOR THE YEAR ENDED AUGUST 31, 2006

OPERATING REVENUES: Interest and investment income Net decrease in fair value of investments Other operating revenues	\$ 120,279,128 (33,415,610) 3,663,929
Total operating revenues	90,527,447
OPERATING EXPENSES: Salaries and wages Payroll-related costs Professional fees and services Travel Materials and supplies	3,232,945 1,422,995 897,513 93,034 105,221
Communications and utilities Repairs and maintenance Rentals and leases Printing and reproduction Depreciation and amortization Interest	70,220 90,150 198,680 26,235 1,084,636
Other operating expenses	117,489,650 5,186,845
Total operating expenses	129,898,124
OPERATING (LOSS)	(39,370,677)
NONOPERATING REVENUES AND EXPENSES— Gain on sale of investments	16,316
OTHER REVENUES, EXPENSES, GAINS, LOSSES, AND TRANSFERS: Extraordinary items (loss on early extinguishment of debt)	
Transfers from General Fund	2,977,459
Total other revenues, expenses, gains, losses, and transfers	2,977,459
CHANGE IN NET ASSETS	(36,376,902)
NET ASSETS—September 1, 2005	76,641,463
RESTATEMENT	
NET ASSETS—September 1, 2005, as restated	76,641,463
NET ASSETS—August 31, 2006	<u>\$ 40,264,561</u>

See notes to financial statements.

STATEMENT OF CASH FLOWS FOR THE YEARS ENDED AUGUST 31, 2006

CASH FLOWS FROM OPERATING ACTIVITIES:	
Proceeds from loan programs	\$ 83,835,993
Proceeds from other revenues	3,057,234
Payments to suppliers for goods/services	(7,895,855)
Payments to employees	(4,739,587)
Payments for loans provided	(161,940,310)
Net cash used in operating activities	(87,682,525)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Proceeds from debt issuance	511,167,100
Proceeds from other costs of debt	(2,610,339)
Transfers to General Fund	2,977,460
Payments to General Fund	(39,265)
Payments of principal on debt	(349,137,525)
Payments of interest	(109,137,692)
Net cash provided by noncapital financing activities	53,219,739
CASH FLOWS FROM CAPITAL AND RELATED FINANCING	
ACTIVITIES—Payments for additions to capital assets	. (75,179)
1 of the state of	(13,115)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Proceeds from sales and maturities of investments	988,986,318
Proceeds from interest and investment income	61,644,787
Payments to acquire investments	(1,042,106,166)
Net cash provided by investing activities	8,524,939
DECREASE IN CASH AND CASH EQUIVALENTS	(26,013,026)
	(==,===,===)
CASH AND CASH EQUIVALENTS—Beginning of year	164,312,302
CASH AND CASH EQUIVALENTS—End of year	\$ 138,299,276
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	(Continued)
	(Continued)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED AUGUST 31, 2006

RECONCILIATION OF CASH FROM OPERATING ACTIVITIES	
TO OPERATING LOSS:	# (#0 pmp cmm)
Operating loss	\$ (39,370,677)
Adjustments to reconcile operating loss to net	
cash used in operating activities:	
Amortization and depreciation	1,084,636
Provision for estimated losses	12,364
Operating income and cash flow categories—classification differences	84,645,347
Changes in assets and liabilities:	
Increase in accrued interest receivable	(6,219,591)
Increase in loans	(69,738,490)
Increase in property owned	(185,739)
Decrease in mortgage loan acquisition costs	176,951
Decrease in deferred revenues	(165,781)
Decrease in other assets and liabilities	(63,725,951)
Increase in accrued interest payable	5,804,406
NET CASH USED IN OPERATING ACTIVITIES	\$ (87,682,525)
NONCASH TRANSACTIONS—	
Net Change in Fair Value of Investments	<u>\$ (33,415,610)</u>
During 2006, loans totaling \$689,311 were foreclosed and the related properties acquired were transferred to real estate owned.	
See notes to financial statements.	(Concluded)

NOTES TO FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED AUGUST 31, 2006

1. GENERAL STATEMENT AND SIGNIFICANT ACCOUNTING POLICIES

General Statement—The Texas Department of Housing and Community Affairs (the "Department"), was created effective September 1, 1991, by an act of the 72nd Texas Legislature, pursuant to Senate Bill 546 (codified as Article 4413 (501), Texas Revised Civil Statutes) (the "Department Act"), passed by the Texas Legislature on May 24, 1991, and signed by the Governor of the State of Texas. Effective September 1, 1991, the Department was established to assist local governments in helping residents overcome financial, social, and environmental problems; to address low- to moderate-income housing needs; to contribute to the preservation and redevelopment of neighborhoods and communities; to assist the Governor and the Legislature in coordinating federal and state programs affecting local governments; and to continually inform the State and the public about the needs of local government. The Department was created by merging two former agencies: the Texas Housing Agency and the Texas Department of Community Affairs.

The accompanying financial statements represent the financial status of the Revenue Bond Program (the "Program"), which is included in the enterprise fund of the Department, and are not intended to present the financial position of the Department or its results of operations or cash flows. The Department is governed by a Governing Board composed of seven members appointed by the Governor with advice and consent of the Senate. The Department is administered by an Executive Director appointed by the Governor with advice and consent of the Senate. The Department is authorized to issue tax-exempt or taxable bonds, notes, or other obligations to finance or refinance multifamily housing developments and single-family residential housing. Bonds and notes of the Department do not constitute a debt of the State or any political subdivision thereof. The Department Act specifically provides for the assumption by the Department of the outstanding indebtedness of the former agencies. The Department is required to continue to carry out all covenants with respect to any bonds outstanding, including the payments of any bonds from the sources provided in the proceedings authorizing such bonds. For financial reporting purposes, the Department is an agency of the State and is included in its reporting entity.

The Program operates several bond programs under separate trust indentures, as follows:

- Single-Family Bond Program ("Single-Family")—These bonds are limited obligations of the Department. Bond proceeds were used to originate below-market rate loans for eligible low-and moderate-income residents who were purchasing a residence. These bonds were issued pursuant to a Single-Family Mortgage Revenue Bond Trust Indenture, dated October 1, 1980, and indentures supplemental thereto, and are secured on an equal and ratable basis by the trust estate established by such trust indentures.
- Residential Mortgage Revenue Bond Program ("RMRB")—Eleven series (three of which have been refunded) of these bonds have been issued pursuant to the RMRB master indenture and 10 separate Series Supplements, and are secured on an equal and ratable basis by the trust estates established by such trust indentures. Proceeds from the 1987 A Bonds were used to purchase single-family loans, while proceeds from the remaining RMRB bond issues were

used to purchase pass-through certificates created through the origination of single-family loans.

- Collateralized Home Mortgage Revenue Bond Program ("CHMRB")—The Department issued six series of bonds pursuant to the CHMRB Trust Indenture with separate supplements for each series. The bonds are secured on an equal and ratable basis. Proceeds from the bonds are being used to purchase pass-through certificates created through the funding of loans made to finance the purchase by eligible borrowers of new and existing single-family residences in the state.
- Multifamily Housing Revenue Bond Programs ("Multifamily")—These bonds were issued pursuant to separate trust indentures and are secured by individual trust estates, which are not on an equal and ratable basis with each other. The bonds are limited obligations of the Department and are payable solely from the payments received from the assets and guarantors, which secure the individual trust indentures. Under these programs, the proceeds were either provided to nonprofit and for-profit developers of multifamily properties to construct or rehabilitate rental housing or used to refund other multifamily bonds issued for the same purposes.
- Collateralized Home Mortgage Revenue Bond Program—Series 1994 and 1995 ("COBs")— On November 1, 1994, the Department issued Single-Family Mortgage Revenue Bonds (Collateralized Home Mortgage Revenue Bond Program), Series 1994, in the amount of \$84,140,000. This bond program was issued as a Private Placement Memorandum with Federal National Mortgage Association ("FNMA"). The Series 1994 and 1995 COBs were issued to provide funds for the purchase of mortgage-backed, pass-through certificates backed by qualifying FHA-insured, VA-guaranteed, FMHA-guaranteed mortgage loans, or conventional mortgage loans acceptable for pooling by FNMA, made to eligible borrowers for single-family residences.
- Commercial Paper Notes—By resolution adopted November 10, 1994, the Department's Board has authorized the issuance of two series of commercial paper notes: its Single-Family Mortgage Revenue Refunding Tax-Exempt Commercial Paper Notes, Series A, and its Single-Family Mortgage Revenue Refunding Tax-Exempt Commercial Paper Notes, Series B (collectively, the "Notes"). Pursuant to the resolution, the Department is authorized to issue the Notes in an aggregate principal amount not to exceed \$75,000,000 outstanding. Proceeds of the initial issuance of the Notes and of future issues not issued to refund outstanding Notes will be used to redeem certain of the Department's single-family mortgage revenue bonds (the "Refunded Bonds"), which are subject to redemption as a result of the receipt by the Department of prepayments of the related underlying mortgage loans. Such prepayments may, at a future date, be recycled into new mortgage loans by the Department. The Notes are being issued in anticipation of the issuance of refunding bonds that will refund the Notes.
- Housing Trust Fund—The Department Act provided for a transfer of a portion of the unencumbered fund balance from the bond programs for use in the Housing Trust Fund. The Housing Trust Fund will be used to provide assistance for low- and very-low-income persons and families in financing, acquiring, rehabilitating, and developing affordable, decent, and safe housing. The Housing Trust Fund will be made available to local units of government, public housing authorities, the Department, community housing development organizations, and nonprofit organizations, as well as eligible low- and very-low-income individuals and families.

Continuance Subject to Review—Under the Texas Sunset Act, the Department will be abolished effective September 1, 2011, unless it is continued in existence as provided in the Texas Sunset Act. If abolished, the Department may continue in existence until September 1, 2012, to close out its operations.

Significant Accounting Policies—The significant accounting policies of the Program are as follows:

- a. Fund Accounting—The Program's financial statements have been prepared on the basis of the governmental proprietary fund concept as set forth by the Governmental Accounting Standards Board ("GASB"). The governmental proprietary fund concept provides that financial activities operated similarly to private business enterprises and financed through fees and charges assessed primarily to users of the services are presented as a proprietary fund. Proprietary funds are accounted for on the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when the liability is incurred. The Program has elected not to apply Financial Accounting Standards Board pronouncements issued after November 30, 1989, as allowed by GASB Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting.
- b. Investments—The Program follows the provisions of GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools. GASB Statement No. 31 requires certain types of investments to be reported at fair value on the balance sheet. The Program utilizes established quoted market prices for determining the fair value of its debt securities in reserve funds. Fair value of the Program's securitized mortgage loans ("GNMA/FNMA") has been estimated by each bond issue's trustee using a pricing service.

The Program has reported all investment securities at fair value as of August 31, 2006, with the exception of certain money market investments and nonparticipating interest-earning investment contracts, which are reported at amortized cost (historical cost adjusted for amortization of premiums and accretion of discounts), provided that the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer or by other factors (see Note 3).

In accordance with GASB Statement No. 31, changes in the fair value of investments are reported in the statement of revenues, expenses, and changes in net assets as net increase (decrease) in fair value of investments.

- c. Mortgage-Backed Securities—The Program's portfolio of mortgage-backed securities consists of pools of mortgage loans exchanged for mortgage-backed securities or mortgage pass-through certificates.
- d. Loans Receivable—Loans receivable are carried at the unpaid principal balance outstanding less the allowance for estimated loan losses and deferred commitment fees. Interest on loans is credited to income as earned. Loans are generally placed on nonaccrual status when the Department becomes aware that the borrower has entered bankruptcy proceedings or when the loans are 90 days past due as to either principal or interest or when payment in full of principal and interest is not expected. Deferred commitment fees are recognized using the interest method over the estimated lives of the single-family loans and the contractual lives, adjusted for actual repayments, of the multifamily loans.
- e. Real Estate Owned—Properties acquired through foreclosure are carried at the unpaid principal balance on the related property plus accrued interest and reimbursable expenses through the date of foreclosure, less any sales proceeds, reimbursements received from mortgage insurers, and an

allowance for estimated losses on such properties. After foreclosure, foreclosed assets are carried at lower of cost or fair value minus selling costs.

Interest on real estate owned is credited to income as earned based on a calculation of interest recoverable in accordance with the Department's agreements with its mortgage insurers.

f. Allowance for Estimated Losses on Loans and Foreclosed Properties—The allowance for estimated losses on loans is available for future chargeoffs on single-family and multifamily loans. The allowance for estimated losses on real estate owned is available for future chargeoffs on foreclosed single-family loans.

All losses are charged to the allowance when the loss actually occurs or when a determination is made that a loss is likely to occur. Periodically, management estimates the likely level of future losses to determine whether the allowances for estimated losses are adequate to absorb anticipated losses in the existing loan and real estate owned portfolios. Based on these estimates, a provision for estimated losses on loans and real estate owned is made to the allowances in order to adjust the allowances to levels estimated to be adequate to absorb reasonably foreseeable losses.

While management uses available information to recognize losses in the loan and real estate owned portfolios, future adjustments may be necessary based on changes in economic conditions. However, it is the judgment of management that the allowances are currently adequate to absorb reasonably foreseeable losses in the existing loan and real estate owned portfolios.

- g. Commitment Fees—Commitment fees received in connection with the origination of loans are deferred and recognized using the interest method over the estimated life of the related loans and mortgage-backed securities, or if the commitment expires unexercised, it is credited to income upon expiration of the commitment.
- h. Deferred Issuance Costs—Deferred issuance costs on bonds are amortized using the interest method over the contractual life of the bonds to which they relate. Prepayments on the bonds result in the proportionate amortization during the current year of the remaining balance of deferred issuance costs.
- i. Discounts and Premiums on Debt—Discounts and premiums on debt are recognized using the interest method over the life of the bonds or collateralized mortgage obligations to which they relate. Prepayments on the bonds result in the proportionate amortization during the current year of the remaining balance of discounts and premiums on debt.
- j. Restricted Net Assets—The net assets of the Program are restricted for various purposes of the bond trust indentures.
- k. Invested in Capital Assets—This component of net assets consists of capital assets, net of accumulated depreciation.
- m. Cash Flows—For purposes of reporting cash flows, cash and cash equivalents consist of cash and short-term investments with a maturity at the date of purchase of three months or less, which are highly liquid and are readily exchanged for cash at amounts equal to their stated value.

- n. Interfund Transactions—The Program has transactions between and with other funds of the Department. Quasi-external transactions are charges for services rendered by one fund to another, and they are accounted for as revenue or expense. All other interfund transactions are reported as transfers.
- o. Gain/Loss on Refundings of Debt—Any gain/loss on refunding of bonds is deferred and amortized as a component of interest expense using the interest method.
- p. Loss on Early Extinguishment of Debt—Any loss on extinguishment of debt prior to its stated maturity is recorded in the period the debt is retired.
- q. Estimates—In preparing the financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the balance sheet and the reported revenues and expenses for the period. Actual results could differ significantly from those estimates. Management judgments and accounting estimates are made in the evaluation of the allowance for estimated losses on loans and real estate owned and in determination of the assumptions with respect to prepayments on loans and mortgage-backed securities in the recognition of deferred commitment fees to income.

2. CAPITAL ASSETS

A summary of changes in capital assets for the year ended August 31, 2006, is presented below:

Program Activities	Balance September 1, 2005	Additions	Deletions	Balance August 31, 2006
Depreciable assets: Furniture and equipment Other capital assets	\$ 1,236,446	\$ 12,225 62,954	\$ (8,752)	\$ 1,239,919 62,954
Less accumulated depreciation: Furniture and equipment Other capital assets	(1,082,045)	(82,708) (10,236)	8,752	(1,156,001) (10,236)
Depreciable assets—net	<u>\$ 154,401</u>	<u>\$ (17,765)</u>	<u>\$ -</u>	\$ 136,636

3. CASH AND CASH EQUIVALENTS, INVESTMENTS, AND MORTGAGE-BACKED SECURITIES

The Department is authorized by statute to make investments following the "prudent person rule" and based upon provisions within the master bond indentures and its Investment Policy adopted by the Board in accordance with the Public Funds Investment Act. There were no significant violations of legal provisions during the period.

Deposits of Cash in Bank—As of August 31, 2006, the carrying amount of deposits was \$1,696 (in thousands).

Program funds—current assets—cash in bank: Texas Treasury Safekeeping Trust (TTSTC) Demand deposits	\$ 159
Program funds—current assets—restricted cash in bank: Texas Treasury Safekeeping Trust Demand deposits	203 _1,334
Cash in bank	\$1,696

At August 31, 2006, the Program's cash and deposits in the State Treasury amounted to \$757,860. Of that amount, \$757,860 was fully collateralized by securities held with a trustee in the State's name, as reported to the Department by the Comptroller of Public Accounts of the State of Texas.

Investments—The types of investments in which the Department may invest are restricted by the provisions of the master bond indentures and the Department's Investment Policy adopted by its Board in accordance with the Public Funds Investment Act. The indentures allow for investments in direct obligations of or guaranteed by the U.S. government; obligations, debentures, notes, or other evidences of indebtedness issued or guaranteed by agencies or intermediaries of the U.S. government; obligations issued by public agencies or municipalities; obligations and general obligations of or guaranteed by the state; demand deposits, interest-bearing time deposits or certificates of deposit; repurchase agreements in U.S. government securities; direct or general obligations of any state within the territorial U.S.; investment agreements with any bank or financial institution; commercial paper; and guaranteed investment contracts. Certain trust indentures restrict the Department from investing in certain of the aforementioned investments.

At August 31, 2006, the fair values of investments as of the balance sheet date (including both short term and long term) are shown below (in thousands).

Program Activities	Carrying Value	Fair Value	
U.S. government Treasury securities	\$ 25,921	\$ 26,129	
U.S. government agency obligations	910,428	887,365	
Repurchase agreements (TTSTC)	79,322	79,322	
Fixed income money markets	57,845	57,845	
Miscellaneous (investment agreements/GICs)	341,801	341,801	
Total	<u>\$1,415,317</u>	\$1,392,462	

Credit Risk—Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Preservation and safety of principal is the foremost objective of the investment program. According to the Department's investment policy, investments should be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. Credit risk is mitigated by:

- Limiting investments to the safest types of securities.
- Prequalifying the financial institution, broker/dealers, intermediaries, and advisors with which the Department will do business.
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized.

As of August 31, 2006, the Program's credit quality distribution for securities with credit risk exposure was as follows (in thousands):

Standard & Poor's

Investment Type	Not Rated	AAA	Aa	A
U.S. government agency obligations Repurchase agreements (TTSTC) Miscellaneous (investment agreements/GICs)	\$ - 79,322 341,801	\$ 73,173	\$ -	\$ -
	Not Rated	AAA-M	AA-M	A-M
Fixed income money markets	\$ -	\$ 57,845	\$ -	\$ -

A total of \$840,320,987 was not subject to credit risk disclosure due to their explicit guarantee by the U.S. government which is composed of \$26,128,517 in U.S. Treasury securities and \$814,192,470 in U.S. government agency obligations issued by the Government National Mortgage Association.

Concentration of credit risk is the risk of loss attributable to the magnitude of investment in a single issuer. As of August 31, 2006, the Department's concentration of credit risk is as follows (in thousands).

Issuer	Carrying Value	% of Total Portfolio
DEPFA Bank	\$ 235,705	16.65 %
USB Warbus	79,289	5.60

Interest Rate Risk—Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of any investment. Longer maturity of an investment will result in greater sensitivity of its fair value to changes in the market interest rates. The Department's investment policy allows for the mitigation of interest rate risk by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.
- Investing operating funds primarily in shorter-term securities.

Information about the sensitivity of the fair values of the Program's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Program's investments by maturity (in thousands):

Program Activities	Fair Value	12 months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
U.S. Treasury securities U.S. government agency obligations Repurchase agreements (TTSTC)	\$ 26,129 887,365 79,322	\$ 24,983 10,336 79,322	\$ -	\$ -	\$ 1,146 877,029
Fixed income money markets Miscellaneous (investment agreements/GICs)	57,845 <u>341,801</u>	57,845 55,031	257,353	_154	29,263
Total	\$1,392,462	<u>\$ 227,517</u>	<u>\$ 257,353</u>	\$ 154	\$ 907,438

Highly Sensitive Investments—Mortgage-backed securities: These securities are subject to early payment in a period of declining interest rates. These prepayments result in a reduction of expected total cash flows affecting the fair value of these securities and make the fair value of these securities highly sensitive to the changes in interest rates. The Department does not make it a common practice to sell these investments. Any fluctuation in fair value generates an unrealized gain or loss which would be recorded in the financial statements. As of August 31, 2006, the Department holds \$887,365,111 in mortgage-backed securities.

4. SUMMARY OF LONG-TERM LIABILITIES

Employees' Compensable Leave—A state employee is entitled to be paid for all unused vacation time accrued, in the event of the employee's resignation, dismissal, or separation from State employment, provided the employee has had continuous employment with the State for six months. An expense and liability is recorded as the benefits accrue to employees. No liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

Other Noncurrent Liabilities—Other noncurrent liabilities totaling \$171,830,576 primarily account for funds due to developers as a result of Multifamily bond proceeds. These proceeds are conduit debt issued on behalf of the developer for the purpose of Multifamily developments and are held by the trustee. Due to the variables related to the balance, the current portion cannot be reasonably estimated.

5. RESTRICTED ASSETS

Cash in bank, cash equivalents, short-term investments, loans and contracts, interest receivable, and investments (which include mortgage-backed securities) totaling \$2.6 billion are restricted by the trust indentures of the related bonds and collateralized mortgage obligations. The trust indentures of the Department also require the establishing of accounts for the segregation of assets and restricting the use of bond proceeds, and other funds in connection with each bond program. Such restricted assets, primarily investments, at August 31, 2006, are as follows (in thousands):

Program	Mortgage and Debt Service Reserve	Unspent Bond Proceeds	Revenue Account	Self- Insurance	Rebate Account
Single-family RMRB CHMRB	\$ 1,237	\$ 262,461 375	\$34,136 11,929 772	\$1,515 401	\$ 439 262
Multifamily 93 SF CHMRB Commercial paper	1,273	101,663	22,772		8 407
Total	\$2,510	\$364,499	\$69,609	\$1,916	\$ 1,116

Additionally, deferred issuance costs and real estate owned totaling \$11.3 million and \$243,000, respectively, are also restricted.

6. LOANS RECEIVABLE

Loans receivable as of August 31, 2006, consisted of the following (in thousands):

Single-family loans Multifamily loans RMRB (1987 Series A) single-family loans Miscellaneous loans	\$ 51,382 1,106,506 1,534 3,506
Total loans	1,162,928
Deferred commitment fees, net of accumulated amortization of \$39,114 in 2006 Allowance for estimated loan losses	(1,283) (2,989)
Total	\$ 1,158,656

All of the loans made directly by the Department are secured by real estate properties located in the state.

Single-family loans are collateralized by first-lien mortgages on the applicable real estate and (i) are federally insured or guaranteed or (ii) are insured by a private mortgage insurer approved by the Department for the amount by which the loan exceeds 80% of the original appraised value.

Certain properties acquired through foreclosure are covered by mortgage pool insurance. The mortgage pool insurance covers the unpaid principal balance of the loan at the ultimate date of sale, delinquent interest up to the claim settlement date, and certain other expenses.

The single-family trust indenture requires the Department to obtain and maintain mortgage pool insurance on loans collateralizing each series of bonds issued under that trust indenture. Except with respect to four series, the requirement has been satisfied by purchasing and maintaining a mortgage pool insurance policy for each bond series. For loans collateralizing the other four series of bonds, the Department has entered into Mortgage Pool Self-Insurance Fund Agreements ("Agreements") with the trustee. The funding requirements of these Agreements have been met as of August 31, 2006.

Multifamily mortgage and lender loans are collateralized by first-lien mortgages on the applicable housing developments, letters of credit, guarantees provided by third parties and collateralized mortgage obligations issued by federally chartered, privately owned corporations.

\$ 3345

The activity in the allowance for estimated loan losses is as follows (in thousands):

Balance—beginning of year

7.

Provision for estimated losses on loans	(356)
Balance—end of year	\$ 2,989
REAL ESTATE OWNED	
Real estate owned for the Program was as follows (in thousands):	
Real estate owned Allowance for estimated losses	\$ 1,394 _(1,151)
Real estate owned—net	\$ 243
The activity in the allowance for estimated losses was as follows (in thousands):	
Balance at beginning of year Amounts charged off Provision for losses on real estate owned	\$ (495) (561) (95)
Balance at end of year	\$ (1,151)

The provision for loss on real estate owned was recorded to adjust real estate owned to the estimated fair value less estimated costs of disposal.

8. BONDS PAYABLEBonds payable activity for the year ended August 31, 2006, consisted of the following (in thousands):

	Original Face Amount	Balance September 1, 2005	Additions/ Accretions	Maturities/ Prepayments	Balance August 31, 2006	Final Maturity Date	Amounts Due Within One Year
G' 1 5 3							
Single-family:	6 05 760	# DO #50			_		_
1995 Series A—4.15% to 6.15% 1995 Series C—6.44% to 7.76%	\$ 85,760	\$ 29,750	\$ -	\$ 29,750	s -	2027	\$ -
1996 Series A-4.5% to 6.3%	71,760 15,000	12,915 8,875		12,915		2017	
1996 Series D—5.45% to 6.25%	70,760	28,775		8,875 28,775		2028 2028	
1996 Series E—3.9% to 6%	98,730	21,915		21,915		2028	
1997 Series A-5.25% to 5.80%	44,465	30,175		21,713	30,175	2017	
1997 Series B—5.45%	9,510	7,330		6,590	740	2019	
1997 Series D-5.65% to 5.70%	44,795	18,055		3,350	14,705	2029	
1997 Series F6.77%	20,000	5,625		5,625	1,,	2029	
2002 Series A-7.01%	10,000	9,945		860	9,085	2026	
2002 Series A-5.45% to 5.55%	38,750	37,570		85	37,485	2034	
2002 Series B5.35% to 5.55%	52,695	47,760		4,005	43,755	2033	
2002 Series C-2.80% to 5.20%	12,950	12,120		470	11,650	2017	470
2002 Series D-2.0% to 4.5%	13,605	8,270		1,325	6,945	2012	895
2004 Series A-2.0% to 4.7%	123,610	123,485		770	122,715	2035	1,635
2004 Series B—variable rate	53,000	53,000			53,000	2034	
2004 Series A—variable rate	4,140	4,140			4,140	2036	
2004 Series C-4.3% to 4.8%	41,245	41,245		2,375	38,870	2036	280
2004 Series D—variable rate	35,000	35,000			35,000	2035	
2004 Series E-2.45% to 4.3%	10,825	10,825		320	10,505	2013	1,310
2005 Series A—variable rate	100,000	100,000		30	99,970	2036	885
2005 Series B-4.38%	25,495		25,495	965	24,530	2026	375
2005 Series C-4.31% to 5.39%	8,970		8,970	310	8,660	2017	
2005 Series D-5.0%	3,730		3,730	245	3,485	2035	
2006 Series A5.0%	59,555		59,555		59,555	2037	
2006 Series B-5.0%	70,485		70,485		70,485	2034	
2006 Series C-5.13%	105,410		105,410		105,410	2037	
2006 Series D-4.50%	29,685		29,685		29,685	2028	
2006 Series E-4.06%	17,295		17,295		17,295	2,017	
2006 Commercial Paper Series A-3.63%	75,000	<u>75,000</u>	72,191	131,993	15,198	2006	<u> 15,198</u>
Total principal amount		721,775	<u>\$392,816</u>	\$ 261,548	853,043		\$ 21,048
Unamortized premium		4,277			11,120		
Unamortized discount and							
losses on refundings		(2,413)			(3,570)		
Total single-family		\$723,639			\$860,593		

	Original Face Amount	Balance September 1, 2005	Additions Accretions	Maturities/ Prepayment	Balance August 31, 2006	Final Maturity Date	Amounts Due Within One Year
RMRB: 1998 Series A—4.05% to 5.35% 1998 Series B—5.30% 1999 Series A—4.80% to 5.50% 1999 Series B-1—6.32% to 5.50% 1999 Series C—5.05% to 6.25% 2000 Series A—5.10% to 6.30%	\$ 102,055 14,300 25,615 52,260 12,150 50,000	\$ 52,745 8,645 7,785 30,200 4,480 21,730	\$ -	\$ 6,670 450 1,070 4,450 600 3,320	\$ 46,075 8,195 6,715 25,750 3,880 18,410	2031 2022 2021 2032 2024 2031	\$ 1,315 260
2000 Series B—5.70% 2000 Series C—5.85% to 5.82% 2000 Series D—4.55% to 5.85% 2001 Series A—3.15% to 5.70% 2001 Series B—5.0% to 5.25%	82,975 13,675 18,265 52,715 15,585	63,020 9,580 9,430 40,595 12,680		8,275 665 1,630 3,870 290	54,745 8,915 7,800 36,725 12,390	2033 2025 2020 2033 2022	570 685
2001 Series C—2.55% to 4.63% 2001 Series D—5.35% 2002 Series A—2.25% to 5.35% 2003 Series A—1.70% to 5.00%	32,225 300 42,310 73,630	14,845 235 39,060 71,735		3,025 4,880 2,505	11,820 235 34,180 69,230	2015 2033 2034 2034	1,145 605 1,175
Total principal amount		386,765	<u>s - </u>	\$ 41,700	345,065		\$ 5,755
Unamortized premium		3,416			2,525		
Unamortized discount and loss on refundings		(1,645)			(1,442)		
Total RMRB		\$388,536			<u>\$346,148</u>		
CHMRB: 1992 Series C—linked rate averaging 6.90%	\$ 72,700	\$ 20,600		\$ 5,700	\$ 14,900	2024	
Total principal		20,600		\$ 5,700	14,900		
Plus unamortized premium		458			325		
Total CHMRB		\$ 21,058			\$ 15,225		
SF MRB CHMRB: 1994 Series C—6.25%	\$ 15,360	\$ 3,500		\$ 3,500	<u>s - </u>	2026	
Total SF MRB CHMRB		\$ 3,500		\$ 3,500	<u>\$</u>		

	Original Face Amount	Balance September 1, 2005	Additions Accretions	Maturities/ Prepayment	Balance August 31, 2006	Final Maturity Date	Amounts Due Within One Year
Multifamily:							
1987 Series (South Texas Rental							
Housing)—9.5%	\$ 1,400	\$ 773	\$ -	\$ 77	\$ 696	2012	\$ 84
1993 Series A and B Refunding (High Point III Development/							
Remington Hill Development)	26,370	11,390			11,390	2023	
1996 Series A and B (Brighton's		-			-		
Mark)—6.13% 1996 Series A and B (Marks of	9,748	8,075			8,075	2026	
Las Colinas)—5.56%	14,870	14,870		2,200	12,670	2026	
1996 Series A and B (Braxton's	1.,4.0	1,,010		2,200	12,010	2020	
Mark)—5.81%	14,274	14,274			14,274	2026	
1996 Series A, B, C, and D (Harbors and Plumtree)—5.9% to 10%	13,050	11 360		11 760		2026	
1998 Series (Pebble Brook)—	13,030	11,360		11,360		2026	
4.95% to 5.60%	10,900	10,245		170	10,075	2030	180
1998 Series A, B, and C (Residence							
Oaks)—5.98% to 7.18%	8,200	7,683		134	7,549	2030	141
1998 Series (Volente)—5.00% to 5.63%	10,850	10,170		165	10,005	2031	175
1998 Series (Dallas—Oxford	10,000	10,170		105	10,005	20,1	1/3
Rfdg.)—7.25%	10,300	10,300	-		10,300	2018	
1998 Series (Greens)—5.2% to 6.03%	12 500	10 755		210	10.545	2020	
1999 Series (Mayfield)—5.7% to	13,500	12,755		210	12,545	2030	220
7.25%	11,445	10,792		187	10,605	2031	199
1999 Series (Woodglen Village)—					·		
7.38% to 8.25% 2000 Series (Timber Point)—	10,660	10,505			10,505	2039	118
variable rate	8,100	7,900		100	7,800	2032	
2000 Series (Oaks @ Hampton)—	-,	7,222		100	,,000	2002	
7.20% to 9.00%	10,060	9,885		62	9,823	2040	68
2000 Series (Deerwood)— 5.25% to 6.40%	6,435	6,245		85	6 160	2022	0.5
2000 Series (Creek Point)—	0,455	0,243		92	6,160	2032	85
variable rate	7,200	6,785		100	6,685	2032	
2000 Series A/B (Parks @	.,	-,			2,000	2032	
Westmoreland-7.20% to 9.00%	9,990	9,832		61	9,771	2040	67
2000 Series (Honeycreek)—							
7.63% to 8.15%	20,485	20,363			20,363	2035	253
2000 MF Series A-C (Highland	4						
Meadow Apts)—6.75% to 8%	13,500	11,159		137	11,022	2033	145
2000 MF Series A/B (Greenbridge)— 7.4% to 10%	- 20,085	19,891			10.001	20.40	011
2000 MF Series A-C (Collingham	20,003	15,651			19,891	2040	211
Park)—6.72% to 7.72%	13,500	13,277		162	13,115	2033	172
2000 MF Series A/B (Williams	,	,,-		102	12,112	2000	112
Run)—7.65% to 9.25%	12,850	12,577		16	12,561	2040	173
2000 MF Series A/B (Red Hills					•		
Villas) - 8.4% to 9.5%	10,300	10,188		49	10,139	2040	54
2001 MF Series (Bluffview							
Senior Apts)—7.65%	10,700	10,595		51	10,544	2041	55
2001 MF Series (Knollwood Villag Apte) 7 65%	12 750	10 (15			10.010	2011	
Villas Apts)—7.65% 2001 MF Series (Skyway	13,750	13,615		66	13,549	2041	71
Villas)—6.0% to 6.5%	13,250	13,115		4,230	8,885	2034	130
	,	,-1-		-T-2-14	0,000	2034	130

	Original Face Amount	Balance September 1, 2005	Additions Accretions	Maturities/ Prepayment	Balance August 31, 2006	Final Maturity Date	Amounts Due Within One Year
2001 MF Series A/B							
(Cobb Park)—6.77%	\$ 7,785	\$ 7,722	\$ -	\$ 35	\$ 7,687	2041	\$ 38
2001 MF Series A (Greens							
Road Apts)—5.3% to 5.4%	8,375	8,275		105	8,170	2034	110
2001 MF Series A							
(Meridian Apts)—5.45% to 6.85%	14,310	14,220		160	14,060	2034	175
2001 MF Series A							
(Wildwood Apts)—5.45% to 6.75%	14,365	14,280		165	14,115	2034	175
2001 MF Series A-C	14700	11611		100			
(Fallbrook Apts)—6.06% to 6.78% 2001 MF Series A (Oak	14,700	14,614		180	14,434	2034	193
Hollow Apts)—7.0% to 7.9%	8,625	0 122		1 705	C 410	20.41	20
2001 MF Series A/B	0,022	8,123		1,705	6,418	2041	37
(Hillside Apts)—7.0% to 9.25%	12,900	12,804		63	12,741	2041	69
2002 MF Series A	12,500	12,004		0.5	12,741	2041	U.S
(Millstone Apts)-5.35% to 5.86%	12,700	12,620		165	12,455	2035	180
2002 MF Series A (Sugar	,	,		102	12,100	2023	100
Creek Apts)6.0%	11,950	11,855		35	11,820	2042	105
2002 MF Series A (West					•		
Oaks Apts)—7.15% to 7.5%	10,150	9,676		33	9,643	2042	70
2002 MF Series A (Park							
Meadows Apts)—6.53%	4,600	4,550		155	4,395	2034	60
2002 MF Series A (Clarkridge Villas							
Apts)—7.0%	14,600	14,531		74	14,457	2042	79
2002 MF Series A (Hickory Trace	11.000						
Apts)—7.0%	11,920	11,873		410	11,463	2042	62
2002 MF Series A (Green Crest	12 500	12.451		1 003	11.400	20.40	
Apts)—7.0% 2002 MF Series A/B (Ironwood	12,500	12,451		1,023	11,428	2042	77
Crossing)—5.5% to 8.75%	16,970	16,970		51	16,919	2042	67
2002 MF Series A/B (Woodway Villa	•	10,570		31	10,919	2042	67
Apts)—4.9% to 5.2%	9,100	9,100		1,355	7,745	2023	100
2003 MF Series A/B (Reading		-,		7,500	.,	2023	100
Road Apts)—Variable not to exceed	12,200	12,200			12,200	2036	120
2003 MF Series A/B (North Vista		•			,		
Apts)-4.1% to 5.41%	14,000	14,000			14,000	2036	200
2003 MF Series A/B (West Virginia							
Apts)—4.15% to 5.41%	9,450	9,450			9,450	2036	135
2003 MF Series A/B (Sphinx							
@ Murdeaux)—3.55% to 5.0%	15,085	15,015		140	14,875	2042	160
2003 MF Series A/B (Primrose Houst							
School)—5.5% to 8.0%	16,900	16,900		276	16,624	2036	73
2003 MF Series A/B (Timber Oaks Apts)—6.75 to 8.75%	12 200	12 106		47	12 140	20.42	
2003 MF Series A/B (Ash Creek	13,200	13,196		47	13,149	2043	51
Apts)—5.6% to 15.0%	16,375	16,375		24	16,351	2036	73
2003 MF Series A/B (Peninsula	10,5,5	10,575		24	10,551	2030	13
Apts)—4.25 to 5.3%	12,400	12,400			12,400	2024	80
2003 MF Series A/B (Evergreen	,	,			12-j-100	2027	00
@ Mesquite)—6.6% to 8.0%	11,000	11,000		41	10,959	2043	103
2003 MF Series A/B (Arlington Villa		•			× -3		
Apts)—Variable rate	17,100	17,100			17,100	2036	46
2003 MF Series A/B (Parkview Twnh							
Apts)6.6% to 8.5%	16,600	16,600		45	16,555	2043	73

	Original Face Amount	Balance ptember 1, 2005	Additions Accretions	Maturities/ Prepayment		Balance ugust 31, 2006	Final Maturity Date	Amounts Due Within One Year
2003 MF Series A (NHP-Asmara								
Apts) Refunding—Variable rate	\$31,500	\$ 31,500	s -	\$ 9,875	\$	21,625	2033	\$ 335
2004 MF Series A/B (Timber Ridge				+ -,-/-	-	,		# 350
Apts)5.75% to 8.0%	7,500	7,500		800		6,700	2037	32
2004 MF Series A/B (Century Park						•		
Apts)—Variable rate	13,000	13,000				13,000	2037	65
2004 MF Series A (Addison Park								
Apts)—Variable rate	14,000	14,000				14,000	2044	60
2004 MF Series A/B (Veterans Memo								
Apts)—6.6% to 8.5%	16,300	16,300		34		16,266	2044	73
2004 MF Series A (Rush Creek	10.000	10.000				0.006	2044	5.0
Apts)—5.38% to 6.7%	10,000	10,000		4		9,996	2044	52
2004 MF Series A (Humble Park Apts)—5.38% to 6.7%	11 700	11.700				11 700	2041	nn.
2004 MF Series A (Chisholm Trail	11,700	11,700				11,700	2041	90
Apts)—Variable rate	12,000	12,000				12,000	2037	130
2004 MF Series A (Evergreen @ Plan		12,000				12,000	2037	150
Apts)—5.25% to 6.55%	14,750	14,750				14,750	2044	13
2004 MF Series A (Montgomery Pine						,	• •	
Apts)—Variable rate	12,300	12,300				12,300	2037	145
2004 MF Series A (Bristol								
Apts)—Variable rate	12,625	12,625				12,625	2037	75
2004 MF Series A (Pinnacle								
Apts)—Variable rate	14,500	14,500				14,500	2044	90
2004 MF Series A (Tranquility Bay								
Apts)—Variable rate	14,350	14,350		18		14,332	2044	79
2004 MF Series A (Sphinx @ Delafie		11 200		40			0044	
Apts)—5.05% to 5.35%	11,380	11,380		49		11,331	2044	95
2004 MF Series A (Churchill @ Pinn Apts)—5.25% to 6.55%	10,750	10,750				10.750	2044	
2004 MF Series A/B (Post Oak East	10,750	10,750				10,750	2044	
Apts)—Variable rate	13,600	13,600				13,600	2037	105
2004 MF A Series (Village Fair	13,000	15,000				15,000	2037	103
Apts)5.0% to 6.5%	14,100	14,100				14,100	2044	50
2005 MF A Series (Pecan Grove	•							
Apts)-5.0% to 6.5%	14,030	14,030				14,030	2045	44
2005 MF Series A (Prairie Oaks						-		
Apts)-4.75% to 6.5%	11,050	11,050				11,050	2045	34
2005 MF Series A (Port Royal								
Apts)5.0% to 6.5%	12,200	12,200				12,200	2045	32
2005 MF Series A (Del Rio								
Apts)—5.0% to 6.5%	11,490	11,490				11,490	2045	31
2005 MF Series A (Atascocita Pines Apts)—Variable rate	11.000	11.000				11.000	2024	
2005 MF Series A (Tower Ridge	11,900	11,900				11,900	2037	
Apts)—Variable rate	15,000	15,000				15,000	2038	
2005 MF Series A (Alta Cullen	12,000	12,000				12,000	2030	
Apts)—5.89% to 6.6%	14,000	14,000				14,000	2045	
2005 MF Series A (Lafayette Village	. ,					,500		
Apts)—Variable rate	14,100	14,100				14,100	2038	
2005 MF Series A (Prairie Ranch						•		
Apts)—4.85%	12,200	12,200				12,200	2045	
2005 MF Series A (St. Augustine								
Apts)—Variable rate	7,650	7,650				7,650	2038	

	Original Face Amount		3alance otember 1, 2005		ditions retions	Maturities/ Prepayment		Balance ugust 31, 2006	Final Maturity Date	Amounts Due Within One Year
2005 MF Series A (Park Manor Apts)—5.0% to 6.4%	\$10,400	\$	10,400	\$	-	\$ -	\$	10,400	2045	\$ -
2005 MF Series A (Mockingbird Apts)—6.4%	14,360		14,360					14,360	2045	
2005 MF Series A (Chase Oaks Apts)—5.05%	14,250		14,250					14,250	2035	95
2006 MF Series A (Canal Place Apts)—Variable rate				1	6,100			16,100	2039	
2006 MF Series A (Coral Hills) —5.05%					·			·		
2006 MF Series A (Harris Branch)					5,320			5,320	2038	
—Variable rate 2006 MF Series A (Bella Vista)				1	5,000			15,000	2039	
6.15%					6,800			6,800	2046	
2006 MF Series A (Village Park) —4.75% to 5.13%				1	3,660			13,660	2026	
2006 MF Series A (Oakmoor) 5.50% to 6.00%				1	4,635			14,635	2046	
2006 MF Series A (Sunset Pointe) —Variable rate					5,000					
2006 MF Series A (Hillcrest)								15,000	2039	
—5.25% 2006 MF Series A (Pleasant Village)				1	2,435			12,435	2039	
6.00% 2006 MF Series A (Grove Village)				1	6,000			6,000	2023	
6.00%					6,180			6,180	2023	
Total principal amount		\$ 1,	033,504	\$11	1,130	<u>\$ 36,689</u>	<u>\$ 1</u>	,107,945		<u>\$7,037</u>
Net deferred amount on refunding Unamortized discount			(2,155) (583)				_	(1,197) (565)		
Total multifamily		1,	030,766				1,	106,183		
Total		<u>\$ 2,</u>	167,499				<u>\$ 2,</u>	328,149		

(Concluded)

Proceeds from the issuance of bonds under the single-family and RMRB Series 1987A programs were used to acquire loans. Proceeds from the issuance of bonds under CHMRB and remaining RMRB programs were used to acquire pass-through certificates backed by mortgage loans. Pass-through certificates were purchased with proceeds from the multifamily 1985 Series G. Proceeds from the remaining multifamily bond issues were used to finance mortgage loans. Interest on bonds is payable periodically.

The single-family, RMRB, and CHMRB bonds are collateralized by the revenues and assets pledged under the trust indentures, primarily single-family mortgage loans, mortgage-backed securities, and investments. The multifamily bonds are collateralized by varying methods, including, but not limited to, the mortgage loans on the applicable housing developments, certificates of deposit, letters of credit, guarantees provided by third parties, and collateralized mortgage obligations issued by federally chartered, privately owned corporations.

The Department is authorized to issue the Notes in an aggregate principal amount not to exceed \$75,000,000 outstanding. Proceeds of the initial issuance of the Notes and of future issues not issued to refund outstanding Notes will be used to redeem certain of the Department's single-family mortgage revenue bonds (the "Refunded Bonds"), which are subject to redemption as a result of the receipt by the Department of prepayments of the related underlying mortgage loans. Such prepayments may, at a future date, be recycled into new mortgage loans by the Department. On December 31, 2005, the Department was temporarily authorized to increase the aggregate principal amount of the notes to \$200,000,000 from \$75,000,000 for the purpose of warehousing new volume cap. The authorization expires December 31, 2006.

The trust indentures contain positive and negative covenants. Events of default include failure to make timely payment of both principal and interest on any outstanding bond; failure to make timely payment of any other monies required to be paid to the trustee; and nonperformance or nonobservance of any other covenants, agreements, or conditions contained in the indentures. Management believes that it is in compliance with the covenants of the indentures.

Bond contractual maturities (principal only) at August 31, 2006, are as follows (in thousands):

Description	2007	2008	2009	2010	2011	2012 to 2016	2017 to 2021
Single-family RMRB CHMRB	\$ 21,048 5,755	\$ 11,605 6,020	\$ 13,795 6,280	\$ 13,315 6,250	\$ 13,785 5,085	\$ 82,650 26,470	\$104,925 59,110
Multifamily	7,037	8,306	9,729	10,840	11,614	68,344	104,089
Total	\$ 33,840	\$ 25,931	\$ 29,804	\$ 30,405	\$ 30,484	<u>\$ 177,464</u>	\$268,124
Description	2022 to 2026	2027 to 2031	2032 to 2036	2037 to 2041	2042 to 2046	Total	
Single-family RMRB	2026 \$142,520 58,000					\$ 853,043 345,065	
Single-family	2026 \$142,520	2031 \$197,085	2036 \$223,470	2041	2046	\$ 853,043	

Actual maturities will differ from contractual maturities since the Department has the right to call or prepay obligations with or without call or prepayment penalties as the related loans and mortgage-backed securities mature or prepay.

Bond maturities (principal and interest) at August 31, 2006, are as follows (in thousands):

Description	2007	2008	2009	2010	2011	2012 to 2016	2017 to 2021
Single-family RMRB CHMRB Multifamily	\$ 59,601 24,281 1,028 78,346	\$ 49,711 24,291 1,031 73,456	\$ 51,363 24,273 1,028 74,430	\$ 50,359 23,953 1,028 75,036	\$ 50,261 22,520 1,028 75,183	\$ 254,927 109,766 5,146 372,631	\$255,686 132,979 5,143 378,980
Total	\$163,256	<u>\$148,489</u>	<u>\$151,094</u>	<u>\$150,376</u>	<u>\$148,992</u>	\$ 742,470	\$772,788
Description	2022 to 2026	2027 to 2031	2032 to 2036	2037 to 2041	2042 to 2046	Total	
Single-family RMRB	2026 \$266,750 114,467					\$1,601,811 694,682	
Single-family	2026 \$266,750	2031 \$278,666	2036 \$255,075	2041	2046	\$1,601,811	

Deferred issuance costs at August 31, 2006, consist of the following (in thousands):

Deferred issuance costs Less accumulated amortization	\$ 37,311 (26,018)
	\$ 11.293

9. EMPLOYEE BENEFITS

Plan Description—The Department contributes to the Employees Retirement System of Texas (the "System"), a cost-sharing, multiple-employer, defined benefit plan. The Department has implemented GASB Statement No. 27, Accounting for Pensions by State and Local Governmental Employers, which standardizes financial reporting for pensions by state and local government employers. The System provides service retirement, disability retirement benefits, and death benefits to plan members and beneficiaries. The System operates under the authority of provisions contained primarily in Texas Government Code, Title 8, Subtitle B, which is subject to amendment by the Texas Legislature. The System's annual financial report and other required disclosure information are available by writing the Employees Retirement System of Texas, P.O. Box 13207, Austin, Texas, 78711-3207 or by calling (512) 476-6431.

Funding Policy—Under provisions in State law, plan members are required to contribute 6% of their annual covered salary, and the Department contributes an amount equal to 6.45% of the Department's covered payroll. The Department and the employees' contributions to the System for the years ending August 31, 2006, 2005, and 2004 were \$874,775, \$784,304, and \$775,708, respectively, equal to the required contributions for each year.

10. SEGMENT FINANCIAL DATA

Segment financial data of the Program's direct-debt activities at August 31, 2006, and for the year then ended are follows (in thousands):

	Single-Family Program Funds	Residential Mortgage Revenue Bond Funds	Collateralized Home Mortgage Revenue Funds	Single-Family CHMRB Series 1993 Funds	Single-Family CHMRB 1994 and 1995 Funds
CONDENSED STATEMENT OF NET ASSETS: Restricted assets;					
Current assets	\$ 82,745	\$ 6,658	\$ 684	\$ 10	S
Other assets	802,227	351,732	16,402		
Total assets	884,972	358,390	17,086	10	
Liabilities:					
Current liabilities	28,218	11,389	506		
Long-term liabilities	<u>839,545</u>	341,649	15,225		
Total liabilities	867,763	353,038	15,731		
NET ASSETS—Restricted net assets	\$ 17,209	\$ 5,352	\$ 1,355	<u>\$ 10</u>	\$
CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS: Operating revenues:					
Interest and investment income	\$ 33,001	\$ 21,154	\$ 1,386	\$ 7	\$ 151
Net increase (decrease) in fair value	(21,956)	(10,835)	(625)		
Other operating revenues Operating expenses	566 (36,951)	347 (20,265)	51 (1,172)		(302)
Depreciation and amortization	(506)	(422)	<u>(1,172)</u> <u>(7)</u>		(42)
On continue in a sure (leas)	(25.040	(10.001)	(2.67)	_	
Operating income (loss) Non-operating revenues (expenses)—other	(25,846)	(10,021)	(367)	7	(193)
non-operating revenues (expenses):	16				
Special and extraordinary items Transfers out	(16)	(125)	6	(754)	2
Analysis var	(10)	(123)		(134)	3
Change in net assets	(25,846)	(10,146)	(361)	(747)	(190)
Net assets—September 1, 2005	43,055	15,498	<u> 1,716</u>	<u>757</u>	190
Net assets—August 31, 2006	\$ 17,209	\$ 5,352	\$ 1,355	\$ 10	<u>\$</u>
CONDENSED STATEMENT OF CASH FLOWS:					
Net cash provided by (used in):					
Operating activities	\$ 6,724	\$ (1,961)	\$ (25)	\$	\$ (4)
Noncapital financing activities Investing activities	165,512 (159,979)	(62,028) 55,792	(6,906) 6,932	(754)	(3,800)
Cash and cash equivalents—September 1, 2005	48,879	12,610	<u>586</u>	<u>755</u>	3,783 21
Clark and mark assistance Assistance 21, 2005			<u> </u>	-	
Cash and cash equivalents—August 31, 2006	\$ 61,136	\$ 4,413	<u>\$ 587</u>	<u>\$ 8</u>	<u>\$</u>

11. BONDED INDEBTEDNESS

The Department has 112 bond issues outstanding at August 31, 2006. All series are revenue bonds backed by the pledged revenue sources and restricted funds specified in the bond resolutions. Each series is designed to be self-supporting with no repayment nor obligation from the State's General

Revenue. The Department issues bonds to assist in financing the purchase of homes by or the construction of rental housing for families with very low to moderate incomes. Loan payments provide the revenues for debt service payments. (Detailed supplemental bond information is disclosed in Schedules 3-8.)

Proceeds from the issuance of bonds under the Single Family and Residential Mortgage Revenue Bonds ("RMRB") Series 1987A Programs were used to acquire loans. Proceeds from Collateralized Home Mortgage Revenue Bond ("CHMRB") and the remaining RMRB programs were used to acquire pass-through certificates backed by mortgage loans. Proceeds from the remaining Multifamily bond issues were used to finance mortgage loans.

Interest on bonds and collateralized mortgage obligations is payable periodically, except for capital appreciation bonds, on which interest is compounded semiannually and payable at maturity or upon redemption.

The Single Family, RMRB, and CHMRB bonds are collateralized by the revenues and assets pledged under the trust indentures, primarily Single Family mortgage loans, mortgage-backed securities, and investments. The Multifamily bonds are collateralized by varying methods, including, but not limited to, the mortgage loans on the applicable housing developments, certificates of deposit, letters of credit, guarantees provided by third parties, and collateralized mortgage obligations issued by federally chartered, privately owned corporations.

The trust indentures contain positive and negative covenants. Events of default include the following: failure to make timely payment of both principal and interest on any outstanding bond; failure to make timely payment of any other monies required to be paid to the Trustee; and nonperformance or nonobservance of any other covenants, agreements, or conditions contained in the indentures. Management believes they are in compliance with the covenants of the indentures.

Changes in Bonds Payable (amounts in thousands)—

Description	Bonds Outstanding September 1, 2005	Bonds Issued	Bonds Matured or Retired	Bonds Refunded or Extinguished	Bonds Outstanding August 31, 2006	Amounts Due Within One Year
Single family RMRB CHMRB SF CHMRB	\$ 646,775 386,765 20,600 3,500	\$320,625	\$ 2,590 5,940	\$126,965 35,760 5,700 3,500	\$ 837,845 345,065 14,900	\$ 5,850 5,755
Multifamily Commercial paper	1,033,504 75,000	111,130 72,191	3,797 _131,993	32,892	1,107,945 15,198	7,037 15,198
Total principal	2,166,144	<u>\$503,946</u>	<u>\$144,320</u>	<u>\$204,817</u>	2,320,953	\$33,840
Net deferred amount— Due to refunding Unamortized premium Unamortized refunding (loss)	(2,155) 7,568 (4,059)				(1,197) 13,405 (5,012)	
Total	<u>\$2,167,498</u>				\$2,328,149	

Variable to Fixed Interest Rate Swap—

Objective—In order to hedge against increases in interest rates on variable rate demand bond issues, the Department has entered into three interest rate swap agreements with the objective of reducing the interest rate risk of certain variable rate demand bonds. The variable rate demand bonds were issued at a lower total interest cost than attainable through traditional fixed rate bond structures. The Department has entered into interest rate swap agreements with various rated counterparties. Under the terms of the agreements, the Department makes periodic fixed interest rate payments in exchange for receiving variable rate payments comparable to the rates payable on the variable rate demand bonds. The swap notional amounts amortize in accordance with the scheduled and/or anticipated reductions in the related variable rate demand bond liability. The Department is potentially exposed to loss in the event of nonperformance by the counterparties under the swap agreements. Termination of the swap agreements may result in the Department making or receiving termination payments. Each swap agreement includes optional early termination provisions granting the Department the right, but not an obligation, to terminate the interest rate swaps at par without a termination payment after an effective date.

Terms and Fair Value—The terms, including the fair value of the outstanding swaps as of August 31, 2006, are as follows. The notional amounts of the swaps match the principal amount of the associated debt.

Counterparty	Notional Amount	Fair Value	Effective Date	Fixed Rate	Variable Rate	Swap Termination Date
UBS AG Goldman Sachs	\$ 53,000,000	\$ (341,966)	September 1, 2004	3.84%	63% of LIBOR + 0.30%	9/1/34 (a)
Capital Markets, LP	35,000,000	. (58,177)	January 1, 2005	3.61	Lesser of (the greater of 65% of LIBOR and 56% of LIBOR + 0.45%) and LIBOR	3/1/35 (b)
Bear Stearns Financial Products, Inc.	100,000,000	_(1,581,395)	August 1, 2005	3.99	Less of (the greater of 65% of	
Total	\$188,000,000	\$(1,981,538)			LIBOR and 56% of LIBOR + 0.45%) and LIBOR	9.1/36 (c)

- a. The swap agreement is subject to optional early termination, at par value, starting on March 1, 2015, and semiannually thereafter. The maximum notional amount subject to early termination equals 60% of the current notional amount.
- b. The swap agreement is subject to optional early termination, at par value, starting on September 1, 2014, and semiannually thereafter. The maximum notional amount subject to early termination equals 60% of the applicable notional amount through September 1, 2023, and 100% of the applicable notional amount thereafter.
- The swap agreement is subject to optional early termination, at par value, from prepayments at any time with a 10-business-day notice.

Credit Risk—As of August 31, 2006, the Department is not exposed to credit risk on any of its outstanding swaps because the swaps have negative fair values. If interest rates change and the fair value of the swaps become positive, the department would be exposed to credit risk on those swaps. The swap agreements contain varying collateral agreements and insurance policies with the counterparties. The credit ratings for the counterparties are as follows:

Counterparty	Standard & Poor's	Moody's	Fitch
UBS AG	AA+	Aa2	AA+
Goldman Sachs Capital Markets, LP	Not Rated	Aa3	AA-
Bear Stearns Financial Products, Inc.	AAA	Not Rated	Not Rated

Basis Risk—The Department's variable-rate bond coupon payments are equivalent to the Bond Market Association Municipal Swap Index ("BMA") rate. The swap agreements designate a function of London InterBank Offered Rate ("LIBOR") as the rate for payments received on these swaps. The Department will be exposed to basis risk should LIBOR and BMA converge. The swap agreements provide an option to terminate as stated above.

Rollover Risk—The Department is exposed to rollover risk on swap agreements which mature or may be terminated prior to the maturity of the associated debt. The following debt is exposed to rollover risk if the option for early termination is executed:

Associated Debt Issuance	Debt Maturity Date	Swap Termination Date
2004B Single Family	September 2034	May be terminated as early as March 2014
2004D Single Family	March 2035	May be terminated as early as September 2014
2005A Single Family	September 2036	May be terminated at anytime giving 10-day notice

Swap Payments and Associated Debt—Using rates as of August 31, 2006, debt service requirements of the Department's outstanding variable-rate debt and net swap payments are as follows. As rates vary, variable-rate debt bond interest payments and new swap payments will vary. The Department's swap agreements contain scheduled reductions to outstanding notional amounts that are expected to follow scheduled reductions in the associated bonds outstanding.

Fiscal Years Ending	Variable-F	Rate Bonds	Interest Rate	
August 31	Principal	Interest	Swaps-Net	Total
2007	\$ 885,000	\$ 4,579,948	\$ 2,512,348	\$ 7,977,296
2008	1,820,000	4,545,905	2,491,508	8,857,413
2009	1,895,000	4,498,985	2,462,783	8,856,768
2010	1,970,000	4,450,216	2,432,927	8,853,143
2011	2,050,000	4,399,471	2,401,861	8,851,332
2012–2016	16,580,000	21,086,827	11,462,774	49,129,601
2017–2021	31,270,000	18,010,781	9,778,257	59,059,038
2022–2026	37,815,000	13,707,451	7,460,536	58,982,987
2027–2031	44,410,000	8,647,712	4,719,303	57,777,015
2032–2036	46,500,000	2,674,453	1,481,603	50,656,056
2037–2038	2,805,000	105,188	64,395	2,974,583
Total	\$188,000,000	\$86,706,937	\$47,268,295	\$321,975,232

12. COMMITMENTS AND CONTINGENCIES

The Department is a defendant in legal actions arising from transactions and activities conducted in the ordinary course of business. Management, after consultation with legal counsel, believes that the aggregate liabilities, if any, will not be material to the financial statements.

13. RISK FINANCING AND RELATED INSURANCE ISSUES

The Department is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; efforts and omissions; and natural disasters. It is the Department's policy to periodically assess the proper combination of commercial insurance and retention of risk to cover losses to which it may be exposed. The Department assumes substantially all risks associated with the performance of its duties. Currently, there is no purchase of commercial insurance, nor is the Department involved in any risk pools with other government entities. The Department carries Public Official Liabilities Insurance coverage in the amount of \$10,000,000, errors and omissions insurance of \$300,000 related to loan servicing for others, and a \$350,000 public employee fidelity bond.

14. SUBSEQUENT EVENTS

On September 14, 2006, the Department issued \$5,015,000 in multifamily revenue bonds (Red Hills Villas) made up as follows:

\$5,015,000 MF 2006 Series A

On September 14, 2006, the Department issued \$5,125,000 in multifamily revenue bonds (Champion's Crossing Apartments) made up as follows:

\$5,125,000 MF 2006 Series A

On September 15, 2006, the Department issued \$11,300,000 in multifamily revenue bonds (Stonehaven Apartment Homes) made up as follows:

\$11,300,000 MF 2006 Series A

On September 19, 2006, the Department issued \$8,325,000 in multifamily revenue bonds (Center Ridge Apartments) made up as follows:

\$8,325,000 MF 2006 Series A

On September 26, 2006, the Department issued \$13,500,000 in multifamily revenue bonds (Meadowlands Apartments) made up as follows:

\$13,500,000 MF 2006 Series A

On October 24, 2006, the Department issued \$13,500,000 in multifamily revenue bonds (East Tex Pines Apartments) made up as follows:

\$13,500,000 MF 2006 Series A

On November 8, 2006, the Department issued \$7,200,000 in multifamily revenue bonds (Villas @ Henderson Apartments) made up as follows:

\$7,200,000 MF 2006 Series A

On November 9, 2006, the Department issued \$9,800,000 in multifamily revenue bonds (Aspen Park Apartments) made up as follows:

\$9,800,000 MF 2006 Series A

On November 22, 2006, the Department issued \$14,250,000 in multifamily revenue bonds (Idlewilde Apartments) made up as follows:

\$14,250,000 MF 2006

The multifamily bonds are issued for the primary purpose to finance the acquisition, construction, and equipping of multifamily residential rental developments. Red Hills Villas will be located in Round Rock, Texas. Champion's Crossing Apartments will be located in San Marcos, Texas. Stonehaven Apartments and Meadowlands Apartments will be located in Houston, Texas. Center Ridge Apartments will be located in Duncanville, Texas. Villas @ Henderson Apartments will be located in Cleburne, Texas. East Tex Pines Apartments, Aspen Park Apartments, and Idlewilde Apartments will be located in Houston, Texas.

On November 15, 2006, the Department issued \$132,195,000 in single family revenue bonds made up as follows:

\$ 81,195,000 SF 2006 Series F (AMT) 15,000,000 SF 2006 Series G (AMT) 36,000,000 SF 2006 Series H (AMT)

The Series 2006 F (AMT) and Series H (AMT) bonds are being issued for the primary purpose of providing funds for the purchase of mortgage-backed, pass-through certificates (the "2006 F/G/H Mortgage Certificates") guaranteed as to timely payment of principal and interest by either Government National Mortgage Association ("Ginnie Mae"), Freddie Mac, or Fannie Mae which represent beneficial ownership of pools of Mortgage Loans (the "2006 Mortgage Loans"). The Series G (AMT) bonds are being issued for the primary purpose of refunding the Department's outstanding Single Family Mortgage Revenue Refunding Tax-Exempt Commercial Paper Notes, Series A, thereby providing funds for the purchase of 2006 F/G/H Mortgage Certificates. In connection with the issuance of the Series H (AMT) bonds, the Department will enter into an interest rate swap agreement (the "Swap Agreement") with the UBS AG (the "Swap Provider"), which will become effective upon the delivery of the Series H (AMT) bonds. Pursuant to the swap agreement payments will begin accruing on the date of delivery of the bonds and payments will be made semiannually beginning March 1, 2007. The swap provider will agree to pay to the Department on such date, payments computed based on a variable rate of 63% of LIBOR plus 0.30% intended to approximate the variable interest rate on the Series H (AMT) bonds, on a notional amount corresponding to the outstanding principal amount of the Series H (AMT) bonds. provided that the variable rate payments to the Department may not equal the variable interest payable on the Series H (AMT) bonds.

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SUPPLEMENTAL SCHEDULES

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS—REVENUE BOND PROGRAM

SUPPLEMENTAL SCHEDULE—STATEMENT OF NET ASSETS INFORMATION BY INDIVIDUAL ACTIVITY (UNAUDITED) AS OF AUGUST 31, 2006

Total	\$ 200 159,330 757,860 12,219,705	1,536,516 123,625,865 83,338,532 10,583,907	18,621,101	391,883 14,787 120,121	251,369,807	1,302,873	1,173,277,565 1,148,072,173	11,292,615 243,166	2,333,022,155	\$2,584,391,962	(Continued)
Operating Fund	\$ 200 159,330 757,860 12,219,705	123,711	18,249	391,874 14,787 99,817	13,785,533	1,302,873	3,382,730	158	3,519,524	\$17,305,057	
Commercial Paper Program	· ·	407,097 15,198,000	56,223		15,661,320			1	-	\$15,661,321	
1994/1995 CHMRB Program	1 69	87		(3)	84					84	
1993 CHMRB Program) 59	8,002	2	1,737	9,741				1	\$9,741	
Multifamily Program	· 95	1,250,124 57,361,106 52,249,076 7,037,000	13,928,126		131,825,432		59,762,578 1,098,732,250	647,644	1,159,142,472	\$1,290,967,904	
CHMRB Program	1 69	586,610	97,530		684,140	·	16,288,068	113,302	16,401,370	\$17,085,510	
RMRB Program	, va	2 4,413,282 90,934	2,138,547	15,423	6,658,197		347,164,900 1,406,755	3,142,933 17,263	351,731,851	\$358,390,048	
Single- Family Program	· ·	286,303 60,849,768 15,891,456 3,332,262	2,382,424	3,147	82,745,360		750,062,019 44,550,438	7,388,735	802,226,937	\$884,972,297	
ASSETS	CURRENT ASSETS: Cash and cash equivalents: Cash on hand Cash in bank Cash in state treasury Cash equivalents Restricted assets:	Cash and cash equivalents: Cash in bank Cash equivalents Short-term investments Loans and contracts	Index receivable Interest receivable Receivable:	Interest receivable Accounts receivable Consumable inventories Other current assets	Total current assets	NONCURRENT ASSETS: Other receivables Capital assets: Nondepreciable— Other capital assets Depreciable: Furniture and equipment Less accumulated depreciation Restricted assets:	Investments Loans, contracts, and notes receivable	Other noncurren useus: Deferred issuance cost—net Real estate owned—net	Total noncurrent assets	TOTAL ASSETS	

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS—REVENUE BOND PROGRAM

SUPPLEMENTAL SCHEDULE—STATEMENT OF NET ASSETS INFORMATION BY INDIVIDUAL ACTIVITY (UNAUDITED)
AS OF AUGUST 31, 2006

LIABILITIES	Single- Family Program	RMRB Program	CHMRB Program	Multifamily Program	1993 CHMRB Program	199 <i>4/</i> 1995 CHMRB Program	Commercial Paper Program	Operating Fund	Total
CURRENT LIABILITIES. Payables: Accounts payable Accured bond interest payable Due to other funds Deferred revenues Employee's compensable leave	\$ 43,263 15,338,322 1,210,817	\$ 6,069 3,107,581 1,156,369	\$ 732 81,681 423,731	\$ 14,394,884 (6,473)	\$ 20 8	\$ 20	\$ 767 54,647	\$ 319,311 35,884 255,237	\$ 32,977,121 35,884 2,784,444 255,237
Notes and toans payable Revenue bonds payable Other current liabilities	5,850,000	5,755,000 1,363,804		7,037,000			15,198,000	39,962	33,840,000 7,662,302
Total current liabilities	28,218,480	11,388,823	506,144	21,500,840	26	20	15,660,511	650,394	77,925,238
NONCURRENT LIABILITIES: Employee's compensable leave Revenue bonds payable Other noncurrent liabilities	839,544,579	340,393,178 1,256,375	15,224,590	1,099,146,210				63,030	63,030 2,294,308,557 171,830,576
Total noncurrent liabilities	839,544,579	341,649,553	15,224,590	1,269,672,993				110,448	2,466,202,163
TOTAL LIABILITIES	\$ 867,763,059	\$ 353,038,376	\$15,730,734	\$1,291,173,833	\$ 26	\$ 20	\$15,660,511	\$ 760,842	\$2,544,127,401
NET ASSETS									
INVESTED IN CAPITAL ASSETS RESTRICTED UNRESTRICTED	\$ 17,209,238	5,351,672	1,354,776	. (205,929)	9,715	\$-	\$ 810	\$ 136,636	\$ 136,636 23,720,346 16,407,579
TOTAL NET ASSETS	\$ 17,209,238	\$ 5,351,672	\$ 1,354,776	\$ (205,929)	\$9,715	\$ 64	\$ 810	\$16,544,215	\$ 40,264,561

See independent auditors' report.

(Concluded)

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS—REVENUE BOND PROGRAM

SUPPLEMENTAL SCHEDULE—STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS INFORMATION BY INDIVIDUAL ACTIVITY (UNAUDITED)
FOR THE YEAR ENDED AUGUST 31, 2006

	Single- Family Program	RMRB Program	CHMRB Program	Multifamily Program	1993 CHMRB Program	1994/1995 CHMRB Program	Commercial Paper Program	Operating Fund	Total
OPERATING REVENUES: Interest and investment income Net increase (decrease) in fair value Other operating revenues	\$33,000,757 (21,956,216) 565,542	\$21,154,225 (10,835,114) 347,521	\$1,386,406 (624,280) 50,504	\$60,787,702	\$ 7,514	\$ 151,392	\$3,162,802	\$ 628,330 2,548,536	\$ 120,279,128 (33,415,610) 3,663,929
Total operating revenues	11,610,083	10,666,632	812,630	60,939,528	7,514	151,392	3,162,802	3,176,866	90,527,447
OPERATING EXPENSES: Salaries and wages Payroll related costs Professional fees and services Travel Materials and supplies Communications and utilities Repairs and maintenance Remains and leases Printing and reproduction Depreciation and amortization Interest Other operating expenses	395,520 505,861 32,623,792 3,931,125	29,839 422,242 19,415,312 819,911	7,249 1,150,342 21,952	14,392 60,967,635 664	204	41,946 299,113 3,378	133,648 3,033,456 25,022	3,232,945 1,422,995 338,506 93,034 105,221 70,220 90,150 198,680 26,235 92,946	3,232,945 1,422,995 897,513 93,034 105,221 70,220 90,150 198,680 26,235 1,084,636 117,489,650
Total operating expenses	37,456,298	20,687,304	1,179,543	60,982,691	204	344,437	3,192,126	6,055,521	129,898,124
INCOME (LOSS) BEFORE OTHER REVENUES, EXPENSES, GAINS, LOSSES, AND TRANSFERS	(25,846,215)	(10,020,672)	(366,913)	(43,163)	7,310	(193,045)	(29,324)	(2,878,655)	(39,370,677)
NONOPERATING REVENUES AND EXPENSES—Gain on sale of investments	16,316								16,316
OTHER REVENUES, EXPENSES, GAINS, LOSSES, AND TRANSFERS— Transfers in (out)	(16,070)	(125,343)	5,725	(573,329)	(754,355)	2,706	24,255	4,413,870	2,977,459
CHANGE IN NET ASSETS	(25,845,969)	(10,146,015)	(361,188)	(616,492)	(747,045)	(190,339)	(5,069)	1,535,215	(36,376,902)
NET ASSETS-September 1, 2005	43,055,207	15,497,687	1,715,964	410,563	756,760	190,404	5,878	15,009,000	76,641,463
NET ASSETS—August 31, 2005	\$17,209,238	\$ 5,351,672	\$1,354,776	\$ (205,929)	\$ 9,715	\$ 65	\$ 809	\$16,544,215	\$ 40,264,561

See independent auditors' report.

SCHEDULE 3

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS— REVENUE BOND PROGRAM

MISCELLANEOUS BOND INFORMATION AS OF AUGUST 31, 2006 (Amounts in thousands)

	Original Principal			Sche Matu	dule rities	
	Bonds Issued	Range	e of	First	Last	First
Description of Issue	to Date	Interest	Rates	Year	Year	Call Date
1995 Single Family Series A	\$ 85,760	4.15 %	6.15 %	1997	2027	09/01/2005
1995 Single Family Series C	71,760	6.44	7.76	2006	2017	09/01/2005
1996 Single Family Series A	15,000	4.50	6.30	2001	2028	09/01/2006
1996 Single Family Series D	70,760	5,45	6.25	2021	2028	09/01/2006
1996 Single Family Series E	98,730	3.90	6.00	1997	2017	09/01/2006
1997 Single Family Series A	44,465	5.25	5.80	2013	2029	09/01/2007
1997 Single Family Series B	9,510	5.45	5.45	2019	2019	09/01/2007
1997 Single Family Series D	44,795	5.65	5.70	2029	2029	09/01/2007
1997 Single Family Series F	20,000	6.77	6.77	2029	2029	09/01/2007
2002 Single Family Series A (Jr. Lien)	10,000	7.01	7.01	2025	2026	09/01/2012
2002 Single Family Series A	38,750	5.45	5.55	2023	2034	03/01/2012
2002 Single Family Series B	52,695	5.35	5.55	2033	2033	03/01/2012
2002 Single Family Series C	12,950	2.80	5.20	2004	2017	03/01/2012
2002 Single Family Series D	13,605	2.00	4.50	2003	2012	03/01/2012
2004 Single Family Series A	123,610	2.00	4.70	2006	2035	03/01/2013
2004 Single Family Series B	53,000	VAR—V	Veekly	2015	2034	03/01/2015 (g)
2004 Single Family Series A (Jr. Lien)	4,140	VAR —V	Veekly	2036	2036	09/01/2036 (g)
2004 Single Family Series C	41,245	4.30	4.80	2019	2036	09/01/2014
2004 Single Family Series D	35,000	VAR—V	Veekly	2035	2035	(h)
2004 Single Family Series E	10,825	2.45	4.30	2006	2013	09/01/2014
2005 Single Family Series A	100,000	VARW	Veekly	2007	2036	03/01/2006
2005 Single Family Series B	25,495	4.38	4.38	2006	2026	03/01/2006
2005 Single Family Series C	8,970	4.31	5.39	2017	2017	03/01/2006
2005 Single Family Series D	3,730	5.00	5.00	2025	2035	03/01/2006
2006 Single Family Series A	59,555	5.00	5.00	2008	2037	09/01/2006
2006 Single Family Series B	70,485	5.00	5.00	2008	2034	09/02/2006
2006 Single Family Series C	105,410	5.13	5.13	2008	2037	09/03/2006
2006 Single Family Series D	29,685	4.50	4.50	2018	2028	09/04/2006
2006 Single Family Series E	17,295	4.06	4.06	2007	2017	09/05/2006
1998 RMRB Series A	102,055	4.05	5.35	2002	2031	01/01/2009
1998 RMRB Series B	14,300	5.30	5.30	2022	2022	01/01/2009
1999 RMRB Series A	25,615	4.80	5.50	2018	2021	01/01/2009
1999 RMRB Series B-1	52,260	6.32	7.10	2021	2032	07/01/2009
1999 RMRB Series C	12,150	5.05	6.25	2003	2024	07/01/2009
2000 RMRB Series A	50,000	5.10	6.30	2003	2031	07/01/2010
2000 RMRB Series B	82,975	5.70	5.70	2005	2033	07/01/2010
2000 RMRB Series C	13,675	5.82	5.85	2011	2025	07/01/2010
2000 RMRB Series D	18,265	4.55	5,85	2003	2020	07/01/2010
2001 RMRB Series A	52,715	3.15	5.70	2004	2033	07/01/2011
2001 RMRB Series B	15,585	5.00	5.25	2011	2022	07/01/2011
2001 RMRB Series C	32,225	2.55	4.63	2003	2015	07/01/2011
2001 RMRB Series D	300	5.35	5.35	2008	2033	07/01/2011
2002 RMRB Series A	42,310	2.25	5.35	2004	2034	07/01/2012
2003 RMRB Series A	73,630	1.70	5.00	2005	2034	01/01/2013
1992 Coll Home Mtg Rev Bonds, Series C	72,700	3.48	10.27	2024	2024	05/04/1995
1994 SF MRB CHMRB Series C	15,360	6.25	6.25	2026	2026	06/27/2005
2006 Commercial Paper Series A	15,198	3.63	3.63	2006	2006	11/09/2006
Total single family and MRB bonds	\$1,968,543					(Continued)

SCHEDULE 3

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS—REVENUE BOND PROGRAM

MISCELLANEOUS BOND INFORMATION AS OF AUGUST 31, 2006 (Amounts in thousands)

	Original Principal			Sche Matu			
Description of Issue	Bonds Issued to Date	Rang Interest	ge of Rates	First Year	Last Year	First Call Date	
	to Date	microst	Mates	Icai	rear	Can Date	
1987 MF Series (South Texas Rental Housing)	\$ 1,400	9.50 %	9.50 %	1988	2012	02/01/1988	
1993 MF Series A/B (RemHill/HighPt)	26,370	VAR	-Weekly	2023	2023	02/01/2000	
1996 MF Series A/B (Brighton's Mark)	10,174	6.13	6.13	2026	2026	01/01/2003	
1996 MF Series A/B (Las Colinas)	15,469	5.65	5.65	2026	2026	01/01/2003	
1996 MF Series A/B (Braxton's Mark)	14,867	5.81	5.81	2026	2026	01/01/2003	
1996 MF Series A-D (Harbors/Plumtree)	13,050	5.90	10.00	1997	2026	07/01/2006	
1998 MF Series A (Pebble Brook)	10,900	4.95	5.60	2001	2030	06/01/2001	
1998 MF Series A-C (Residence Oaks)	8,200	5.98	7.18	2001	2030	05/01/2001	
1998 MF Series A (Volente Project)	10,850	5.00	5.63	2001	2031	07/01/2001	
1998 MF Series A (Dallas Oxford Refndg)	10,300	7.25	7.25	2018	2018	01/01/2004	
1998 MF Series A/B (Greens of Hickory Trial)	13,500	5.20	6.03	2001	2030	09/01/2008	
1999 MF Series A-C (Mayfield)	11,445	5.70	7.25	2001	2031	05/01/2002	
1999 MF Series A (Woodglen Village)	10,660	7.38	8.25	2002	2039	12/01/2016	
2000 MF Series A (Timber Point Apts)	8,100	VAR	Weekly	2003	2032	07/01/2000	(a)
2000 MF Series A/B (Oaks at Hampton)	10,060	7.20	9.00	2002	2040	03/01/2017	(a)
2000 MF Series A (Deerwood Apts)	6,435	5.25	6.40	2003	2032	06/01/2010	
2000 MF Series A (Creek Point Apts)	7,200	VAR—	-Weekly	2004	2032	07/01/2000	(a)
2000 MF Series A/B (Parks @ Westmoreland)	9,990	7.20	9.00	2002	2040	07/01/2017	(a)
2000 MF Series A (Honeycreek)	20,485	7.63	8.15	2004	2035	06/30/2007	
2000 MF Series A-C (Highland Meadow Apts)	13,500	6.75	8.00	2004	2033	05/01/2019	
2000 MF Series A/B (Greenbridge)	20,085	7.40	10.00	2003	2040	03/01/2014	
2000 MF Series A-C (Collingham Park)	13,500	6.72	7.72	2004	2033	05/01/2019	
2000 MF Series A/B (Williams Run)	12,850	7.65	9.25	2002	2040	01/01/2011	
2000 MF Series A/B (Red Hills Villas)	10,300	8.40	9.50	2003	2040	12/01/2017	
2001 MF Series A (Bluffview Senior Apts)	10,700	7.65	7.65	2003	2041	05/01/2018	
2001 MF Series A (Knollwood Villas Apts)	13,750	7.65	7.65	2003	2041	05/01/2018	
2001 MF Series A (Skyway Villas)	13,250	6.00	6.50	2005	2034	12/01/2011	
2001 MF Series A/B (Cobb Park)	7,785	6.77	6.77	2003	2041	07/01/2018	
2001 MF Series A (Greens Road Apts.)	8,375	5.30	5.40	2004	2034	12/01/2011	
2001 MF Series A/B (Meridian Apts.)	14,310	5.45	6.85	2004	2034	12/01/2011	
2001 MF Series A/B (Wildwood Apts.)	14,365	5.45	6.75	2004	2034	12/01/2011	
2001 MF Series A-C (Fallbrook Apts.)	14,700	6.06	6.78	2005	2034	01/01/2012	
2001 MF Series A (Oak Hollow Apts.)	8,625	7.00	7.90	2003	2041	11/01/2018	
2001 MF Series A/B (Hillside Apts.)	12,900	7.00	9.25	2003	2041	11/01/2018	
2002 MF Series A (Millstone Apts.)	12,700	5.35	5.86	2005	2035	06/01/2012	
2002 MF Series A (Sugar Creek Apts.)	11,950	6.00	6.00	2004	2042	01/01/2016	
2002 MF Series A (West Oaks Apts.)	10,150	7.15	7.50	2004	2042	12/01/2018	
2002 MF Series A (Park Meadows Apts)	4,600	6.53	6.53	2004	2034	05/01/2012	
2002 MF Series A (Clarkridge Villas Apts)	14,600	7.00	7.00	2004	2042	08/01/2019	
2002 MF Series A (Hickory Trace Apts)	11,920	7.00	7.00	2004	2042	12/01/2019	
2002 MF Series A (Green Crest Apts)	12,500	7.00	7.00	2004	2042	11/01/2019	
2002 MF Series A/B (Ironwood Crossing)	16,970	5.50	8.75	2005	2042	10/01/2027	
2002 MF Series A (Woodway Village Apts)	9,100	4.95	5.20	2006	2023	01/01/2013	

SCHEDULE 3

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS— REVENUE BOND PROGRAM

MISCELLANEOUS BOND INFORMATION AS OF AUGUST 31, 2006 (Amounts in thousands)

	Original Principal			Sche Matu	dule rities		
	Bonds Issued		ge of	First	Last	First	
Description of Issue	to Date	Interest	Rates	Year	Year	Call Date	
2003 MF Series A/B (Reading Road)	\$ 12,200	VAR—	Weekly	2007	2036	01/01/2004	(9)
2003 MF Series A/B (North Vista Apts)	14,000	4.10 %	5.41 %	2006	2036	06/01/2013	(4)
2003 MF Series A/B (West Virginia Apts)	9,450	4.15	5.41	2006	2036	06/01/2013	
2003 MF Series A/B (Sphinx @ Murdeaux)	15,085	3.55	5.00	2005	2042	06/20/2013	
2003 MF Series A/B (Primrose Houston School)	16,900	5.50	8.00	2006	2036	07/01/2003	(n)
2003 MF Series A/B (Timber Oaks Apts)	13,200	6.75	8.75	2005	2043	06/01/2020	(4)
2003 MF Series A/B (Ash Creek Apts)	16,375	5.60	15.00	2006	2036	10/01/2003	(6)
2003 MF Series A/B (Peninsula Apts)	12,400	4.25	5.30	2007	2024	10/01/2003	(4)
2003 MF Series A (Evergreen @ Mesquite)	11,000	6.60	8.00	2006	2043	09/01/2020	
2003 MF Series A/B (Arlington Villas)	17,100	VAR-W		2007	2036	01/01/2007	(2)
2003 MF Series A/B (Parkview Twnhms)	16,600	6.60	8.50	2006	2043	12/01/2020	(4)
2003 MF Series A (NHP-Asmara) Refunding	31,500		Weekly	2007	2033	07/01/2007	(a)
2004 MF Series A/B (Timber Ridge)	7,500	5.75	8.00	2007	2037	03/01/2007	(a)
2004 MF Series A/B (Century Park)	13,000	VARW		2007	2037	05/01/2007	
2004 MF Series A (Addison Park)	14,000	VAR-W		2007	2044	01/01/2007	• •
2004 MF Series A/B (Veterans Memorial)	16,300	6.60	8.50	2006	2044	03/01/2006	
2004 MF Series A (Rush Creek)	10,000	5.38	6.70	2006	2044	03/01/2021	(-)
2004 MF Series A (Humble Park)	11,700	6.60	6.60	2007	2041	07/01/2021	
2004 MF Series A (Chisholm Trail)	12,000	VARW		2006	2037	10/15/2006	(a)
2004 MF Series A (Evergreen @ Plano)	14,750	5.25	6.55	2007	2044	06/01/2021	()
2004 MF Series A (Montgomery Pines)	12,300	VAR-	Weekly	2006	2037	12/15/2006	(a)
2004 MF Series A (Bristol)	12,625	VAR—	Weekly	2007	2037	06/15/2007	(n)
2004 MF Series A (Pinnacle)	14,500	VARW	eekly (c)	2007	2044	09/01/2007	
2004 MF Series A (Tranquility Bay)	14,350	VAR-W	eekly (c)	2007	2044	06/01/2021	
2004 MF Series A (Sphinx @ Delafield)	11,380	5.05	5.35	2006	2044	07/20/2014	
2004 MF Series A (Churchill @ Pinnacle)	10,750	5.25	6.55	2007	2044	09/1/2021	(f)
2004 MF Series A/B (Post Oak East)	13,600		Weekly	(e)	2037	(e)	
2004 MF Series A (Village Fair)	14,100	5.00	6.50	2007	2044	12/01/2021	
2005 MF Series A (Pecan Grove)	14,030	5.00	6.50	2007	2045	01/01/2022	
2005 MF Series A (Prairie Oaks)	11,050	4.75	6.50	2007	2045	01/01/2022	
2005 MF Series A (Port Royal)	12,200	5.00	6.50	2007	2045	02/01/2022	
2005 MF Series A (Del Rio)	11,490	5.00	6.50	2007	2045	02/01/2022	
2005 MF Series A (Atascocita Pines)	11,900	VARW		2007	2037	(g)	
2005 MF Series A (Tower Ridge)	15,000	VARW		2009	2038	(g)	
2005 MF Series A (Alta Cullen)	14,000	5.89	6.60	2007	2045	06/01/2022	
2005 MF Series A (Lafayette Village)	14,100	VAR—	•	2008	2038	n/a	
2005 MF Series A (Prairie Ranch)	12,200	4.85	4.85	2007	2045	12/20/2015	
2005 MF Series A (St Augustine)	7,650		Weekly	2009	2038	n/a	
2005 MF Series A (Park Manor)	10,400	5.00	6.40	2008	2045	09/01/2022	
2005 MF Series A (Mockingbird)	14,360	6.40	6.40	2007	2045	08/01/2022	
2005 MF Series A (Chase Oaks)	14,250	5.05	5.05	2007	2035	(i)	
2006 MF Series A/B (Canal Place) 2006 MF Series A (Coral Hills)	16,100	VAR—	-	2009	2039	(j)	
2006 MF Series A (Harris Branch)	5,320	5.05	5.05	2038	2038	08/01/2015	
2006 MF Series A (Halfis Branch) 2006 MF Series A (Bella Vista)	15,000		Weekly	2009	2039	(k)	
2006 MF Series A (Village Park)	6,800 13,660	6.15 4.75	6.15	2008	2046	04/01/2016	
2006 MF Series A (Oakmoor)	14,635		5.13	2009	2026	06/01/2021	
2006 MF Series A (Garmon) 2006 MF Series A (Sunset Pointe)	15,000	5.50 VAR—	6.00 Waaldh	2008 2039	2046 2039	03/01/2023	
2006 MF Series A (Hillcrest)	12,435	5.25	5.25	2039	2039	(j) 04/01/2021	
2006 MF Series A (Pleasant Village)	6,000	6.00	6.00	2009	2023		
2006 MF Series A (Grove Village)	6,180	6.00	6.00	2008	2023	(1) (1)	
, - ,			0.20	2000	رخاط	(i)	
Total multifamily bonds	<u>\$1,175,365</u>						
TOTAL BONDS ISSUED	\$3,143,908						
							

(Concluded)

FOOTNOTES:

- (a) The taxable bonds shall be subject to redemption prior to maturity in whole or any part on any interest payment date after the completion date from the proceeds of an optional prepayment of the loan by the borrower.
- (b) Variable rate not to exceed the maximum rate permitted by applicable law.
- (c) Variable rate could change to fixed rate provided the conversion option is exercised.
- (d) Variable rate series and fixed rate series-variable rate could change to fixed rate provided the conversion option is exercised.
- (e) No set amortization, per trustee, amortization will occur in \$100,000 denominations when the amount in the principal reserve fund exceeds 20% of the issue.
- (f) The bonds are subject to redemption, in whole, at the option of the issuer acting at the direction of the holders of a majority of the outstanding principal amount of the bonds.
- (g) The bonds shall be subject to redemption prior to maturity, after giving the required notice, as follows:
 - During the variable interest rate period the bonds shall be subject to optional redemption by the Department, in whole or in part on any business day, at a redemption price equal to 100% of the principal amount thereof to be redeemed plus accrued interest, if any, to the redemption date.
- (h) The series bonds are subject to redemption prior to maturity, after giving notice as provided in the Trust Indenture, as follows:

 During a daily interest rate period or weekly interest rate period for the series bonds, the bonds shall be subject to optional redemption by the Department, in whole or in part on any business day, at a redemption price equal to 100% of the principal amount thereof to be redeemed plus accrued interest, if any, to the redemption date.
- (i) The bonds are subject to redemption at the option of the issuer, at the direction of the borrower, in whole or in part on the first day of any month, in the event and to the extent, the trustee receives funds from the borrower representing an optional prepayment of the principal of the note, at a redemption price equal to the principal thereof, plus accrued interest to the redemption date plus any premium remitted therewith as required by the note.
- (j) bonds are subject to redemption if and to the extent, the borrower is entitled to make, or is required to make, a prepayment pursuant to the loan agreement.
- (k) The bonds are subject to optional redemption in whole or in part upon optional prepayment of the loan by the borrower as permitted by the loan documents.
- (I) The Bonds are subject to optional redemption at the direction of the borrower on any interest payment date, in whole or in part, at the redemption price (as calculated by the sole bondholder) calculated in accordance with the Exhibit H plus accrued and unpaid interest, if any, to the redemption date. Optional redemptions may be made only in denominations of \$100,000 plus integral multiples of \$5,000 or for the entire amount of the bonds outstanding.

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS—REVENUE BOND PROGRAM

CHANGES IN BOND INDEBTEDNESS AS OF AUGUST 31, 2006

Description of Issue	Bonds Outstanding September 1, 2005	Bonds Issued	Bonds Matured or Retired	Bonds Refunded or Extinguished	Bonds Outstanding August 31, 2006	Amounts Due Within One Year
1995 Single Family Series A	\$ 29,750,000	\$ -	\$ -	\$ 29,750,000	\$ -	\$ -
1995 Single Family Series C	12,915,000	ur –	u -	12,915,000	φ - -	., -
1996 Single Family Series A	8,875,000			8,875,000	_	
1996 Single Family Series D	28,775,000			28,775,000	_	
1996 Single Family Series E	21,915,000		1,230,000	20,685,000	_	
1997 Single Family Series A	30,175,000			,,	30,175,000	
1997 Single Family Series B	7,330,000			6,590,000	740,000	
1997 Single Family Series D	18,055,000			3,350,000	14,705,000	
1997 Single Family Series F	5,625,000			5,625,000	-	
2002 Single Family Series A (Jr Lien)	9,945,000			860,000	9,085,000	
2002 Single Family Series A	37,570,000			85,000	37,485,000	
2002 Single Family Series B	47,760,000			4,005,000	43,755,000	
2002 Single Family Series C	12,120,000		450,000	20,000	11,650,000	470,000
2002 Single Family Series D	8,270,000		910,000	415,000	6,945,000	895,000
2004 Single Family Series A	123,485,000			770,000	122,715,000	1,635,000
2004 Single Family Series B	53,000,000				53,000,000	
2004 Single Family Series A (Jr Lien)	4,140,000			2 225 000	4,140,000	200 000
2004 Single Family Series C 2004 Single Family Series D	41,245,000			2,375,000	38,870,000	280,000
2004 Single Family Series B	35,000,000 10,825,000			320,000	35,000,000	1 710 000
2005 Single Family Series A	100,000,000			30,000	10,505,000 99,970,000	1,310,000 885,000
2005 Single Family Series B	100,000,000	25,495,000		965,000	24,530,000	375,000
2005 Single Family Series C		8,970,000		310,000	8,660,000	272,000
2005 Single Family Series D		3,730,000		245,000	3,485,000	
2006 Single Family Series A		59,555,000		215,255	59,555,000	
2006 Single Family Series B		70,485,000			70,485,000	
2006 Single Family Series C		105,410,000			105,410,000	
2006 Single Family Series D		29,685,000			29,685,000	
2006 Single Family Series E		17,295,000			17,295,000	
1998 RMRB Series A	52,745,000		1,295,000	5,375,000	46,075,000	1,315,000
1998 RMRB Series B	8,645,000			450,000	8,195,000	
1999 RMRB Series A	7,785,000			1,070,000	6,715,000	
1999 RMRB Series B-1	30,200,000			4,450,000	25,750,000	
1999 RMRB Series C	4,480,000		220.000	600,000	3,880,000	350,000
2000 RMRB Series A 2000 RMRB Series B	21,730,000 63,020,000		270,000	3,050,000	18,410,000	260,000
2000 RMRB Series C	9,580,000			8,275,000 665,000	54,745,000 8,915,000	
2000 RMRB Series D	9,430,000		595,000	1,035,000	7,800,000	570,000
2001 RMRB Series A	40,595,000		695,000	3,175,000	36,725,000	685,000
2001 RMRB Series B	12,680,000		0,55,000	290,000	12,390,000	002,000
2001 RMRB Series C	14,845,000		1,270,000	1,755,000	11,820,000	1,145,000
2001 RMRB Series D	235,000		-,,	-1,,,	235,000	1,1 15,555
2002 RMRB Series A	39,060,000		635,000	4,245,000	34,180,000	605,000
2003 RMRB Series A	71,735,000		1,180,000	1,325,000	69,230,000	1,175,000
1992 SF MRB CHMRB Series A-C	20,600,000			5,700,000	14,900,000	
1994 SF MRB CHMRB Series C	3,500,000			3,500,000	· -	
Commercial Paper Notes Series A	75,000,000	72,191,000	131,993,000		15,198,000	15,198,000
Total single family bonds	1,132,640,000	392,816,000	140,523,000	171,925,000	1,213,008,000	26,803,000
1996 MF Series A&B (Brighton's Mark)	8,075,000				8,075,000	
1996 MF Series A&B (Marks Of Las Colinas) 1998 MF Series (Dallas-Oxford Refdg)	14,869,512			2,199,512	12,670,000	
1996 MF Series (Danas-Oxford Reidg) 1996 MF Series A&B (Braxton's Mark)	10,300,000				10,300,000	
1996 MF Series A&B (Braxton's Mark) 1993 MF Series A&B (Remhill / Highpt)	14,273,700				14,273,700	
1987 South Texas Rental Housing	11,390,000 773,136		76,612		11,390,000	Ø# nnn
1996 MF Series A-D (Harbors/Plumtree)	11,360,000		255,000	11,105,000	696,524	84,000
1998 MF Scries (Pebble Brook)	10,245,000		170,000	11,103,000	10,075,000	180,000
1998 MF Series A-C (Residence Oaks)	7,683,000		134,000		7,549,000	141,000
1998 MF Series (Volente)	10,170,000		165,000		10,005,000	175,000
1998 MF Series (Greens-Hickory Trail)	12,755,000		210,000		12,545,000	220,000
1999 MF Series (Mayfield)	10,793,000		187,000		10,606,000	199,000
						(Continued)

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS—REVENUE BOND PROGRAM

CHANGES IN BOND INDEBTEDNESS

AS OF AUGUST 31, 2006

Description of Issue	Bonds Outstanding September 1, 2005	Bonds Issued	Bonds Matured or Retired	Bonds Refunded or Extinguished	Bonds Outstanding August 31, 2006	Amounts Due Within One Year
1999 MF Series (Woodglen Village)	\$ 10,505,283	S -	\$ -	s -	\$ 10,505,283	\$ 118,000
2000 MF Series (Timber Point Apts)	7,900,000			100,000	7,800,000	,
2000 MF Series A/B (Oaks At Hampton)	9,884,487		62,394		9,822,093	68,000
000 MF Series (Deerwood Apts)	6,245,000		85,000		6,160,000	85,000
000 MF Series (Creek Point Apts)	6,785,000			100,000	6,685,000	
2000 MF Series A/B (Parks At Westmoreland)	9,832,514		61,161		9,771,353	67,000
2000 MF Series (Honeycreek) 2000 MF Series A-C (Highland Meadow Apts)	20,363,158 11,159,000		127.000		20,363,158	253,000
2000 MF Series A-C (Fighland Meadow Apis)	19,891,056		137,000		11,022,000	145,000
2000 MF Series A-C (Collingham Park Apts)	13,277,000		162,000		19,891,056 13,115,000	211,000
2000 MF Series A/B (Williams Run Apts)	12,577,216		16,309		12,560,907	172,000 173,000
000 MF Series A/B (Red Hills Villas Apts)	10,187,423		48,765		10,138,657	54,000
2001 MF Series (Bluff Senior Apts)	10,595,007		50,999		10,544,008	55,000
2001 MF Series (Knollwood Villas Apts)	13,615,079		65,536		13,549,544	71,000
2001 MF Series A (Skyway Villas)	13,115,000		160,000	4,070,000	8,885,000	130,000
2001 MF Series A/B (Cobb Park Apts)	7,722,172		34,851		7,687,321	38,000
2001 MF Series A (Greens Road Apts)	8,275,000		105,000		8,170,000	110,000
2001 MF Series A/B (Meridian Apartments)	14,220,000		160,000		14,060,000	175,000
2001 MF Series A/B (Wildwood Branch	14,280,000		165,000		14,115,000	175,000
2001 MF Series A-C (Fallbrook Apts)	14,614,000		180,000		14,434,000	193,000
2001 MF Series (Oak Hollow Apts)	8,122,370		38,595	1,665,933	6,417,842	37,000
2001 MF Series A/B (Hillside Apts)	12,803,449		62,578		12,740,871	69,000
1001 MF Series A (Millstone Apts) 1002 MF Series (Sugarcreek Apts)	12,620,000 11,855,000		165,000		12,455,000	180,000
2002 MF Series (West Oaks Apts)	9,676,026		35,000 32,764		11,820,000 9,643,262	105,000
002 MF Series (Park Meadows Apts)	4,550,000		55,000	100,000	4,395,000	70,000 60,000
2002 MF Series (Clarkridge Villas Apts)	14,531,069		73,914	144,000	14,457,154	79,000
002 MF Series A (Hickory Trace Apts)	11,873,376		58,748	351,582	11,463,047	62,000
2002 MF Series A (Green Crest Apts)	12,451,108		44,474	978,737	11,427,896	77,000
002 MF Series A/B (Iron Wood Crossing)	16,970,000		51,355	•	16,918,645	67,000
2002 MF Series A (Woodway Village)	9,100,000		90,000	1,265,000	7,745,000	100,000
2003 MF Series A/B (Reading Road)	12,200,000				12,200,000	120,000
003 MF Series A/B (North Vista)	14,000,000				14,000,000	200,000
003 MF Series A/B (West Virginia)	9,450,000		* ** ***		9,450,000	135,000
1003 MF Series A/B (Sphinx @ Murdeaux)	15,015,000		140,000	240 000	14,875,000	160,000
2003 MF Series A/B (Primrose Houston) 2003 MF Series A/B (Timber Oaks)	16,900,000 13,196,252		5,798 47,169	270,000	16,624,202	73,000
2003 MF Series A/B (Ash Creek Apts)	16,375,000		11,675	11,519	13,149,082 16,351,806	51,000 73,000
2003 MF Series A/B (Peninsula Apts)	12,400,000		11,075	11,515	12,400,000	80,000
2003 MF Series A (Evergreen @ Mesquite)	11,000,000		41,003		10,958,997	103,000
2003 MF Series A/B (Arlington Villas)	17,100,000		*******		17,100,000	46,000
2003 MF Series A/B (Parkview Twnhms)	16,600,000		45,334		16,554,666	73,000
003 MF Series (Nhp-Asmara)Refunding	31,500,000			9,875,000	21,625,000	335,000
2004 MF Series A/B (Timber Ridge)	7,500,000			800,000	6,700,000	32,000
004 MF Series A/B (Century Park)	13,000,000				13,000,000	65,000
2004 MF Series A (Addison Park)	14,000,000				14,000,000	60,000
004 MF Series A/B (Veterans Memorial)	16,300,000		34,111		16,265,889	73,000
1904 MF Series (Rush Creek) 1904 MF Series (Humble Park)	10,000,000		4,143		9,995,857	52,000
004 MF Series (Chisholm Trail)	11,700,000				11,700,000	90,000
2004 MF Series (Chishonn Tran)	12,000,000 14,750,000				12,000,000	130,000
004 MF Series (Montgomery Pines)	12,300,000				14,750,000	13,000
004 MF Series (Bristol)	12,625,000				12,300,000 12,625,000	145,000
004 MF Series (Pinnacle)	14,500,000				14,500,000	75,000 90,000
004 MF Series (Tranquility Bay)	14,350,000		18,954		14,331,046	79,000
004 MF Series (Sphinx @ Delafield)	11,380,000		50,000		11,330,000	95,000
004 MF Series (Churchill @ Pinnacle)	10,750,000		1		10,750,000	20,000
004 MF Series A/B (Post Oak East)	13,600,000				13,600,000	105,000
004 MF Series (Village Fair)	14,100,000				14,100,000	50,000
005 MF Series (Pecan Grove)	14,030,000				14,030,000	44,000
4005 X EE C (M1-1- (M-1)	11,050,000				11,050,000	34,000
					17 700 000	22.000
2005 MF Series (Port Royal)	12,200,000				12,200,000	32,000
2005 MF Series (Port Royal) 2005 MF Series (Mission Del Rio)	11,490,000				11,490,000	32,000 31,000
2005 MF Series (Prairie Oaks) 2005 MF Series (Port Royal) 2005 MF Series (Mission Del Rio) 2005 MF Series (Atascocita) 2005 MF Series (Tower Ridge)						

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS—REVENUE BOND PROGRAM

CHANGES IN BOND INDEBTEDNESS

AS OF AUGUST 31, 2006

Description of Issue	Bonds Outstanding September 1, 2005	Bonds Issued	Bonds Matured or Retired	Bonds Refunded or Extinguished	Bonds Outstanding August 31, 2006	Amounts Due Within One Year
2005 MF Series (Alta Cullen)	\$ 14,000,000	S -	\$ -	\$ -	\$ 14,000,000	s -
2005 MF Series (Lafayette Village)	14,100,000				14,100,000	
2005 MF Series (Prairie Ranch)	12,200,000				12,200,000	
2005 MF Series (St. Augustine)	7,650,000				7,650,000	
2005 MF Series (Park Manor)	10,400,000				10,400,000	
2005 MF Series (Providence @ Mockingbird) 2005 MF Series (Plaza Chase Oaks)	14,360,000				14,360,000	0.5.000
•	14,250,000	16 100 000			14,250,000	95,000
2005 MF Series (Canal Place)	•	16,100,000			16,100,000	
2006 MF Series (Coral Hills)		5,320,000			5,320,000	
2006 MF Series (Harris Branch)		15,000,000			15,000,000	
2006 MF Series (Bella Vista)		6,800,000			6,800,000	
2006 MF Series (Village Park)		13,660,000			13,660,000	
2006 MF Series (Oakmoor)		14,635,000			14,635,000	
2006 MF Series (Sunset Pointe)		15,000,000			15,000,000	
2006 MF Series (Hillcrest)		12,435,000			12,435,000	
2006 MF Series (Pleasant Village)		6,000,000			6,000,000	
2006 MF Series (Grove Village)		6,180,000			6,180,000	

Total multifamily bonds	1,033,504,393	111,130,000	3,797,242	32,892,283	1,107,944,868	7,037,000
TOTAL BONDS	\$2,166,144,393	\$503,946,000	\$ 144,320,242	\$204,817,283	\$2,320,952,868	\$33,840,000

FOOTNOTES:

(a) Bonds Outstanding Balance at August 31, 2006, does not include unamortized premium or discounts.

Bonds Outstanding per schedule	\$2,320,952,868
Unamortized (Discount) Premium:	
Single Family	11,119,575
RMRB	2,525,365
CHMRB	324,590
Multi-Family	(564,591)
Unamortized deferred gain (loss) on refunding:	
Single Family	(3,569,996)
RMRB	(1,442,188)
Deferred amount on refunding	(1,197,067)
Bonds outstanding	\$2,328,148,557

(Concluded)

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS (332)-**REVENUE BOND PROGRAM**

DEBT SERVICE REQUIREMENTS (PRINCIPAL AND INTEREST) AS OF AUGUST 31, 2006 [Amounts in thousands)

Description		2007	2008	2009	2010
1997 Single Family Series A 1997 Single Family Series A	Principal Interest	\$ - 1,750	\$ - [,750	\$ - 1,750	\$ - 1,750
1997 Single Family Series B 1997 Single Family Series B	Principal Interest	40	40	40	40
1997 Single Family Series D 1997 Single Family Series D	Principal Interest	835	835	835	835
1997 Single Family Series F 1997 Single Family Series F	Principal Interest				
2002 Single Family Series A Junior Lien 2002 Single Family Series A Junior Lien	Principal Interest	637	637	637	637
2002 Single Family Series A 2002 Single Family Series A	Principal Interest	2,063	2,063	2,063	2,063
2002 Single Family Series B 2002 Single Family Series B	Principal Interest	2,376	2,376	2,376	2,376
2002 Single Family Series C 2002 Single Family Series C	Principal Interest	470 556	500 536	525 514	555 490
2002 Single Family Series D 2002 Single Family Series D	Principal Interest	895 251	915 218	945 182	985 14t
2004 Single Family Series A 2004 Single Family Series A	Principal	1,635	3,335	3,430	2,495
2004 Single Family Series B 2004 Single Family Series B	luterest Principal Interest	5,439	5,360	5,266	5,191
2004 Single Family Series A (Junior Lien)	Principal	1,804	1,804	1,800	1,802
2004 Single Family Series A (Junior Lien) 2004 Single Family Series C	Interest Principal	221 280	221 570	220 595	221 615
2004 Single Family Series C 2004 Single Family Series D	Interest Principal	1,851	1,823	1,794	1,763
2004 Single Family Series D	Interest	1,211	1,212	1,210	1,211
2004 Single Family Series E 2004 Single Family Series E	Principal Interest	1,310 347	1,080 318	1,110 284	1,155 246
2005 Single Family Series A 2005 Single Family Series A	Principal Interest	885 3,434	1,820 3,375	1,895 3,304	1,970 3,239
2005 Single Family Series B 2005 Single Family Series B	Principal Interest	375 1,064	385 1,051	400 1,036	425 1,020
2005 Single Family Series C 2005 Single Family Series C	Principal Interest	462	462	461	462
2005 Single Family Series D 2005 Single Family Series D	Principal Interest	174			
2006 Single Family Series A	Principal	174	174 230	174 490	174 525
2006 Single Family Series A 2006 Single Family Series B	Interest	2,978	2,972	2,948	2,922
2006 Single Family Series B	Principal Interest	3,524	725 3,506	1,495 3,432	1,560 3,355
2006 Single Family Series C 2006 Single Family Series C	Principal Interest	5,402	755 5,383	1,570 5,303	1,650 5,220
2006 Single Family Series D 2006 Single Family Series D	Principal Interest	1,336	1,336	1,336	1,336
2006 Single Family Series E 2006 Single Family Series E	Principal Interest	703	1,290	1,340	1,380
Tax-Exempted Commercial Paper Notes Tax-Exempted Commercial Paper Notes	Principal Interest	15,198 95	654	603	550
Total Single Family Bonds	- 555 mg mg/c	59,601	49,711	51,363	50,359
1998 RMRB Series A 1998 RMRB Series A	Principal Interest	1,315	1,370	1,435	1,495
1998 RMRB Series B	Interest Principal	2,372	2,311	2,245	2,175
1998 RMRB Scries B	Interest	434	434	434	434

Total Requir	16	2042-46	2037-41	2032-36	2027-31	2022-26	2017-21	2012-16	2011
30. 40.	- 5	\$ -	s -	-	\$ 30,175 5,253	- 8,750	\$ - \$ 8,750	\$ - 8,750	1,750
							740 104	200	40
14, 18,					14,705 2,286	4,175	4,175	4,175	835
9. 12,					2,285	6,800 2,707	3,185	3,185	637
37, 45,				16,245 2,009	4,510	21,240 7,684	10,315	10,315	2,063
43 60				33,620 2,567	10,135 10,402	11,880	11,880	11,980	2,376
11. 4							2,380 58	6,630 1,499	590 463
6								2,190 51	1,015 97
<u>122</u> 114				55,700 8,425	15,915 15,349	13,045 18,751	10,800 21,497	13,870 23,912	2,490 5,108
53 34				12,450 651	13,585 3,208	12,435 5,409	10,300 7,354	4,230 8,617	1,802
4			4,140	1,101	1,[04	1,104	1,103	1,104	221
3B 32				8,480 789	8,600 3,019	8,325 4,998	6,560 6,837	4,205 8,107	640 1,732
35 23				8,825 555	8,600 2,229	8,320 3,651	6,945 5,020	2,310 5,957	1,211
10							410 20	4,240 344	1,200 202
99 62			2,800	25,200 2,506	20,730 6,496	17,060 9,776	14,025 12,474	11,535 14,697	2,050 3,169
24 17					13,640	3,300 791,6	3,090 4,041	2,475 4,713	440 1,003
8 5							8,660 459	2,309	462
3				735 61	2,165 307	585 853	870	870	174
59 69			12,015 307	22,275 6,297	8,720 9,611	6,535 11,526	4,775 12,959	3,430 13,989	560 2,895
70 59				11,920 728	18,000 5,083	(4,330 9,161	11,520 12,405	9,305 15,030	1,639 3,274
105 107			9,890 260	28,020 5,916	21,735 12,337	16,850 17,316	13,065 21,180	10,140 24,173	1,735 5,132
29 23				•	8,095 387	13,695 3,292	7,895 5,991	6,680	1,336
17 4						.,.	3,760 84	8,090 1,520	1,435 494
15									
1,601		• ***	29,412	255,075	278,666	266,750	255,686	254,927	50,261
46 45					30,645 6,263	8,090	9,815 9,034	10,665	2,133
8, 6,						8,195 224	2,170	2,170	434

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS (332)—REVENUE BOND PROGRAM

DEBT SERVICE REQUIREMENTS (PRINCIPAL AND INTEREST)

AS OF AUGUST 31, 2006 (Amounts in thousands)

Description		2007	2008	2009	2010
1999 RMRB Series A 1999 RMRB Series A	Principal	s -	S -	s -	S -
1999 RMRB Series B-1 1999 RMRB Series B-1	Interest Principal	34		345	345
1999 RMRB Series C	Interest Principal	1,69		1,698	1,698
1999 RMRB Series C 2000 RMRB Series A	Interest Principal	24 26		242 285	242
2000 RMRB Series A	interest	1,14		1,114	1,104
2000 RMRB Series B 2000 RMRB Series B	Principal Interest	3,17	5 3,175	3,175	3,175
2000 RMRB Series C 2000 RMRB Series C	Principal Interest	52	520	520	520
2000 RMRB Series D 2000 RMRB Series D	Principal Interest	57 40		645 343	690 309
2001 RMRB Series A 2001 RMRB Series A	Principal Interest	68	5 730	765	800
2001 RMRB Series B	Principal	1,97	2 1,937	1,899	1,859
2001 RMRB Series B 2001 RMRB Series C	Interest Principal	63 1,14		638 1,255	638 1,315
2001 RMRB Series C	Interest	48	0 434	384	330
2001 RMRB Series D 2001 RMRB Series D	Principal Interest	ı	5 3 13	10 12	10 12
2002 RMRB Series A 2002 RMRB Series A	Principal Interest	60 1,77		640 1,721	665 1,690
2003 RMRB Scries A 2003 RMRB Scries A	Principal Interest	1,17 3,31		1,245 3,223	1,275 3,172
Total Residential Mtg Revenue Bonds		24,28	24,291	24,273	23,953
1992 Coll Home Mtg Rev Bds Series C 1992 Coll Home Mtg Rev Bds Series C	Principal Interest	1.02	2 1071	. 022	1.070
Total Coll Home Mig Revenue Bonds	interest	1,02		1,028	1,028
1987 MF Series (South Texas Rental Housing)	Principal	8	4 93	102	112
1987 MF Series (South Texas Rental Housing) 1996 MF Series A/B (Brighton's Mark)	Interest Principal	6	2 53	44	34
1996 MF Series A/B (Brighton's Mark)	Interest	49	5 495	495	495
1996 MF Series A/B (Las Colinas) 1996 MF Series A/B (Las Colinas)	Principal Interest	71	5 716	716	716
1998 MF Series A (Dallas Oxford Refndg) 1998 MF Series A (Dallas Oxford Refndg)	Principal Interest	70.	3 708	708	708
1996 MF Series A/B (Braxton's Mark) 1996 MF Series A/B (Braxton's Mark)	Principal Interest	82	9 829	829	829
1993 MF Series A&B (RemHill/HighPt Ref) 1993 MF Series A&B (RemHill/HighPt Ref)	Principal Interest	39			
1998 MF Series (Pebble Brook)	Principal	18) 190	393 205	393 215
1998 MF Series (Pebble Brook) 1998 MF Series A-C (Residence Oaks)	Interest Principal	55 14		535 159	524 169
1998 MF Series A-C (Residence Oaks) 1998 MF Series A (Volente Project)	Interest	44	3 440	430	420
1998 MF Series A (Volente Project)	Principal Interest	17: 55-		190 536	215 524
1998 MF Series (Greens of Hickory Trail) 1998 MF Series (Greens of Hickory Trail)	Principal Interest	22: 66		250 640	270 624
1999 MF Series A-C (Mayfield) 1999 MF Series A-C (Mayfield)	Principal Interest	199 599		222 575	235 562
1999 MF Series (Woodglen Village) 1999 MF Series (Woodglen Village)	Principal Interest	11	66	71	76
2000 MF Series (Timber Point Apts)	Principal	1,54		759	753
2000 MF Series (Timber Point Apts)	Interest	27:	i 273	273	273
					(Continued)

2011	2012-16	2017-21	2	022-26	2	027-31		2032-36		2037-41		2042-46		Total Require
- 34	\$ - 5 1,725	\$ 6,715 1,089	S	-	2	-	\$	•	5	-	S	-	5	6,5 4,5
1,69	98 8,490	9,100 8,383		5,260		5,260		16,650 885						25, 36,
24	1,210	1,210		3,880 695										3,1 4,3
1,10	l4 5,520	4,490 4,812		4,130		13,105 3,987								18, 24,
3,17		15,875		12,000 15,059		12,380		42,745 2,762						54. 77,
52	0 2,600	5,240 2,243		3,675 719										8, 8,
73 27		1,075 210												7, 2,
21 1,83		1,705 8,510		9,050 7,287		14,235 4,034		7,220 439						36, 38,
72 62		5,920 1,211		1,410 44										12, 6,
1,37 27														11, 2,
	0 40 L 49	45 36		45 25		45 12		25 2						
71 1,65		5,255 6,472		6,325 5,032		10,535 2,761		4,650 270						34, 30,
1,32 3,11		9,750 12,614		13,420 9,902		18,635 5.903		13,605 1,099						69, 60,
22,52	0 109.766	132,979		[14,467		127,800	_	90,352			_	-	_	694.
1,02	85,146	5,143		14,900 2,912			_		_		***		_	14, 18,
1,02	8 5,146	5,143		17,812			*****		_	<u> </u>			_	33,
12 2														
49	5 2,475	2,475		8,075 2,475										8, 9,
71	6 3,580	3,580		12,670 3,577										12, 14,
70	8 3,540	10,300 1,122												.01 8
82	9 4,145	4,145		14,274 4,153										14, 16,
39	3 1,965	1,965		11,390 557				-						il, 6,
22 51		1,900 1,916		2,600 1,307		3,175 463								10, 8,
18 41		1,905		1,905		6,358 1,621								7, 9,
22	5 1,380	1,885		2,595		3,155								10,
51 29		1,901 2,405		1,283 3,240		431 3,865								8, 12,
60	8 2,762	2,227		1,504		523								10,
24 54		1,960 2,917		2,602 1,373		3,454 516								10, 9,
8 74	2 514 8 3,634	743 3,405		1,072 3,074		1,549 2,599		2,238 1,909		3,976 742				10, 19,
27	3 1,365	1,365		1,365		1,365		7,800 273						7,
		•												Continu

DEBT SERVICE REQUIREMENTS (PRINCIPAL AND INTEREST) AS OF AUGUST 31, 2006 (Amounts in thousands)

Description		2007		2008		2009		2010
2000 MF Series (Oaks at Hampton) 2000 MF Series (Oaks at Hampton)	Principal Interest	\$ 68 710	\$	75 703	\$	82 696	\$	89 689
2000 MF Series (Deerwood Apts) 2000 MF Series (Deerwood Apts)	Principa! Interest	85 387		95 383		95 377		105 372
2000 MF Series (Creek Point Apts) 2000 MF Series (Creek Point Apts)	Principal Interest	234		234		234		234
2000 MF Series A/B (Parks @ Westmoreland) 2000 MF Series A/B (Parks @ Westmoreland)	Principal Interest	67 829		73 823		80 816		87 809
2000 MF Series (Honeycreek) 2000 MF Series (Honeycreek)	Principal Interest	253 3,087		142 1,529		153 1,517		165 1,505
2000 MF Series A-C (Highland Meadow Apts) 2000 MF Series A-C (Highland Meadow Apts)	Principal Interest	145 742		155 732		16 6 721		177 710
2000 MF Series A/B (Greenbridge) 2000 MF Series A/B (Greenbridge)	Principal Interest	211 2,928		109 1,451		127 1,441		137 1,432
2000 MF Series A-C (Collingham Park) 2000 MF Series A-C (Collingham Park)	Principal Interest	172 877		182 864		208 850		230 905
2000 MF Series A/B (Williams Run) 2000 MF Series A/B (Williams Run)	Principal Interest	173 2,227		84 945		91 938		98 931
2000 MF Series A/B (Red Hills Villas) 2000 MF Series A/B (Red Hills Villas)	Principal Interest	54 852		59 847		65 841		71 834
2001 MF Series (Bluffview Senior Apts) 2001 MF Series (Bluffview Senior Apts)	Principal Interest	55 905		59 900		64 894		69 889
2001 MF Series (Knollwood Villas Apts) 2001 MF Series (Knollwood Villas Apts)	Principal Interest	71 1,168		77 1,162		82 1,156		89 1,149
2001 MF Series (Skyway Villas) 2001 MF Series (Skyway Villas)	Principal Interest	130 491		145 484		155 477		160 468
2001 MF Series A/B (Cobb Park) 2001 MF Series A/B (Cobb Park)	Principal Interest	38 608		4 <u>2</u> 604		46 599		51 595
2001 MF Series (Greens Road Apts.) 2001 MF Series (Greens Road Apts.)	Principal Interest	110 435		120 429		130 422		135 415
2001 MF Series A/B (Meridian Apts.) 2001 MF Series A/B (Meridian Apts.)	Principal Interest	(75 815		185 803		200 791		215 777
2001 MF Series A/B (Wildwood Apts.) 2001 MF Series A/B (Wildwood Apts.)	Principal Interest	175 806		190 794		205 781		220 767
2001 MF Series A-C (Fallbrook Apts.) 2001 MF Series A-C (Fallbrook Apts.)	Principal Interest	193 875		206 861		220 847		235 831
2001 MF Series (Oak Hollow Apts.) 2001 MF Series (Oak Hollow Apts.)	Principal Interest	37 44B		40 445		43 442		46 439
2001 MF Series A/B (Hillside Apts.) 2001 MF Series A/B (Hillside Apts.)	Principal Interest	69 1,006		75 1,00 0		83 992		90 984
2002 MF Series (Millstone Apts.) 2002 MF Series (Millstone Apts.)	Principal Interest	180 680		195 670		205 659		215 647
2002 MF Series (Sugar Creek Apts.) 2002 MF Series (Sugar Creek Apts.)	Principal Interest	105 705		80 701		85 696		90 691
2002 MF Series (West Oaks Apts.) 2002 MF Series (West Oaks Apts.)	Principal Interest	70 950		57 716		62 711		66 706
2002 MF Series (Park Meadows Apts) 2002 MF Series (Park Meadows Apts)	Principal Interest	60 285		60 281		70 277		65 273
2002 MF Series (Clarkridge Villas Apts) 2002 MF Series (Clarkridge Villas Apts)	Principal Interest	79 1,009		85 1,003		91 997		98 990
2002 MF Series (Hickory Trace Apts) 2002 MF Series (Hickory Trace Apts)	Principal Interest	62 800		1,003 67 796		71 791		77 786
2002 MF Series (Green Crest Apts) 2002 MF Series (Green Crest Apts)	Principal Interest	77 997		66		71		76
2002 MF Series A/B (Ironwood Crossing) 2002 MF Series A/B (Ironwood Crossing)	Principal Interest	67		792 73		787 79		782 87
(monitoon organis)	muttal	1,215		1,209		1,202		1,195

(Continued)

2011	2012-16	2017-21	2022-26	2027-31	2032-36	2037-41	2042-46	Total Required
96 6B1	\$ 601 3,288	\$ 860 3,030	\$ 1,231 2,659	\$ 1,764 2,126	\$ 2,525 1,364		\$ -	\$ 9,82 16,27
115 365	120 1,775	1,305 1,687	1,355	1,355	4,240 410			6,16 8,46
234	1,170	1,170	1,170	1,170	6,685 253			6,68 6,10
94 801	584 3,868	836 3,571	1,197 3,144	1,712 2,535	2,451 1,661			9,7' 19,3
178 1,491	1,124 7,219	1,645 6,696	2,405 5,931	3,516 4,813	10,782 2,615			20,36 36,49
190 697	1,162 3,273	1,616 2,816	2,257 2,180	3,145 1,291	2,009 206			11,00 13,3
148 1,421	926 6,916	1,340 6,501	1,937 5,899	2,802 5,030	4,050 3,773			19,89 38,55
244 888	1,459 4,139	1,971 3,520	2,679 2,678	3,669 1,530	2,301 205			13,1 16,4:
106 923	671 4,475	983 4,163	l,439 3,707	2,107 3,039	3,084 2,062			12,5 24,0.
77 828	485 4,028	701 3,782	1,014 3,427	1,467 2,914	2,121 2,171			10,1; 21,5;
74 883	470 4,303	687 4,057	1,002 3,699	1,464 3,176	2,139 2,414			10,5 23,3
96 1,142	604 5,579	882 5,286	1,288 4,861	1,883 4,238	2,750 3,329	5,727		13,5 30,9
160 460	970 2,151	i,285 i,841	1,680 1,429	2,230 882	1,970 198			8,8 8,8
56 590	348 2,874	504 2,708	718 2,469	1,054 2,119	1,526 1,615	•		7,6 15,6
145 408	875 1,909	1,180 1,638	1,605 1,270	2,190 764	1,680 140			8,1 7,8
230 762	1,405 3,553	2,065 2,990	2,695 2,294	3,635 1,424	3,255 321			14,0 14,5
235 752	1,450 3,496	2,065 2,946	2,700 2,288	3,625 1,422	3,250 322			14,1 14,3
251 815	1,512 3,820	2,038 3,287	2,746 2,567	3,702 1,597	3,331 365			14,4 15,8
49 436	306 2,119	432 1,993	613 1,811	868 1,552	1,232 1,188		1,007 16	6,4 11,5
96 978	594 4 , 756	842 4,476	1,195 4,077	1,693 3,511	2,400 2,708		2,202 55	12,7 26,0
225 636	1,345 2,971	1,745 2,552	2,280 2,006	3,000 1,276	3,065 348			12,4. 12,4
100 685	605 3,326	75 3,206	3,205	3,205	3,205	3,205	10,680 214	11,8 23,0
71 701	441 3,414	632 3,215	902 2,930	1,288 2,522	1,839 1,939		1,588 36	9,6 18,9
80 268	455 1,255	625 1,081	865 839	1,195 505	920 93			4,3 5,1
105 983	649 4,791	920 4,519	t,305 4,132	1,849 3,585	2,622 2,806		2,938 172	14,4 26,6
82 780	507 3,802	721 3,588	1,022 3,285	1,448 2,856	2,053 2,248	2,910	2,443 161	11,4 21,2
82 777	507 3,784	717 3,573	1,017 3,271	1,443 2,844	2,044 2,238	2,898	2,430 161	11,4 21,3
95 1,187	619 5,787	957 5,446	1,408 4,994	1,997 4,400	2,830 3,562	4,012	4,695 334	16,9 32,9

(Continued)

DEBT SERVICE REQUIREMENTS (PRINCIPAL AND INTEREST) AS OF AUGUST 31, 2006 (Amounts in thousands)

-		 	 		
Description		2007	2008	2009	2010
2002 MF Series (Woodway Village Apts) 2002 MF Series (Woodway Village Apts)	Principal Interest	\$ 100 397	\$ 110 392	\$ 115 386	\$ 120 380
2003 MF Series A/B (Reading Road) 2003 MF Series A/B (Reading Road)	Principal Interest	120 394	120 391	220 386	130 380
2003 MF Series A/B (North Vista Apts) 2003 MF Series A/B (North Vista Apts)	Principal Interest	200 6 94	210 685	215 676	230 666
2003 MF Series A/B (West Virginia Apts) 2003 MF Series A/B (West Virginia Apts)	Principal Interest	135 469	145 463	150 456	155 450
2003 MF Series A/B (Sphinx @ Murdeaux) 2003 MF Series A/B (Sphinx @ Murdeaux)	Principal Interest	160 1,993	165 1,998	170 2,005	180 2,013
2003 MF Series A/B (Primrose Houston School) 2003 MF Series A/B (Primrose Houston School)	Principal Interest	73 1,102	79 1,096	85 1,090	93 1,083
2003 MF Series A/B (Timber Oaks Apts) 2003 MF Series A/B (Timber Oaks Apts)	Principal Interest	51 930	56 925	61 920	67 915
2003 MF Series A/B (Ash Creek Apts) 2003 MF Series A/B (Ash Creek Apts)	Principal Interest	73 1,095	80 1,089	86 1,082	94 1,075
2003 MF Series A/B (Peninsula Apts) 2003 MF Series A/B (Peninsula Apts)	Principal Interest	80 645	160 639	170 632	180 623
2003 MF Series A (Evergreen @ Mesquite) 2003 MF Series A (Evergreen @ Mesquite)	Principal Interest	103 751	110 744	117 737	125
2003 MF Series A/B (Arlington Villas) 2003 MF Series A/B (Arlington Villas)	Principal Interest	46 1,179	74 1,174	80	729 87
2003 MF Series A/B (Parkview Townhomes) 2003 MF Series A/B (Parkview Townhomes)	Principal Interest	73	79	1,167 86	1,161 94
2003 MF Series A (NHP-Asmara/Refunding) 2003 MF Series A (NHP-Asmara/Refunding)	Principal Interest	1,119 335	1,112 360	1,105 380	1,098 400
2004 MF Series A/B (Timber Ridge) 2004 MF Series A/B (Timber Ridge)	Principal	751 32	739 34	725 37	713 39
2004 MF Series A/B (Century Park) 2004 MF Series A/B (Century Park)	Interest Principal	451 65	449 150	446 160	444 175
2004 MF Series A (Addison Park) 2004 MF Series A (Addison Park)	Interest Principal	700 60	693 70	685 75	676 80
2004 MF Series A/B (Veterans Memorial) 2004 MF Series A/B (Veterans Memorial)	Interest Principal	506 73	504 79	501 86	499 94
2004 MF Series A (Rush Creek)	Interest Principal	1,694 52	1,088	1,08t 59	1,073 63
2004 MF Series A (Rush Creek) 2004 MF Series A (Humble Park)	Interest Principal	668 90	664 100	660 110	656 110
2004 MF Series A (Humble Park) 2004 MF Series A (Chisholm Trail)	Interest Principal	770 130	764 135	757 145	749 155
2004 MF Series A (Chisholm Trail) 2004 MF Series A (Evergreen @ Plano)	Interest Principal	431 13	427 80	42 l 85	416 91
2004 MF Series A (Evergreen @ Plano) 2004 MF Series A (Montgomery Pines)	Interest Principal	966 145	962 155	957 160	951 170
2004 MF Series A (Montgomery Pines) 2004 MF Series A (Bristol)	laterest Principal	442 75	438 160	431 170	426 180
2004 MF Series A (Bristol) 2004 MF Series A (Pinnacle)	Interest Principal	456 90	452 185	445 195	439
2004 MF Series A (Pinnacle) 2004 MF Series A (Tranquility Bay)	Interest Principal	523 79	519 84	51 I 90	504
2004 MF Series A (Tranquility Bay) 2004 MF Series A (Sphinx @ Delafield)	Interest Principal	929 95	923	918	96 912
2004 MF Series A (Sphinx @ Delaffeld) 2004 MF Series A (Churchill @ Pinnacle)	interest	593	100 588	110 583	110 577
2004 MF Series A (Churchill @ Pinnacle) 2004 MF Series A/B (Post Oak East)	Principal Interest	704	57 702	61 698	65 694
2004 MF Series A/B (Post Oak East)	Principal Interest	105 502	220 497	225 488	235 480

(Continued)

(Continued)

2011	2012-16	2017-21	2022-26	2027-31	2032-36	2037-41	2042-46	Total Required
130 374	S 765 1,766	\$ 1,025 1,543	\$ 5,380 493	S -	S -	5 -	\$ -	5 7,745 5,731
230 374	1,170 1,771	1,530 1,560	2,030 1,276	2,860 888	3,790 362			12,200 7,782
245 656	1,395 3,100	1,820 2,700	2,410 2,165	3,140 1,465	4,135 545			14,000 13,352
165 443	935 2,092	f,225 1,823	1,620 1,465	2,130 990	2,790			9,450
185	1,075	1,365	1,735	2,195	366 2,800	3,585	1,260	9,017 14,875
2,022 101	7,428 645	3,049 962	2,684 1,361	2,213 1,895	1,608 (1,330	826	G4	27,903 16,624
1,075	5,236	4,923	4,535	4,013	3,235			27,388
73 909	47B 4,430	738 4,166	1,135 3,767	1,624 3,277	2,274 2,623	3,183 1,709	3,409 330	13,149 24,901
101 1,067	650 5,194	95B 4,889	1,344 4,509	1,883 3,980	11,083 3,003			16,352 26,983
190 614	1,135 2,917	1,530 2,573	8,955 1,357					12,400 10,000
133	809	1,112	1,530	2,104	2,710	1,100	1,006	10,000
720 95	3,452 604	3,140 905	2,708	2,116	1,301	627	106	17,131
1,153	5,635	5,335	1,323 4,920	1,868 4,383	2,636 3,629	9,382 158		17,100 29,894
102 1,089	664 5,292	1,002 4,954	1,409 4,545	1,958 3,993	2,721 3,227	3,781 2,161	4,586 5[8	16,555 30,213
430 699	2,550 3,250	3,425 2,742	4,585 2,064	6,150 1,154	3,010 141			21,625 12,978
42 441	261 2,157	369 2,051	521 1,903	739 1,690	4,626 1,372			6,700
185	1,095	1,510	2,080	2,825	3,840	915		11,404 13,000
666 90	3,164 555	2,813 820	2,335 1,225	1,679 1,795	787 2,660	23 3,940	2,630	14,221 14,060
496	2,424	2,304	2,126	1,860	1,469	890	147	13,726
102 1,065	663 5,171	980 4,853	1,364 4,466	1,895 3,932	2,634 3,189	3,662 2,157	4,634 543	16,266 29,712
67 652	413 3,182	578 3,019	806 2,787	1,126 2,466	1,573 2,017	2,197 1,390	3,007 369	9,996 18,530
120 742	730 3,576	1,025 3,291	1,425 2,894	1,955 2,341	2,710 (,582	3,325 537		11,700
165	995	1,380	1,890	2,595	3,555	855		18,003 12,000
410 97	1,949 591	1,735 819	1,438 1,137	1,033 1,577	477 2,186	14 3,029	5,045	8,751 14,750
945	4,619	4,387	4,069	3,629	3,016	2,166	700	27,367
180 419	1,090 1,988	1,455 1,759	1,955 1,454	2,630 1,041	3,520 492	840 16		12,300 8,906
190 433	1,140 2,049	1,525 1,809	2,030 1,491	2,700 1,065	3,605 502	850 14		12,625 9,155
220 497	1,315 2,351	1,750 2,075	2,330 1,708	3,100 1,222	4,130	975		14,500
102	625	863	1,195	1,651	573 2,282	20 3,157	4,107	10,503 14,331
905 120	4,413 710	4,172 925	3,840 1,220	3,382 1,595	2,747 2,090	1,868 2,645	536 1,610	25,545 11,330
572	2,759	2,556	2,291	1,930	1,454	836	134	14,873
70 690	428 3,370	591 3,204	819 2,976	1,137 2,656	1,576 2,214	2,184 1,602	3,762 553	10,750 20,063
245 471	1,415 2,210	i,775 i,920	2,230 1,556	2,810 1,096	3,530 517	810 21		13,600 9,758

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DEBT SERVICE REQUIREMENTS (PRINCIPAL AND INTEREST)

AS OF AUGUST 31, 2006

(Amounts in thousands)

Description			2007		2008		2009		2010
2004 MF Series (Village Fair) 2004 MF Series (Village Fair)	Principal Interest	2	50 915	\$	80 910	\$	85 905	S	91 899
2005 MF Series (Pecan Grove) 2005 MF Series (Pecan Grove)	Principal Interest		44 911		79 831		84 902		90 896
2005 MF Series (Prairie Oaks) 2005 MF Series (Prairie Oaks)	Principal Interest		34 718		62 714		66 710		71 706
2005 MF Series (Port Royal) 2005 MF Series (Port Royal)	Principal Interest		32 792		6B 789		73 784		78 779
2005 MF Series (Del Rio) 2005 MF Series (Del Rio)	Principal Interest		31 746		64 743		69 738		73 734
2005 MF Series (Atascocita Pines) 2005 MF Series (Atascocita Pines)	Principal Interest		434		435		143 431		152 426
2005 MF Series (Tower Ridge) 2005 MF Series (Tower Ridge)	Principal Interest		545		546		100 544		100 541
2005 MF Series (Alta Cullen) 2005 MF Series (Alta Cullen)	Principal Interest		924		61 922		78 917		83 912
2005 MF Series (Lafayette Village) 2005 MF Series (Lafayette Village)	Principal Interest		514		515		178 51 t		189 505
2005 MF Series (Prairie Ranch) 2005 MF Series (Prairie Ranch)	Principal Interest		592		150 589		115 583		125 577
2005 MF Series (St Augustine) 2005 MF Series (St Augustine)	Principal Interest		279		279		47 278		98 275
2005 MF Series (Park Manor) 2005 MF Series (Park Manor)	Principal Interest		830		666		58 664		62 660
2005 MF Series (Mockingbird) 2005 MF Series (Mockingbird)	Principal Interest		919		80 916		85 911		91 905
2005 MF Series (Chase Oaks) 2005 MF Series (Chase Oaks)	Principal Interest		95 719		236 709		248 697		261 684
2005 MF Series (Canal Place) 2005 MF Series (Canal Place)	Principal Interest		609		610		609		56 60B
2005 MF Series (Coral Hills) 2005 MF Series (Coral Hills)	Principal Interest		269		269		269		269
2006 MF Series (Harris Branch) 2006 MF Series (Harris Branch)	Principal Interest		519		519		519		200 515
2006 MF Series (Bella Vista) 2006 MF Series (Bella Vista)	Principal Interest		418		15 418		45 416		45 413
2006 MF Series (Village Park) 2006 MF Series (Village Park)	Principal Interest		700		700		105		190 690
2006 MF Series (Oakmoor) 2006 MF Series (Oakmoor)	Principal Interest		878		878		75 876		95 871
2006 MF Series (Sunset Pointe) 2006 MF Series (Sunset Pointe)	Principal Interest		519		519		519		519
2006 MF Series (Hillcrest) 2006 MF Series (Hillcrest)	Principal Interest		653		653		653		175 647
2006 MF Series (Pleasant Village) 2006 MF Series (Pleasant Village)	Principal Interest		365		34 365		71 361		75 356
2006 MF Series (Grove Village) 2006 MF Series (Grove Village)	Principal Interest		376		35 376		73 371		77 367
Total Multifamily Bonds	• •	****				_			
Total		***	78,346		73,456	_	74,430	_	75,036
Less Interest			163,256		148,489		151,094		150,376
TOTAL PRINCIPAL			129,416		122,558	_	121,290	_	119,971
TO FALL I MINUTAL		<u>s</u>	33,840	5	25,931	\$	29,804	\$	30,405

Notes: The actual maturity of any class of bonds may be shorter than its stated maturity as a result of prepayments on the mortgage certificates or loans. No assurance can be given as to the rates of prepayments that actually will occur. Interest does not include accretions on capital appreciation bonds or amortization of premium/discount on bonds.

	2011	2012-16	2017-21		2022-26		2027-31		2032-36		2037-41		2042-46		Total Required
5	97 893	\$ 590 4,359	\$ 817 4,131	\$	1,130 3,817	S	1,561 3,384	\$	2,160 2,781	S	2,985 1,951	\$	4,454 679	\$	14,100 25,624
	96 890	584 4,343	808 4,120		1,118 3,810		1,544 3,382		2,138 2,792		2,956 1,974		4,489 723		14,030 25,574
	75	461	636		880		1,217		1,683		2,328		3,537		11,050
	700	3,418	3,241		2,997		2,659		2,189		1,542		548		20,142
	83 774	505 3,777	698 3,583		965 3,315		1,336 2,941		1,848 2,427		2,555 1,716		3,959 627		12,200 22,304
	78	476	658		909		1,258		1,742		2,406		3,726		11,490
	729	3,558	3,374		3,121		2,770		2,286		1,617		590		21,006
	162 420	971 2,000	1,313 1,791		1,781 1,509		2,420 1,126		3,304 603		1,654 51				11,900 9,226
	100	500	1,100		1,800		2,600		3,800						
	537	2,631	2,494		2,236		1,835		1,263		4,900 256				15,000 13,428
	89	544	756		1,050		1,460		2,028		2,819		5,032		14,000
	906	4,431	4,218		3,922		3,509		2,938		2,144		867		26,610
	200	1,197	1,602		2,143		2,870		3,841		1,880				14,100
	498	2,368	2,114		1,775		1,321		717		72				10,910
	125	750	965		1,260		1,610		2,020		2,555		2,525		12,200
	571	2,755	2,551		2,288		1,942		1,511		965		284		15,208
	104 271	624 1,292	839 1,157		1,128 977		1,513 735		2,033 409		1,264 50				7,650 6,002
	66	400	550												
	656	3,209	3,058		757 2,852		1,042 2,567		1,432 2,177		1,971 1,637		4,062 781		10,400 19,757
	97	588	809		1,113										
	899	4,392	4,170		3,863		1,532 3,444		2,109 2,864		2,902 2,067		4,954 870		14,360 26,220
	275	1,601	2,059		9,475				-,,,,,		2,001		2,0		14,250
	671	3,127	2,668		1,156										10,431
	81	519	777		1,088		1,497		2,059		10,023				16,100
	604	2,945	2,777		2,596		2,359		2,035		911				16,663
	269	1,345	1,345		1,345		1,345		1,345		5,320 505				5,320 8,575
	200	1,300													
	508	2,420	1,600 2,174		2,200 1,843		3,000 1,400		3,900 805		2,600 120				15,000 11,342
	45	285	385		530		710		970		1,320		2,450		6,800
	411	2,005	1,903		1,763		1,576		1,320		973		483		12,099
	190	1,120	1,495		1,985		8,575								13,660
	680	3,238	2,907		2,465		110								12,189
	101	607	819		1,104		1,491		2,011		2,713		5,619		14,635
	865	4,221	4,008		3,721		3,333		2,811		2,106		1,089		25,657
	519	7 505	7.505		n ene						000,71				15,000
		2,595	2,595		2,595		2,595		2,595		1,489				17,059
	160 6 38	960 3,048	1,300		1,770		425		5.000		7,645				12,435
			2,751		2,347		2,013		2,005		1,038				16,446
	80 351	479 1,676	650 1,505		4,61 t 543										6,000 5,522
	82	493	669		4,751										
	362	1,728	1,550	_	421	_		_		_		*****			6,180 5,551
	95.100														
	75,1B3	372,631	378,980	_	435,559	-	352,939	_	348,328	_	250,465		120,536	_	2,635,889
	148,992	742,470	772,788		B34,588		759,405		693,755		279,877		120,536		4,965,626
	118,508	565,006	504,664	_	420,85B	_	303,220	_	163,324	_	63,167		12,690	_	2,644,672
	30,484	\$ 177,464	\$ 268,124	5	413,730	\$	456,1B5	•	530,431	s	216,710	5	107,846	S	2,320,954

(Concluded)

ANALYSIS OF FUNDS AVAILABLE FOR DEBT SERVICE—REVENUE BONDS AS OF AUGUST 31, 2006

(Amounts in thousands)

		Pledged and Other Sources and Related Net Available for Debt Service		
	Net Available f		Debt	Service
	Total Pledged	Operating Expenses/		
Description of Issue	and Other Sources	Expenditures and Capital Outlay	Principal	Interest
1995 Single Family Series A	\$ 30,459	\$ 18	\$ -	\$ 475
1995 Single Family Series C	12,917	13		244
1996 Single Family Series A	9,645	53	•	352
1996 Single Family Series D	29,854	79		1,350
1996 Single Family Series E	21,499	59	1,230	950
1997 Single Family Series A	1,963	66	-,	1,750
1997 Single Family Series B	6,630	1		126
1997 Single Family Series D	5,179	105		864
1997 Single Family Series F	5,625	***		118
2002 Single Family Series A	1,960	61		2,063
2002 Single Family Series A Junior Lien	1,055	20		682
2002 Single Family Series B	6,176	70		2,425
2002 Single Family Series C	612	19	450	573
2002 Single Family Series D	711	10	910	286
2004 Single Family Series A	5,887	336	710	5,489
2004 Single Family Series A (Junior Lien)	101	15		
2004 Single Family Series B	2,193	144		190
2004 Single Family Series C	4,008	108		1,723
2004 Single Family Series D				1,897
2004 Single Family Series E	1,456	96		1,153
2005 Single Family Series A	782	30		379
-	3,883	315		3,222
2005 Single Family Series B	1,929	23		1,043
2005 Single Family Series C	655	8		115
2005 Single Family Series D	375 505	3		44
2006 Single Family Series A	595	4		521
2006 Single Family Series B	709	5		617
2006 Single Family Series C	1,049	8		945
2006 Single Family Series D	312	2		234
2006 Single Family Series E	<u> 170</u>	1		123
Total Single Family Bonds	158,389	1,672	<u>2,590</u>	<u>29,953</u>
1998 RMRB Series A	8,355	147	1,295	2,558
1998 RMRB Series B	976	26		443
1999 RMRB Series A	1,770	23		371
1999 RMRB Series B-1	6,417	46		1,855
1999 RMRB Series C	894	7		261
2000 RMRB Series A	4,393	52	270	1,262
2000 RMRB Series B	11,983	67		3,436
2000 RMRB Series C	1,243	10		538
2000 RMRB Series D	1,565	10	595	455
2001 RMRB Series A	5,420	26	695	2,106
2001 RMRB Series B	1,038	9		644
2001 RMRB Series C	2,466	8	1,270	563
2001 RMRB Series D	37	_		13
2002 RMRB Series A	6,052	39	635	1,940
2003 RMRB Series A	4,623	88	1,180	3,388
Total Residential Mtg Revenue Bonds	57,232	558	5,940	19,833
1992 Coll Home Mtg Rev Bds Series C	<u>\$ 7,116</u>	\$ 20	<u>\$ -</u>	<u>\$ 1,232</u>

ANALYSIS OF FUNDS AVAILABLE FOR DEBT SERVICE—REVENUE BONDS AS OF AUGUST 31, 2006

(Amounts in thousands)

	Pledged and Ot	Expenditures for FY 2006			
•	Net Available f	or Debt Service	Debt S	Service	
	Total Pledged and	Operating Expenses/ Expenditures and			
Description of Issue	Other Sources	Capital Outlay	Principal	Interest	
Total Coll Home Mtg Revenue Bonds	<u> 7,116</u>	20	-	1,232	
1994 SF MRB CHMRB Series C	3,651	45		180	
Total Single Family MRB 1994 CHMRB	3,651	45	-	180	
1987 MF Series (South Texas Rental Housing)	109		77	70	
1993 MF Series A&B (RemHill/HighPt Ref)	365	5		360	
1996 MF Series A/B (Braxton's Mark)	857	3		841	
1996 MF Series A/B (Brighton's Mark)	1,356	2		502	
1996 MF Series A/B (Las Colinas)	2,122	4			
1996 MF Series A/B (NHP Foundation)	2,122	7		757	
1996 MF Series A-D (Harbors/Plumtree)	11.764		255	c	
	11,764		255	659	
1998 MF Series A (Dallas Oxford Refindg)	719			715	
1998 MF Series (Greens of Hickory Trail)	674		210	674	
1998 MF Series (Pebble Brook)	560		170	560	
1998 MF Series A (Volente Project)	563		165	563	
1998 MF Series A-C (Residence Oaks)	456		134	456	
1999 MF Series (Woodglen Village)	775			775	
1999 MF Series A-C (Mayfield)	609		187	609	
2000 MF Series (Creek Point Apts)	318			218	
2000 MF Series (Deerwood Apts)	391		85	391	
2000 MF Series (Honeycreek)	1,553		03	1,553	
2000 MF Series (Oaks at Hampton)	715		62		
2000 MF Series (Timber Point Apts)	354		02	715	
2000 MF Series A/B (Greenbridge)				254	
	1,478			1,478	
2000 MF Series A/B (Parks @ Westmoreland)	710 750		61	710	
2000 MF Series A/B (Red Hills Villas)	758		49	758	
2000 MF Series A/B (Williams Run)	956		16	956	
2000 MF Series A-C (Collingham Park)	890		162	890	
2000 MF Series A-C (Highland Meadow Apts)	744		137	744	
2001 MF Series (Bluffview Senior Apts)	805		51	805	
2001 MF Series (Greens Road Apts.)	441		105	441	
2001 MF Series (Knollwood Villas Apts)	1,033		66	1,033	
2001 MF Series (Oak Hollow Apts.)	2,165		39	499	
2001 MF Series (Skyway Villas)	4,692		160	609	
2001 MF Series A/B (Cobb Park)	582		35	574	
2001 MF Series A/B (Hillside Apts.)	900		63	900	
2001 MF Series A/B (Meridian Apts.)	826		160	826	
2001 MF Series A/B (Wildwood Apts.)	790		165	790	
2001 MF Series A-C (Fallbrook Apts.)	888				
2002 MF Series (Clarkridge Villas Apts)			180	888	
	1,029		74	1,014	
2002 MF Series (Green Crest Apts)	1,809		44	818	
2002 MF Series (Hickory Trace Apts)	1,182		59	819	
2002 MF Series (Millstone Apts.)	690		165	690	
2002 MF Series (Park Meadows Apts)	393		55	293	
2002 MF Series (Sugar Creek Apts.)	719		35	710	
2002 MF Series (West Oaks Apts.)	690		33	690	
2002 MF Series (Woodway Village Apts)	\$ 1,697	\$ -	\$ 90	\$ 423	
2002 MF Series A/B (Ironwood Crossing)	1,237		51	1,220	
-	-				

ANALYSIS OF FUNDS AVAILABLE FOR DEBT SERVICE—REVENUE BONDS AS OF AUGUST 31, 2006 (Amounts in thousands)

	Pledged and Ot	d Expenditures	for FY 2006	
		or Debt Service		ervice
	Total Pledged	Operating Expenses/	-	
Description of Issue	and Other Sources	Expenditures and Capital Outlay	Principal	Interest
2003 MF Series A (Evergreen @ Mesquite)	792		41	789
2003 MF Series A/B (Ash Creek Apts)	1,076		12	1,062
2003 MF Series A/B (North Vista Apts)	713			699
2003 MF Series A/B (Peninsula Apts)	648			647
2003 MF Series A/B (Primrose Houston School)	1,443		6	1,156
2003 MF Series A/B (Reading Road)	478		Ü	465
2003 MF Series A/B (Sphinx @ Murdeaux)	746		140	731
2003 MF Series A/B (Timber Oaks Apts)	948		47	934
2003 MF Series A/B (West Virginia Apts)	482		• •	472
2004 MF Series A (Bristol)	411			411
2004 MF Series A (Chisholm Trail)	394			391
2004 MF Series A (Churchill @ Pinnacle)	646			646
2004 MF Series A (Evergreen @ Plano)	902			902
2004 MF Series A (Humble Park)	772			772
2004 MF Series A (Montgomery Pines)	401			401
2004 MF Series A (Pinnacle)	472			401 472
2004 MF Series A (Rush Creek)	680		4	
2004 MF Series A (Sphinx @ Delafield)	596		50	670 506
2004 MF Series A (Tranquility Bay)	889			596
2004 MF Series A (Addison Park)	495		19	885
2004 MF Series A/B (Century Park)				481
2004 MF Series A/B (Century Fark) 2004 MF Series A/B (Post Oak East)	714			701
· · · · · · · · · · · · · · · · · · ·	452			452
2004 MF Series A/B (Timber Ridge)	1,310		0.4	502
2004 MF Series A/B (Veterans Memorial)	1,116		34	1,100
2003 MF Series A/B (Parkview Townhomes)	1,141		45	1,125
2003 MF Series A/B (Arlington Villas)	1,065			1,065
2003 MF Series A (NHP-Asmara/Refunding)	11,627			767
2004 MF Series (Village Fair)	723			723
2005 MF Series (Pecan Grove)	737			737
2005 MF Series (Prairie Oaks)	557			557
2005 MF Series (Port Royal)	625			625
2005 MF Series (Del Rio)	589			589
2005 MF Series (Atascocita Pines)	391			391
2005 MF Series (Tower Ridge)	495			495
2005 MF Series (Alta Cullen)	824			824
2005 MF Series (Lafayette Village)	463			463
2005 MF Series (Prairie Ranch)	592			592
2005 MF Series (St Augustine)	249			249
2005 MF Series (Park Manor)	520			520
2005 MF Series (Mockingbird)	919			919
2005 MF Series (Chase Oaks)	720			720
2005 MF Series (Canal Place)	522			522
2005 MF Series (Coral Hills)	191			191
2006 MF Series (Harris Branch)	261			261
2006 MF Series (Bella Vista)	167			167
2006 MF Series (Village Park)	268			268
2006 MF Series (Oakmoor)	287			287
2006 MF Series (Sunset Pointe)	\$ 75	\$ -	\$ -	\$ 75
2006 MF Series (Hillcrest)	51			51
2006 MF Series (Pleasant Village	1			1

SCHEDULE 6

ANALYSIS OF FUNDS AVAILABLE FOR DEBT SERVICE—REVENUE BONDS **AS OF AUGUST 31, 2006** (Amounts in thousands)

		Pledged and Other Sources and Related Net Available for Debt Service					
Description of Issue	Total Pledged and Other Sources	Operating Expenses/ Expenditures and Capital Outlay	Principal	Interest			
2006 MF Series (Grove Village) Total Multifamily Bonds	94,001	14	3,798	<u>1</u> 			
TOTAL	<u>\$ 320,389</u>	<u>\$ 2,309</u>	\$ 12,328	\$110,970			
				(Conclude			

(Concluded)

MISCELLANEOUS BOND INFORMATION—DEFEASED BONDS OUTSTANDING AS OF AUGUST 31, 2006 (Amounts in thousands)

Description of Issue	Year Refunded	Par Value Outstanding
Business-type activities		
1996 MF SERIES A/B (NHP FOUNDATION) 1996 Single Family Series A 1996 Single Family Series D 1996 Sinlge Family Series E	2003 2006 2006 2006	\$ 24,525,000 5,765,000 23,920,000 17,295,000
TOTAL BUSINESS-TYPE ACTIVITIES		\$71,505,000

MISCELLANEOUS BOND INFORMATION—EARLY EXTINGUISHMENT AND REFUNDING AS OF AUGUST 31, 2006

			F	or Refunding O	niv
		Amount	Refunding	Cash Flow	Economic
Description of Issue	0-4	Extinguished	Issue	Increase	Gain/
Description of issue	Category	or Refunded	Par Value	(Decrease)	(Loss)
Business-Type Activities:					
1995 Single Family Series A	Early Extinguishment	\$ 4,255,000	\$ -	\$ -	\$ -
1995 Single Family Series A	Refunding	25,495,000	25,495,000	12,849,130	6,821,330
1995 Single Family Series C	Early Extinguishment	4,235,000			
1995 Single Family Series C 1996 Single Family Series A	Refunding	8,680,000	8,970,000	713,188	1,655,787
1996 Single Family Series A	Early Extinguishment Advance Refunding	3,110,000 5,765,000	5 765 NNA	1 100 00 <i>c</i>	1 (01 405
1996 Single Family Series D	Early Extinguishment	4,855,000	5,765,000	2,290,985	1,691,495
1996 Single Family Series D	Advance Refunding	23,920,000	23,920,000	9,766,831	7,211,112
1996 Single Family Series E	Early Extinguishment	3,390,000	25,520,000	2,700,031	,,2.1,112
1996 Single Family Series E	Advance Refunding	17,295,000	17,295,000	3,951,520	2,808,982
1997 Single Family Series B	Early Extinguishment	6,590,000	. ,		, ,
1997 Single Family Series D	Early Extinguishment	3,350,000			
1997 Single Family Series F	Early Extinguishment	5,625,000			
2002 Single Family Series A (Junior Lien)	Early Extinguishment	860,000			•
2002 Single Family Series A 2002 Single Family Series B	Early Extinguishment	85,000			
2002 Single Family Series C	Early Extinguishment Early Extinguishment	4,005,000			
2002 Single Family Series D	Early Extinguishment	20,000 415,000			
2004 Single Family Series A	Early Extinguishment	770,000			
2004 Single Family Series C	Early Extinguishment		2,375,000		
2004 Single Family Series E	Early Extinguishment	320,000			
2005 Single Family Series A	Early Extinguishment	30,000			
2005 Single Family Series B	Early Extinguishment	965,000			
2005 Single Family Series C	Early Extinguishment	310,000			
2005 Single Family Series D	Early Extinguishment	245,000			
1998 RMRB Series A	Early Extinguishment	5,375,000			
1998 RMRB Series B	Early Extinguishment	450,000			
1999 RMRB Series A 1999 RMRB Series B-1	Early Extinguishment Early Extinguishment	1,070,000			
1999 RMRB Series C	Early Extinguishment	4,450,000 600,000			
2000 RMRB Series A	Early Extinguishment	3,050,000			
2000 RMRB Series B	Early Extinguishment	8,275,000			
2000 RMRB Series C	Early Extinguishment	665,000			
2000 RMRB Series D	Early Extinguishment	1,035,000			
2001 RMRB Series A	Early Extinguishment	3,175,000			
2001 RMRB Series B	Early Extinguishment	290,000	•		
2001 RMRB Series C	Early Extinguishment	1,755,000			
2002 RMRB Series A	Early Extinguishment	4,245,000			
2003 RMRB Series A	Early Extinguishment	1,325,000			
1992 Coll Home Mtg Rev Bonds, Series C 1994 SF MRB CHMRB Series C	Early Extinguishment Early Extinguishment	5,700,000 3,500,000			
1996 MF Series A/B (Las Colinas)	Early Extinguishment	2,199,512			
1996 MF Series A-D (Harbors/Plumtree)	Early Extinguishment	11,105,000			
2000 MF Series A (Timber Point Apts)	Early Extinguishment	100,000			
2000 MF Series A (Creek Point Apts)	Early Extinguishment	100,000			
2001 MF Series A (Skyway Villas)	Early Extinguishment	4,070,000			
2001 MF Series A (Oak Hollow Apts)	Early Extinguishment	1,665,933			
2002 MF Series A (Park Meadows Apts)	Early Extinguishment	100,000			
2002 MF Series A (Hickory Trace Apts)	Early Extinguishment	351,582			
2002 MF Series A (Green Crest Apts)	Early Extinguishment	978,737			
2002 MF Series A (Woodway Village Apts)	Early Extinguishment	1,265,000			
2003 MF Series A/B (Primerose Houston School) 2003 MF Series A/B (Ash Creek Apts)	Early Extinguishment	270,000			
2003 MF Series A/B (Ash Creek Apis) 2003 MF Series A (NHP-Asmara) Refunding	Early Extinguishment Early Extinguishment	11,519 9,875,000			
2004 MF Series A/B (Timber Ridge)	Early Extinguishment	800,000			
				<u></u>	
TOTAL BUSINESS-TYPE ACTIVITIES		\$204 R17 282	\$21 <i>445</i> 000	\$20 571 <i>651</i>	\$30 100 70 <i>c</i>
TOTAL DOGGLADO TITO HOTTYTIED		\$204,817,283	\$81,445,000	\$29,571,654	\$20,188,706

Texas Department of Housing and Community Affairs-Housing Finance Division

Computation of Unencumbered Fund Balances as of August 31, 2006, and Independent Auditors' Report

Deloitte.

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INDEPENDENT AUDITORS' REPORT

To the Governing Board of the Texas Department of Housing and Community Affairs—Housing Finance Division:

We have audited the accompanying Computation of Unencumbered Fund Balances (the "Computation") of the Texas Department of Housing and Community Affairs—Housing Finance Division (the "Division") as of August 31, 2006. The Computation is the responsibility of Division management. Our responsibility is to express an opinion based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Computation is free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Computation's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Computation. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Computation. We believe that our audit provides a reasonable basis for our opinion.

The Computation is presented on the basis of criteria described in Note 2 to the Computation for compliance with the provisions of Chapter 2306, Texas Government Code, Sections 2306.204 and 2306.205. The Computation is not intended to present unencumbered fund balances in accordance with accounting principles generally accepted in the United States of America. Unencumbered fund balances determined under the basis of presentation described in Note 2 may materially differ from those determined under accounting principles generally accepted in the United States of America.

In our opinion, the aforementioned Computation presents fairly, in all material respects, the unencumbered fund balances of the Division as of August 31, 2006, in conformity with the criteria specified by management of the Division for compliance with the computations described in the Texas Government Code, Sections 2306.204 and 2306.205, as set forth in Note 2 to the Computation.

This report is intended solely for the information and use of the Division's management and the Governing Board in accordance with the Texas Government Code, Sections 2306.204 and 2306.205, and is not intended to be, and should not be, used by anyone other than these specific parties.

December 19, 2006

Deloitte & Touche LLP

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS—HOUSING FINANCE DIVISION

COMPUTATION OF UNENCUMBERED FUND BALANCES
AS OF AUGUST 31, 2006
(Dollars in thousands)

	SFMRB Program	RMRB Program	CHMRB Program	M/F Program	1993 1994/1995 SF CHMRBSF CHMRB Program Program		Commercial Paper Program	Operating Fund	
Bonds payable/commercial paper notes payable	\$837,845	\$345,065	\$14,900	\$1,107,945	, 69	· 59	\$15,198	(62	
Accrued interest payable on bonds	14,800	3,108	82	14,395			S		
TOTAL	\$852,711	\$348,173	\$14,982	\$1,122,340	45		\$15,253	· ·	
ASSET TEST RATIO	102 %	102 %	102 %	100 %	100 %	100 %	100 %	% .	
QUALIFYING ASSETS:									
Cash and temporary investments	\$ 61,136	\$ 4,413	\$ 587	\$ 58,611	∞ ÷÷	1	\$ 407	\$13,137	
Investments—at fair value Mortgage-backed securities—at fair value	260,606 505,347	330,002	11,577	75,473 36,539			3,198		
Less fair value adjustment	19,707	3,644	(495)						
Unamortized premium/discount	4,589	1,647	73	000				i i	
Loans/notes receivable—net Real estate owned—net	48,399 226	1,228 17		1,107,909				3,500	
Accrued interest receivable	2,383	2,139	98	13,928			56	18	
Subtotal	902,393	360,552	16,551	1,292,460	8	,	15,661	16,661	
LESS RESTRICTIONS:									
Self-insurance fund	1,515	401						,	
Operating reserve fund	871	346	Ξ	969	m	45	29	192	
Debt service fund	2,486	21		7,331				52	
Rebate payable	537	234		!			407	i	
Due to lenders/other departments	!	,		170,527				36	
Housing assistance programs Board/department restrictions	18,725	2,161						12.319	
Amounts reserved for special redemptions subsequent to August 31, 2006	2,750	:							
Subtrate	V88 9C	3 163	Ξ	178 554	(*	45	436	13 174	
DUDICHAI	±00,00±	2,102		troin/		-		10,101	
Total qualifying assets less restrictions	875,509	357,389	16,540	1,113,906	ĸ	(45)	15,225	3,487	
LESS ASSET TEST REQUIREMENT	869,765	355,136	15,282	1,122,340			15,253		
AMOUNT NEEDED TO MEET ASSET TEST REQUIREMENT				8,434		45	28		TOTAL
UNENCUMBERED FUND BALANCES	\$ 5,744	\$ 2,253	\$ 1,258	· •	5		643	\$ 3,487	\$12,747
	•								

See accompanying independent auditors' report and accompanying notes to the computation.

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS—HOUSING FINANCE DIVISION

NOTES TO THE COMPUTATION OF UNENCUMBERED FUND BALANCES AS OF AUGUST 31, 2006 (Dollars in thousands)

1. BACKGROUND OF THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

General Statement—The Texas Department of Housing and Community Affairs (the "Department") was created effective September 1, 1991, by an act of the 72nd Texas Legislature, pursuant to Senate Bill 546 (subsequently codified as Chapter 2306, Texas Government Code) (the "Department Act"), passed by the Texas Legislature on May 24, 1991, and signed by the Governor of the State of Texas. Effective September 1, 1991, the Department was established to assist local governments in helping residents overcome financial, social, and environmental problems; to address low- to moderate-income housing needs; to contribute to the preservation and redevelopment of neighborhoods and communities; to assist the Governor and the Legislature in coordinating federal and state programs affecting local governments; and to continually inform the State and the public about the needs of local government. The Department was created by merging two former agencies: the Texas Housing Agency and the Texas Department of Community Affairs.

The Department is governed by a Governing Board composed of seven members appointed by the Governor with advice and consent of the Senate. The Department is administered by an Executive Director to be employed by the Board with the approval of the Governor. The Department is authorized to issue tax-exempt or taxable bonds, notes, or other obligations to finance or refinance multifamily housing developments and single-family residential housing. Bonds and notes of the Department do not constitute a debt of the State or any political subdivision thereof. The Department Act specifically provides for the assumption by the Department of the outstanding indebtedness of the former agencies. The Housing Finance Division (the "Division") of the Department is required to continue to carry out all covenants with respect to any bonds outstanding, including the payments of any bonds from the sources provided in the proceedings authorizing such bonds. The Department Act requires a portion of the unencumbered fund balances, as defined, of the Division of the Department to be transferred to the Housing Trust Fund from the bond programs should certain conditions be met.

The Division operates several bond programs under separate trust indentures, as follows:

General—Single-Family—Since 1979, the year of creation of the Texas Housing Agency (the "Agency"), a predecessor to the Department, through August 31, 2006, the Agency or the Department has issued 27 series of Residential Mortgage Revenue Bonds, 46 series of Single-Family Mortgage Revenue Bonds, 4 series of Junior Lien Single-Family Mortgage Revenue Refunding Bonds, 10 series of GNMA/FNMA Collateralized Home Mortgage Revenue Bonds, 11 series of Collateralized Home Mortgage Revenue Bonds, and 2 series of Government National Mortgage Association ("GNMA") Collateralized Home Mortgage Revenue Bonds. As of August 31, 2006, the outstanding principal amount of bonded indebtedness of the Department for single-family housing purposes was \$1,197,810.

NOTES TO THE COMPUTATION OF UNENCUMBERED FUND BALANCES AS OF AUGUST 31, 2006

(Dollars in thousands)

General—Multifamily—The Department and the Agency have issued 170 multifamily housing revenue bonds, which have been issued pursuant to separate trust indentures and are secured by individual trust estates, which are separate and distinct from each other. As of August 31, 2006, 93 series were outstanding, with an aggregate outstanding principal amount of \$1,107,945.

Single-Family Mortgage Revenue Bonds ("SFMRBs")—The Department has issued 46 series of Single-Family Mortgage Revenue and Refunding Bonds under a Single-Family Mortgage Revenue Bond Trust Indenture, dated as of October 1, 1980, and 50 indentures supplemental thereto, which are secured on an equal and ratable basis by the trust estate established by the SFMRB Indenture. As of August 31, 2006, 21 series were outstanding, with an aggregate outstanding principal amount totaling \$824,620.

Junior Lien Bonds—The Department has issued four series of its Junior Lien Single-Family Mortgage Revenue Refunding Bonds (the "Junior Lien Bonds") pursuant to a Junior Lien Trust Indenture, as supplemented by the First Supplemental Junior Lien Trust Indenture and the Second Supplemental Junior Lien Trust Indenture, each dated as of May 1, 1994, the Third Supplemental Junior Lien Trust Indenture dated as of March 27, 2002; and the Fourth Supplemental Junior Lien Trust Indenture dated as of April 1, 2004, by and between the Department and J.P. Morgan Trust Company, Texas, NA, as trustee. The Junior Lien Bonds are secured on an equal and ratable basis with each other and on a subordinated basis to the SFMRBs by the trust estate held under the SFMRB Indenture. As of August 31, 2006, 2 series are outstanding, with an aggregate outstanding principal of \$13,225.

Residential Mortgage Revenue Bonds ("RMRBs")—As of August 31, 2006, the Department has issued 27 series of Residential Mortgage Revenue and Refunding Bonds pursuant to the Residential Mortgage Revenue Bond Trust Indenture and 24 separate Series Supplements, which are secured on an equal and ratable basis by the trust estate established by the RMRB Indenture. As of August 31, 2006, 15 series were outstanding, with an aggregate outstanding principal amount of \$345,065.

Collateralized Home Mortgage Revenue Bonds ("CHMRBs")—The Department has issued 11 series of Collateralized Home Mortgage Revenue Bonds pursuant to the Collateralized Home Mortgage Revenue Bond Master Indenture and six separate Series Supplements, which are secured on an equal and ratable basis by the trust estate established by such trust indentures. As of August 31, 2006, 1 series of CHMRBs was outstanding, with an aggregate outstanding principal amount of \$14,900.

Single-Family Collateralized Home Mortgage Revenue Bonds—1993 ("SFCHMRB—1993")—The Department has issued five series of Single-Family Mortgage Revenue Bonds under a GNMA/FNMA Collateralized Home Mortgage Revenue Bond Trust Indenture dated as of November 1, 1993, amended as of February 1, 1995, by and between the Department and J.P. Morgan Trust Company, Texas, NA, as trustee. As of August 31, 2006, no series of the SFCHMRB—1993s was outstanding.

NOTES TO THE COMPUTATION OF UNENCUMBERED FUND BALANCES AS OF AUGUST 31, 2006 (Dollars in thousands)

Single-Family Collateralized Home Mortgage Revenue Bonds—1994 ("SFCHMRB—1994")—The Department has issued three series of Single-Family Mortgage Revenue Bonds in 1994 and 1995 under a GNMA/FNMA Collateralized Home Mortgage Revenue Bond Master Trust Indenture dated as of November 1, 1994, supplemented by a First Supplemental GNMA/FNMA Collateralized Home Mortgage Revenue Bond Trust Indenture dated as of November 1, 1994, as amended as of February 1, 1995, by and between the Department and J.P. Morgan Trust Company, Texas, NA, as trustee. As of August 31, 2006, no series of the SFCHMRB—1994s was outstanding.

Single-Family Collateralized Home Mortgage Revenue Bonds—1995 ("SFCHMRB—1995")—The Department has issued two series of single family mortgage revenue refunding bonds in 1995 for the purpose of refunding certain notes that previously refunded certain bonds outstanding, under a GNMA/FNMA Collateralized Home Mortgage Revenue Bond Master Trust Indenture, First Supplemental GNMA/FNMA Collateralized Home Mortgage Revenue Bond Trust Indenture and Second Supplemental GNMA/FNMA Collateralized Home Mortgage Revenue Bond Trust Indenture, each dated as of November 1, 1994, each amended as of February 1, 1995, and each by and between the Department and J.P. Morgan Trust Company, Texas, NA, as trustee. As of August 31, 2006, no series of SFCHMRB—1995s was outstanding.

Housing Trust Fund—The Department Act provided for a transfer of a portion of the unencumbered fund balance from the bond programs for use in the Housing Trust Fund. The fund will be used to provide assistance for low- and very-low-income persons and families in financing, acquiring, rehabilitating, and developing affordable, decent, and safe housing. The fund will be made available to local units of government, public housing authorities, the Department, community housing development organizations, and nonprofit organizations, as well as eligible low- and very-low-income individuals and families.

Commercial Paper Notes—By resolution adopted November 10, 1994, the Department's Governing Board has authorized the issuance of two series of commercial paper notes: its Single-Family Mortgage Revenue Refunding Tax-Exempt Commercial Paper Notes, Series A, and its Single-Family Mortgage Revenue Refunding Tax-Exempt Commercial Paper Notes, Series B (the "Notes"). Pursuant to the resolution, the Department is authorized to issue the Notes in an aggregate principal amount not to exceed \$75,000 outstanding. On December 31, 2005, the Department was temporarily authorized to increase in aggregate principal amount of the notes to \$200,000 from \$75,000 for the purpose of warehousing new volume cap. The authorization expires December 31, 2006. Proceeds of the initial issuance of the Notes and of future issues not issued to refund outstanding Notes will be used to redeem certain of the Department's single-family mortgage revenue bonds, which are subject to redemption as a result of the receipt by the Department of prepayments of the related underlying mortgage loans. Such prepayments may, at a future date, be recycled into new mortgage loans by the Department. The Notes are being issued in anticipation of the issuance of refunding bonds that will refund the Notes.

NOTES TO THE COMPUTATION OF UNENCUMBERED FUND BALANCES AS OF AUGUST 31, 2006

(Dollars in thousands)

2. BASIS OF PRESENTATION

Management of the Department has determined the following criteria and definitions should be used in the computation of unencumbered fund balances specified by the Department Act, Texas Government Code, Sections 2306.204 and 2306.205. These criteria and definitions were determined based on the requirements of the bond trust indentures, the Department Governing Board's designated purposes, and financial advisors' recommendations for credit rating purposes.

Definition of Unencumbered Fund Balance—The bond trust indentures of the Department include certain restrictions and encumbrances on Department assets for the benefit, protection, and security of the owners of the outstanding Department bonds. In addition, the Department's financial advisor has recommended that additional restrictions be maintained in the determination of unencumbered fund balance for ensuring the maintenance of parity over the immediate future.

The unencumbered fund balances of the Department represent qualifying assets less restrictions in excess of a percentage (the "Asset Test Ratio") of the total bond liabilities specified in the respective bond trust indentures. Unencumbered fund balances cannot be less than zero.

Generally, the unencumbered fund balances cannot be distributed or utilized except when certain conditions have been met within the bond trust indentures, including filing of a statement of projected revenues that projects that anticipated cash flows will be sufficient to pay Department expenses of the Division—Revenue Bond Enterprise Fund and aggregate debt service through the maturity of the bonds and to maintain all other reserve fund requirements of the respective bond trust indentures.

Total Bond Liabilities—The following represents the amounts included in determination of total bond liabilities:

- The bonds and commercial paper notes payable represent the contractual balance of bonds and commercial paper notes outstanding at August 31, 2006. Where the bonds are concerned, the amount excludes unamortized bond premiums or discounts.
- Accrued interest on bonds and commercial paper notes payable represents contractual interest due on outstanding balances at August 31, 2006.

Asset Test Ratio—This represents the ratio in excess of total bond liabilities considered necessary by the respective bond trust indentures.

Asset Test Requirement—This represents the encumbered qualifying assets considered necessary by the respective bond trust indentures. These amounts are calculated by multiplying the total bond liabilities by the Asset Test Ratio for the related programs.

NOTES TO THE COMPUTATION OF UNENCUMBERED FUND BALANCES AS OF AUGUST 31, 2006

(Dollars in thousands)

Qualifying Assets—Qualifying assets exclude deferred issuance costs, deferred commitment fees, other assets, and the interfund receivables (payables). The following is a summary of amounts considered to be qualifying assets in determination of unencumbered fund balance by the respective bond trust indentures and the Bond Rating Agencies:

- Cash, cash equivalents, and investments are included at fair value.
- Fair value adjustment represents the adjustment to eliminate the unrealized gain or loss in investments marked to fair value, since these funds are not currently available.
- Mortgage-backed securities are included at fair value. Deferred commitment fees are excluded.
- Unamortized premium/discount represents adjustment to value investments at par.
- Loans are included at their current contractual balances outstanding, net of the estimated allowance for estimated loan losses. Deferred commitment fees are excluded.
- Real estate owned is included at the carrying amount, net of the estimated allowance for estimated losses.
- Accrued interest receivable is included at the contractual balances of accrued interest on investments, mortgage-backed securities, and loans.

Restrictions—The restrictions represent amounts to be deducted from qualifying assets for amounts required by the respective bond trust indentures, other Governing Board-designated purposes, or recommendations by the Department's financial advisors in the determination of unencumbered fund balance. The restrictions consist of the following:

- Self-insurance fund represents a required fund within the single-family and RMRB programs that is restricted for losses on self-insured loan pool programs.
- Operating reserve fund represents a restriction of approximately six months' operating expenses of the related bond programs. The single-family operating reserve also includes an estimate for 2006 cost of issuance.
- Debt service fund represents qualifying assets restricted for debt service requirements by the respective bond trust indentures.
- Rebate payable represents a restriction for amounts calculated to be payable under the rebate rules of the U.S. Treasury.
- Amounts due to lenders/other funds represents qualifying assets that are due to lenders under the bond trust indentures, as well as due to other Department funds, and are not available for any other purposes.

NOTES TO THE COMPUTATION OF UNENCUMBERED FUND BALANCES AS OF AUGUST 31, 2006 (Dollars in thousands)

- Amounts reserved for Housing Assistance Programs represent amounts that are restricted for certain Department programs as designated by the Governing Board and respective bond trust indentures and therefore are not available for any other purpose as of August 31, 2006.
- Board/Department restrictions represent funds designated for a specific purpose by either Board action or management decision.
- Amounts reserved for special redemptions subsequent to August 31, 2006, represent amounts calculated for the redemption of bonds (debt service) according to provisions stipulated in each bond series' respective supplemental indenture.

NOTES TO THE COMPUTATION OF UNENCUMBERED FUND BALANCES AS OF AUGUST 31, 2006

(Dollars in thousands)

A summary of the restrictions within the Housing Assistance Programs is as follows:

	Single- Family Program
Mortgage/housing development:	
Down Payment Assistance Program	\$ 682
REO Foreclosure Expense for Special Loan Programs	45
1991 Series A—Self-help/HCA&IL Prog	147
1994 Series A Jr. Lien Mortgage Loan Revenue (designated for future DPAP)	414
1994 Series A Jr. Lien Acquisition:	20
Down Payment Assistance	20
Mortgage Loan Rate Buydown Prog	12
1996 Series A-C Special Mortgage Loan Fund (designated for P68) 1996 Series D&E Special Mortgage Loan Fund (designated for P68)	795
1990 Series D&E Special Mortgage Loan Fund (designated for P68)	302 155
2002 Jr. Lien Acquisition Fund Account	155
2002 Jr. Lien Preservation Program	91 9
2002 Jr. Lien Bootstrap	528
2002 Jr. Lien Down Payment Assistance	68
2002 A-C Special Mortgage Loan Fund	1,255
2002 A-C Servicing Release Premium Fund (designated for SF Debt Service)	11
2004 Jr. Lien Acquisition Fund Account	1,048
2004 Series AB SRP Fund (designated for SF Debt Service)	957
2004 CDE Special Mortgage Loan Fund	1,670
2004 Series CDE SRP Fund (designated for SF Debt Service)	600
2005 Series a SRP Fund (designated for SF Debt Service)	31
2005 BCD Mortgage Loan Account (designated for P66)	2,717
2006 ABC Down Payment Assistance Fund	7,168
	<u>\$ 18,725</u>
	RMRB Program
1998 A/B RMRB Special Mortgage Loan Fund	\$ 1,143
2000 B-E Servicing Release Premium Fund (designated for RMRB Debt Service)	587
2001 A-C RMRB Servicing Release Premium Fund (designated for RMRB Debt Service)	84
2001 DE RMRB Servicing Release Premium Fund (designated for RMRB Debt Service)	3
2001 ABC Special Mortgage Loan Fund (designated for P59)	167
2001 DE Special Mortgage Loan Fund (designated for P59)	137
2002A Servcing Release Program Fund (designated for RMRB Debt Service)	1
2003A Servicing Release Program Fund (designated for RMRB Debt Service)	39
	\$ 2,161

NOTES TO THE COMPUTATION OF UNENCUMBERED FUND BALANCES AS OF AUGUST 31, 2006 (Dollars in thousands)

As of August 31, 2006, the following additional restrictions existed:

	Operating Fund
Pending arbitrage computation	\$ -
Residual—CMO Defeasance	672
90 CHMRB/Colonias Contract for Deed	492
90 CHMRB/Colonias Contract for Deed—Interest	165
90 CHMRB/Colonias Contract for Deed (SB 867 Reserve)	380
Bond Refinancing Residuals/Bootstrap	232
Arkansas Development Finance Authority/Below Market Interest Rate Program	809
Multi-Family Housing Preservation	391
Bond Programs/COI	11
Colonias project/bond contingency reserve	3,257
Future operating and general contingencies	2,722
2003 Mortgage Credit Certificate Program	973
Bond Programs/Marketing	75
94 SF CHMRB Residual/Bootstrap	847
2005 CitiMortgage Market Rate Program	33
Below Market Interest Rate Program / Asset Management	134
M/F bond issuance fees reserved for HTF and/or other program use	1,126
	<u>\$12,319</u>

* * * * * *

Texas Department of Housing and Community Affairs

Report to Management for the Year Ended August 31, 2006

Deloitte

Deloitte & Touche LLP Suite 1700 400 West 15th Street Austin, TX 78701

Tel: +1 512 691 2300 www.deloitte.com

December 19, 2006

To the Board of Directors of Texas Department of Housing and Community Affairs:

Dear Members of the Board of Directors:

In planning and performing our audit of the basic financial statements of the Texas Department of Housing and Community Affairs ("TDHCA") for the year ended August 31, 2006 (on which we have issued our report dated December 19, 2006), we considered its internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the basic financial statements and not to provide assurance on TDHCA's internal control. Our consideration of the internal control would not necessarily disclose all matters in TDHCA's internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A description of the responsibility of management for establishing and maintaining the internal control, and the objectives of and inherent limitations in such a structure, is set forth in the attached appendix and should be read in conjunction with this report. A material weakness is a condition in which the design or operation of the specific internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected in a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving TDHCA's internal control and its operations that we consider to be material weaknesses as defined above.

The recommendations included in the exhibit concern administrative and operating matters that resulted from our observations during our audit and are not based on a special study.

This report is intended for the information and use of the Board of Directors and management and is not intended to be, and should not be, used by anyone other than those specified parties. We would be pleased to discuss these observations with you and to assist you in implementing them.

Yours truly,

Deloitte : Touche LLP

RECENTLY ISSUED GOVERNMENT ACCOUNTING STANDARDS BOARD ("GASB") STATEMENTS

GASB 45: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Observation—The GASB issued Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, which will be effective for the department in the fiscal year ending August 31, 2008. GASB 45 establishes standards for the measurement, recognition, and display of other postemployment benefits, expense/expenditures, related liabilities, and note disclosures in the financial statements of state and local governments.

GASB 47: ACCOUNTING FOR TERMINATION BENEFITS

Observation—The GASB issued Statement No. 47, Accounting for Termination Benefits. This is effective for the department in two parts: (1) for those benefits that relate to other postemployment benefits, the department is to implement at the same time as GASB 45 and (2) for other termination benefits, in the current fiscal year for the Department. This statement defines the accounting for voluntary and involuntary termination benefits (i.e., early retirement incentives).

GASB 48: SALES AND PLEDGES OF RECEIVABLES AND FUTURE REVENUES AND INTRAENTITY TRANSFERS OF ASSETS AND FUTURE REVENUES

Observation—The GASB issued Statement No. 48, Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues, which establishes criteria that governments use to ascertain whether the proceeds received should be reported as revenue or as a liability. The statement is effective for the department beginning in fiscal year 2008.

GASB 49: ACCOUNTING AND FINANCIAL REPORTING FOR POLLUTION REMEDIATION OBLIGATIONS

Observation—GASB Statement No. 49, Accounting and Financial Reporting for Pollution Remediation Obligations, was also issued and is effective for the department beginning in fiscal year 2009. This statement identifies the circumstances under which a governmental entity would be required to report a liability related to pollution remediation and be required to estimate its expected outlays for pollution remediation if it knows a site is polluted.

Recommendation—Begin reviewing GASB Statement Nos. 45, 47, 48, and 49 and their implications to determine the potential impact on the TDHCA's financial statements.

Management's Response—Management will proactively review GASB Statement Nos. 45, 47, 48, and 49 for their potential implications for TDHCA's financial statements.

BUSINESS CYCLE CONTROLS OBSERVATIONS

CONTROLS RELATED TO OTHER ASSETS

Observation—In 2006, the department implemented an enhancement to its accounts receivable module in MITAS. We noted in testing certain accounts for administration fees that the "due from developer" accounts were overstated and the "due to developer" accounts were understated. It was noted that there was an oversight in the closeout procedures when changing from a manual process to an electronically-initiated process with the MITAS upgrade. Because of the shift in focus to the automated system, there was no closeout of the manual amounts that had been previously recognized and the other asset account and other liabilities account were misstated.

Recommendation—Prepare timely reconciliations and closeouts of the properties that record "due from developer" and "due to developer" amounts to ensure amounts are proper. TDHCA should also ensure that in the event of a change in an accounting process, whether automated or manual, accounting staff continue to perform reconciliations and proper closeouts on balances and accounts related to the old system.

Management's Response—Since transferring the accounting of the administration fee receivable to the account receivable subsidiary ledger in MITAS, the controls established enable the Department to have a more accurate accounting and recognition of administration fees. A reconciliation process has been established to ensure the general ledger and the subsidiary ledger agrees. In addition, the accounting of these fees in MITAS allows for the Department to ensure that invoices billed and payments received are complete and valid.

REFERENCE CHECK POLICIES AND PROCEDURES

Observation—It was noted that TDHCA has an in-house policy regarding reference checks for employees hired. It was noted that in one instance there was not appropriate documentation of the reference check being performed. Without such documentation, there is no evidence that the policy was adhered to.

Recommendation—TDHCA should ensure that all reference check policies and procedures are properly adhered to and documented in employee files.

Management's Response—In this one instance it should be noted that reference checks were not conducted in line with the policy due to a communication breakdown among staff. The Human Resources staff did go back and conduct employment verification and this information has been noted in the employee's file as requested by the audit team. TDHCA will continue to conduct reference checks for employees hired based on the in-house policy.

GENERAL COMPUTER CONTROLS OBSERVATIONS

PASSWORD PARAMETERS (PEOPLESOFT)

Observation—It was noted that password parameters (i.e., length, expiration) in the PeopleSoft application are not configured or enforced. It was noted the current, default password length is one, alpha character. It was also noted that the current version of PeopleSoft (7.02) does not support this functionality.

Recommendation—As the current version of the PeopleSoft application does not support password parameters to be configured systemically, management should consider implementing a mitigating, manual control to communicate to users specified password standards that should be used (i.e., expected password expiration, password length). The lack of password criteria or standards increase the risk a password may be guessed or obtained by an unauthorized individual and used to gain access to the system.

Management's Response—Management is restricted by password configuration limitations in the current version of CSAS (PeopleSoft Financials version 7.02). The department plans to implement PeopleSoft Financials 8.8 in March 2007 and will be able to enforce stronger password controls, such as password length and periodic expiration. Version 7.02 will remain available for historical lookup; however, it will no longer be used for transaction processing or interfacing financial data with Comptroller's Office systems.

CHANGE MANAGEMENT - PEOPLESOFT AND SEGREGATION OF DUTIES

Observation—It was noted that for the two application changes made to PeopleSoft, documentation was provided to evidence communication between the PeopleSoft administrator and the end users involved with the change. However, TDHCA was unable to provide documentation to evidence management approval and successful testing within a testing environment prior to movement to production.

In addition, it was noted that TDHCA has one PeopleSoft administrator with access to both the development and production environments.

Recommendation—Management should develop formal policies and procedures that detail the testing procedures required to be performed for changes made to the PeopleSoft application. Additionally, management should indicate what types of supporting documentation should be maintained, and how long it should be maintained. Management should consider implementing formal internal auditing processes to verify that the testing policies and procedures are being complied with. Required approval procedures by a supervisor should be established to ensure that all changes moved into production are authorized and adequately tested.

Further, management should ensure that access to information resources is restricted based upon job responsibilities to help enforce proper segregation of duties and reduce the risk of unauthorized systems access. Programmers should generally be limited to accessing only the information specifically required to complete their assigned systems development projects, and expressly prohibited from directly accessing production software and data information.

Management's Response—Although Information Systems Division (ISD) did maintain a thorough email trail documenting these two coding changes, the Software Change Acceptance form was not completed with appropriate signatures. TDHCA SOP 1264.08, "Requesting IS Services," states, "The

Software Change Acceptance form will be completed for all software changes moved from development to production environments."

Management has discussed these two exceptions and the need to follow established software change management procedure with appropriate ISD employees and will continue to monitor compliance.

Because of the size of the Department's ISD and the number of systems supported, the two PeopleSoft Financials system administrators also perform development functions.

The department currently uses a third-party process to monitor the movement of changes to system code to production environments for all agency development platforms, including PeopleSoft Financials. SOP 1264.08, "Requesting IS Services," defines this process, and the Software Change Acceptance form is used to document approvals.

In addition to the existing control described above, in May 2007 management will implement a PeopleSoft object change report to be reviewed by the Director of Information Systems on a monthly basis. The report will list all instances where PeopleSoft code is changed in the production environment. The Director of Information Systems will reconcile the report to completed Software Change Acceptance forms to ensure that all changes are authorized.

MANAGEMENT'S RESPONSIBILITY FOR AND THE OBJECTIVES AND LIMITATIONS OF THE INTERNAL CONTROL

The following comments concerning management's responsibility for internal control and the objectives of and the inherent limitations in the internal control are adapted from the Statements on Auditing Standards of the American Institute of Certified Public Accountants.

Management's Responsibility

Management is responsible for establishing and maintaining internal control. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control, policies, and procedures.

Objectives

The objectives of internal control are to provide management with reasonable, but not absolute, assurance regarding the achievement of objectives in the following categories: (a) reliability of financial reporting, (b) effectiveness and efficiency of operations, and (c) compliance with applicable laws and regulations.

Limitations

Because of inherent limitations in any internal control, errors or fraud nevertheless may occur and not be detected. Also, projection of any evaluation of the internal control to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

Internal Audit Division BOARD ACTION REQUEST

February 1, 2007

Action Items

Presentation, Discussion and Possible Approval of 2007 TDHCA Internal Audit Plan.

Required Action

Review and approve of the proposed 2007 TDHCA Internal Audit Plan.

Background

The Texas Internal Auditing Act requires a state agency conduct a program of internal auditing that includes an annual audit plan that is prepared using risk assessment techniques and that identifies the individual audits to be conducted during the year. Professional standards require that the chief audit executive establish risk-based plans to determine the priorities of the internal audit activities, consistent with the organization's goals.

Fifty-four mission critical processes and the Department's hurricane disaster recovery programs were considered and included in the risk assessment process.

The accompanying plan was based on information solicited from management and staff, the Executive Team, the Department's external auditors including Deloitte and Touche, KPMG and the State Auditor's Office, and the Department's Board members and the Internal Audit's staff's historical knowledge of the agency.

While significant risks were identified during the audit planning process that are not included in the audit plan, the Department has formal procedures in place for management to review, evaluate and mitigate the risks, if appropriate, to an acceptable level.

The plan was proposed to the Executive Team to solicit their ideas and input on a proposed plan. The plan being proposed is the result of that communication.

The plan emphasizes the CDBG hurricane disaster recovery program. A review of the program in three phases is being proposed as follows:

- ➤ Phase 1, Control Systems, Policies and Procedures, will be to obtain an understanding and assess the Department's controls in place to manage significant risks associated with (1) processing payment requests from the subrecipients and (2) subrecipient monitoring.
- ➤ Phase 2, Funding/Management of the Program, will include tests for operating effectiveness of the Department's application of controls reviewed in Phase I and

designed to provide reasonable assurance of allowable activities and costs/cost principles. Phase 2 will be limited to assessing whether the Department's payment/draw processing controls.

➤ Phase 3, Subrecipient Monitoring, will include tests for operating effectiveness of the Department's application of controls reviewed in Phase I designed to provide reasonable assurance of compliance with applicable laws, regulations, program rules and contract terms and achievement of contract performance statements. This phase of the audit will be limited to consideration of controls over desk reviews and on-site monitoring visits.

The plan includes follow-up projects on the status of prior internal audit issues to independently verify corrective actions taken by management in response to prior internal audits. Follow-up projects will be pursued as issues relating to a prior audit are reported by management as implemented.

The plan includes completion of two engagements carried over from FY 2006. The two carry over engagements include the following:

- An audit of the Department's Energy Assistance subrecipient monitoring function. This audit, with its scope limited to the Weatherization Assistance Program, was completed and the report was released in December 2006.
- An audit of the Homeowners' Recovery Trust Fund. Remaining tasks on this project include reviewing events subsequent to fieldwork, tests of subsequent events, if necessary, and preparing and releasing the report. During the course of this audit, several significant improvements to the accounting and tracking processes used in conjunction with the HORTF were identified and implemented by the Manufactured Housing Division. Follow-up procedures will be performed to determine whether processes have been fully implemented.

The plan includes three other significant projects; (1) tracking and reporting the status of prior audit issues; (2) developing an annual audit plan for FY 2008; and (3) preparing an annual internal auditing report for FY 2007 pursuant to the Texas Internal Auditing Act.

Recommendation

Approve the proposed 2007 TDHCA Internal Audit Plan.

Texas Department of Housing and Community Affairs

2007 TDHCA Internal Audit Plan

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS INTERNAL AUDIT PLAN FISCAL YEAR 2007

PLANNED INTERNAL AUDITS/OTHER AUDIT PROJECTS/ACTIVITIES				
Project	General Objectives			
CDBG Disaster Recovery Program	Phase 1: Control Systems, Policies and Procedures To obtain an understanding and assess the Department's controls in place to manage significant risks associated with (1) processing payment requests from the subrecipients and (2) subrecipient monitoring. Specific areas of consideration will include: > Request for payment/draw processing Subrecipient Monitoring Allowable Activities and Costs/Cost Principles Beneficiary/Family Eligibility Procurement, Suspension and Debarment Construction Performance and Standards Environmental Clearance Lead Based Paint Fair Housing, Accessibility, and Affirmative Marketing Phase 1 will take into consideration and assess the adequacy of the Department's written plans for developing control systems to effectively deliver the program in instances where systems have yet been develop. Anticipated completion – April 2007 Phase 2: Funding/Management of the Program To test for operating effectiveness the Department's application of controls reviewed in Phase I and designed to provide reasonable assurance of allowable activities and costs/cost principles. Phase 2 will be limited to assessing whether the Department's payment/draw processing controls provide reasonable assurance that subrecipient draw requests for reimbursement of expenditures: > comply with relevant laws, regulations, policies, and contract provisions, are adequately supported including support to provide reasonable assurance of allowable activities, costs and eligibility to participate in the program, are properly posted to the accounting and program systems, and are properly authorized/approved. Anticipated completion – August 2007 Continued – next page			

PLANNED INTERNAL AUDITS/OTHER AUDIT PROJECTS/ACTIVITIES				
Project	General Objectives			
CDBG Disaster Recovery Program	Phase 3: Subrecipient Monitoring To test for operating effectiveness the Department's application of controls reviewed in Phase I designed to provide reasonable assurance of compliance with applicable laws, regulations, program rules and contract terms and achievement of contract performance statements. This phase of the audit will be limited to consideration of controls over desk reviews and on-site monitoring visits. The review of on-site monitoring visits will assess whether controls provide reasonable assurance of compliance with requirements relating to: Allowable Activities and Costs/Cost Principles Beneficiary/Family Eligibility Procurement, Suspension and Debarment Construction Performance and Standards Environmental Clearance Lead Based Paint Fair Housing, Accessibility, and Affirmative Marketing The review of desk review procedures will assess whether controls provide reasonable assurance that subrecipients are: operating within expenditure budgets and limits, expending administration and program funds at acceptable rates, and achieving contract performance statements. A determination will be made whether monitoring results are adequately communicated to subrecipients and findings/exceptions noted are tracked and monitored to final resolution. Anticipated completion – December 2007			
Follow-Up on Status of Prior Internal Audit Issues	nternal Risk Assessment, Rpt. No. 1003.30, released August 5, 2005			

PLANNED INTERNAL AUDITS/OTHER AUDIT PROJECTS/ACTIVITIES									
Project	General Objectives								
Subrecipient Monitoring (FY 2006 Carry-Over Audit)	Energy Assistance – Subrecipient Monitoring To determine whether adequate monitoring policies and procedures are in place to provide reasonable assurance that the Department's subrecipients comply with applicable Federal regulations, program rules and contract terms. Note – Audit completed. Report No. 1012.00 released December 20, 2006.								
Homeowners' Recovery Trust Fund (FY 2006 Carry-Over Audit)	To determine whether the Manufactured Housing Division administers the Homeowner Recovery Trust Fund (HORTF) in accordance with applicable laws and regulations. Remaining Tasks								

Other Projects:

Tracking Status of Prior Audit Issues - To track the status of prior audit issues for management/board report purposes.

FY 2008 Annual Audit Plan - To develop an annual audit plan for FY 2008 pursuant to the Texas Internal Auditing Act.

FY 2007 Annual Internal Audit Report - To prepare an annual internal auditing report for FY 2007 pursuant to the Texas Internal Auditing Act.

Coordinate External Auditors - To coordinate and assist external auditors.

Several significant improvements to the accounting and tracking processes used in conjunction with the HORTF were identified and implemented by the Manufactured Housing Division during the course of this audit. Follow-up procedures will be performed to determine whether processes have been fully implemented.

Internal Audit Division BOARD ACTION REQUEST

February 1, 2007

Action Items

Presentation of the External Quality Assurance Review of the TDHCA Internal Audit Division.

Required Action

Review the External Quality Assurance Review Report of the TDHCA Internal Audit Division.

Background

Texas Gov't. Code § 2102.007 requires that the internal auditor conduct quality assurance reviews in accordance with professional standards and periodically take part in a comprehensive external peer review. Professional standards require an external quality assurance review at least once every three years by reviewers independent of the audit organization being reviewed.

The TDHCA Internal Audit Division began preparing for the review in summer, 2006, which began in August 2006. The review was conducted by the Director of Internal Audit and a staff auditor from the Texas Office of the Attorney General and a staff auditor from the internal audit division of Texas Parks and Wildlife (the Review Team). The external quality assurance review report was released in October 2006.

The Review Team concluded in its report released October 2006 that the TDHCA Internal Audit Division "fully complies" with the Institute of Internal Auditors (IIA) *International Standards for the Professional Practice of Internal Auditing*, the United States Government Accountability Office (GAO) *Government Auditing Standards*, and the Texas Internal Auditing Act (*Texas Government Code*, Chapter 2102). This opinion is the highest of the three possible ratings and means that policies, procedures, and practices are in place to implement the standards and requirements necessary for ensuring the independence, objectivity, and proficiency of the internal audit function.

The Review Team found:

- > The Internal Audit Division is independent, objective, and able to render impartial and unbiased judgments on the audit work performed.
- > The staff members are qualified, proficient, and knowledgeable in the areas they audit.
- ➤ Individual audit projects are planned using risk assessment techniques, audit conclusions are supported in the working papers, and findings and recommendations are communicated clearly and concisely.
- ➤ The Internal Audit Division is well managed internally, has effective relationships with the Board and is well respected and supported by management.
- > TDHCA management considers Internal Audit a useful part of overall agency operations and finds that the audit process and the report recommendations add value and help improve the agency's operations.

The Review Team recommended that the Internal Audit Division hire an experienced auditor having extensive experience managing large/complex audits and, preferable, possess a professional certification to replace the senior auditor who recently transferred out of the Division.

Recommendation

No action is required.

Texas Department of Housing and Community Affairs

External Quality Assurance Review of the TDHCA Internal Audit Division

REPORT ON THE EXTERNAL QUALITY ASSURANCE REVIEW OF THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS INTERNAL AUDIT DIVISION

October, 2006



PERFORMED BY

Hector Lozano, CPA Director of Internal Audit Office of the Attorney General

Ed Best Internal Auditor Texas Department of Parks and Wildlife

> Paul Delaney, CPA Internal Auditor Office of the Attorney General

PERFORMED IN ACCORDANCE WITH THE STATE AGENCY INTERNAL AUDIT FORUM (SAIAF) POLICIES AND PROCEDURES

OVERALL OPINION

Based on the information received and evaluated during this external quality assurance review, it is our opinion that the Texas Department of Housing and Community Affairs (TDHCA) Internal Audit Division "fully complies" with the Institute of Internal Auditors (IIA) International Standards for the Professional Practice of Internal Auditing, the United States Government Accountability Office (GAO) Government Auditing Standards, and the Texas Internal Auditing Act (Texas Government Code, Chapter 2102). This opinion, which is the highest of the three possible ratings, means that policies, procedures, and practices are in place to implement the standards and requirements necessary for ensuring the independence, objectivity, and proficiency of the internal audit function.

We found that the Internal Audit Division is independent, objective, and able to render impartial and unbiased judgments on the audit work performed. The staff members are qualified, proficient, and knowledgeable in the areas they audit. Individual audit projects are planned using risk assessment techniques; audit conclusions are supported in the working papers; and findings and recommendations are communicated clearly and concisely.

The Internal Audit Division is well managed internally. In addition, the Division has effective relationships with the Board and is well respected and supported by management. Surveys and interviews conducted during the quality assurance review indicate that TDHCA management considers Internal Audit a useful part of overall agency operations and finds that the audit process and the report recommendations add value and help improve the agency's operations.

ACKNOWLEDGEMENTS

We appreciate the courtesy and cooperation extended to us by David Gaines, Chief Audit Executive, Internal Audit staff, the Chairperson of the Board, the Chairman of the Audit Committee, the Executive Director, and the other senior managers who participated in the interview process. We would also like to

thank each person who completed surveys for the quality assurance review. The feedback from the surveys and the interviews provided valuable information regarding the operations of the Internal Audit Division and its relationship with TDHCA management. 10/19/0b Hector Lozano, CPA Director of Internal Audit Office of the Attorney General SAIAF Peer Review Team Leader Ed Best Internal Auditor Texas Department of Parks and Wildlife SAIAF Peer Review Team Member Paul Delaney, CPA Internal Auditor Office of the Attorney General SAIAF Peer Review Team Member

BACKGROUND

Institute of Internal Auditors (IIA) International Standards for the Professional Practice of Internal Auditing, U.S. Government Accountability Office (GAO) Government Auditing Standards, and the Texas Internal Auditing Act require that internal audit functions obtain external quality assurance reviews to assess compliance with standards and the Act and to appraise the quality of their operations. Government auditing standards require that these reviews be conducted at least every three years. A periodic external quality assurance review, or peer review, of the internal audit function is an essential part of a comprehensive quality assurance program. This quality assurance review was performed in accordance with State Agency Internal Audit Forum (SAIAF) Peer Review guidelines.

The most recent quality assurance review for the TDHCA's Internal Audit Division was performed in January 2003. The Internal Audit Division has implemented all recommendations made in the report resulting from the 2003 quality assurance review.

OBJECTIVES, SCOPE, AND METHODOLOGY

The primary objective of the quality assurance review was to evaluate the TDHCA Internal Audit Division's compliance with auditing standards and the Texas Internal Auditing Act. Additional objectives included identifying best practices, increasing the awareness of Internal Audit's role and responsibilities as well as identifying areas for possible improvement. The review covered all completed audit and management assistance projects performed by the TDHCA Internal Audit Division between January 1, 2003, and August 31, 2006.

The work performed during the review included:

- Review, verification, and evaluation of the self-assessment prepared by the Internal Audit Division according to SAIAF guidelines.
- Review and evaluation of e-mailed surveys that were sent to customers of the Internal Audit Division. Forty-one surveys were distributed on September 18, 2006. Eighteen responses were received. Sixteen of the eighteen respondents completed the survey; two stated that they had not had enough interaction to complete the survey. The percentage of surveys that were both returned and completed was 39%.
- Interviews with ten individuals including: the Chief Audit Executive; Internal Audit Division staff; the Executive Director; three senior managers, including the two deputies; and two board members, including the Chairperson of the Board and Chairman of the Audit Committee.
- Review and evaluation of audit working papers for one project completed during the period between January 1, 2003, and August 31, 2006.
- Review of the Internal Audit Division's policies and procedures, annual risk assessment, annual audit plan, and other relevant documents.

DETAILED RESULTS

The results of the quality assurance review for the TDHCA Internal Audit Division (the Division) are presented in the order of the *International Standards for the Professional Practice of Internal Auditing*. No significant weaknesses were identified during the review that would prevent the Division from

fulfilling its responsibilities. The detailed results include identification of best practices as well as one suggestion for improvement that the Internal Audit Division may wish to consider.

Standard 1000: Purpose, Authority, and Responsibility

The purpose, authority, and responsibility of Internal Audit have been defined in a charter that is consistent with auditing standards. The current charter was signed by the Board and the Executive Director on April 10, 2003. It defines the nature of audit and consulting services and grants the Internal Audit Division unrestricted access to agency records, property, and personnel.

Standard 1100: Independence and Objectivity

The Internal Audit Division is independent both in terms of the agency's organizational structure and the Division's practices. The Chief Audit Executive reports directly to the Board, which provides sufficient authority to promote independence and to ensure adequate consideration of audit reports and appropriate action on audit issues and recommendations. Removal of the Chief Audit Executive requires Board approval.

The charter helps ensure continued independence by specifying that internal auditors must remain free of operational and management responsibilities that could impair their ability to perform independent reviews of all areas of the agency's operations. None of the internal auditors has had prior management responsibility for any areas that the Division audits. In addition, auditors are required to sign independence statements for each audit they perform. Results of the interviews and surveys that were administered by the Peer Review Team indicate that the Internal Audit Division is independent and that the internal auditors are objective in their work.

Standard 1200: Proficiency and Due Professional Care

The internal auditors collectively possess the knowledge, skills, and abilities to perform their responsibilities. Two of the four auditors have at least one relevant professional certification. The Chief Audit Executive is a CPA and CISA. The most senior staff auditor was a CIA and a CCSA for the period covered by this review. It should be noted, however, that this auditor is no longer a member of the Internal Audit Division, having been designated as the Agency's Director of Portfolio Management and Compliance in September 2006. The two remaining auditors are entry-level auditors with no professional certifications.

Internal auditors are required by the Division's policies and procedures to enhance their knowledge, skills, and abilities by obtaining at least 40 hours of continuing professional education each year. The Division has not identified a need for the use of internal/external specialists while in the process of conducting audits.

Opportunity for Improvement: As noted above, a senior auditor from the Internal Audit Division recently transferred to a new position within the agency. This auditor possessed the professional certifications of CIA and CCSA. With the loss of this auditor, the Chief Audit Executive is now the only certified individual remaining in Internal Audit. The remaining two auditors are not certified and may not have the experience necessary to manage large or complex audits effectively.

It is suggested that the Internal Audit Division be granted the authority to use its budgeted resources to hire an experienced auditor to replace the senior auditor who recently transferred out of the Division. A qualified candidate for this position should have extensive experience in managing large/complex audits and preferably possess a professional certification. By filling this vacancy with an experienced auditor,

the Chief Audit Executive can better balance the time needed for directly supervising less experienced audit staff while giving required attention to other management activities.

Chief Audit Executive's Response: Executive management approved the Internal Audit Division's request to hire an internal auditor to replace the senior level auditor that recently vacated the position. The position was posted October 12, 2006. It is the Division's hope that minimum education and experience requirements with preference given to certified professionals in internal audit or related field and those with the appropriate knowledge, skills and abilities will result in the person most suited to the position and the needs of the Internal Audit Division and TDHCA.

Standard 1300: Quality Assurance and Improvement Program

The Chief Audit Executive has implemented a quality assurance and improvement program to help ensure that Internal Audit adds value and improves the agency's operations and to provide assurance that the Division complies with *Standards* and the IIA Code of Ethics. The quality assurance program involves auditor performance evaluations, customer surveys after the completion of each audit, and periodic peer reviews, which are communicated to the Board and made available on the TDHCA Intranet. Each audit report indicates that the work was performed in accordance with *Standards*. At the end of each audit, a quality control checklist is also completed by one of the audit staff assigned to the project. The Chief Audit Executive works closely with Division staff to provide ongoing supervision. In addition, the Chief Audit Executive keeps the Division's policies and procedures manual as well as the audit charter up-to-date with regard to the latest auditing standards.

Standard 2000: Managing the Internal Audit Activity

The Chief Audit Executive conducts an annual risk assessment that forms the basis for the Annual Audit Plan, which is approved by the Board. Management is given the opportunity to be an active participant in this process by conducting a self-evaluation of the different areas and programs within their respective divisions. Management is asked to assess their risks and to determine what functions are "mission critical". By using "mission critical" functions as the population of auditable units, the Internal Audit Division ensures that its priorities are consistent with the agency's goals. This analysis is then used to score and assign the risk associated with each of the relevant areas and programs.

All deviations from the annual audit plan are reported to the audit committee by the Chief Audit Executive. Each internal audit report addresses risk and control issues within the agency. The Chief Audit Executive has also developed policies and procedures to guide the Division. The Chief Audit Executive reports the Division's performance relative to the Annual Audit Plan in an annual report submitted to the agency's Executive Director, Audit Committee, State Auditor's Office (SAO), the Governor's Office, the Legislative Budget Board (LBB), and the Sunset Advisory Commission.

Standard 2100: Nature of Work

Internal Audit evaluates risks related to financial and operating information as well as the effectiveness and efficiency of operations, safeguarding of assets, and compliance with laws and regulations. In addition, the Division also evaluates the extent to which operating and program objectives have been achieved. Many of the Internal Audit Division's audits also involve some combination of the above listed objectives.

To comply with the 2002 revision to the IIA *Standards* that requires Internal Audit to contribute to the organization's risk management and governance processes, the Division now provides information and assistance to Executive Management and the Board about how the accomplishment of goals is monitored and how accountability is ensured. In 2004, the Internal Audit Division made significant contributions to

the implementation of the Enterprise Risk Management program. Through this program, the Division worked with agency management and staff to assess the risk within their respective areas of responsibility. The Internal Audit Division consistently seeks opportunities to make improvements to the agency's risk management and control systems by reporting to the Audit Committee agency management's progress in implementing recommendations from previous audits.

Standard 2200: Engagement Planning

During planning, internal auditors consider the objectives of the activity being reviewed and the related risks and controls. The TDHCA Internal Audit Division started using the Teammate software program for its working papers in November 2005. A review of the Internal Audit Division's working papers revealed that the internal audit team members obtained an understanding of the program being audited by means of interviews and reviews of policies, procedure manuals, contracts, and applicable laws. Resources needed for each audit are adequately considered during the planning process. Risk assessments are used to develop the objectives of each audit. Surveys and interviews conducted during this quality assurance review indicated that the objectives, scope, and the methodology of audits are clearly and promptly communicated to the auditee upon their establishment. An Audit Plan and Audit Program are documented and approved for each audit. The scope of audits is adequately planned and documented in planning documents and audit reports.

Standard 2300: Performing the Engagement

Internal auditors evaluate and document sufficient, reliable, and relevant information to achieve their audit objectives. Documentation contained in the working papers includes the objectives, scope, and methodology of the audit. Documentation in the working papers supports the results and conclusions of the audit. The audit documentation is sufficient to enable an experienced auditor who has had no previous connection with the audit to come to the same significant judgments and conclusions.

Audits are properly supervised by the Chief Audit Executive as is demonstrated throughout the working papers and observation. The Auditor-in-charge for each project monitors the progress of the individual audits. The Chief Audit Executive attends planning meetings, approves all control documents, and reviews working papers to ensure sufficiency of evidence and compliance with *Standards*.

Standard 2400: Communicating Results

Based on interviews and review of reports, audit results are communicated in a timely manner. Potential findings are communicated to management throughout the audit process. This frequent communication ensures that reports are accurate and concise. It also provides management with the opportunity to relay additional information and/or to start taking corrective action regarding the audit results. Audit results are also presented to management before results are finalized in a report by way of an exit conference, which helps ensure there is agreement regarding areas of improvement and the recommended solutions.

Audit reports contain the audit objectives, methodology, results, conclusions, recommendations, along with TDHCA management's responses and action plans. The reports also cite compliance with GAGAS and International Standards for the Professional Practice of Internal Auditing. The results of the Peer Review Team's surveys and interviews with TDHCA management indicated that Internal Audit reports are accurate, objective, clear, concise, and complete. In addition, the reports acknowledge satisfactory performance when it is appropriate. The Chief Audit Executive distributes internal audit reports to the Board, Executive Management, and management of the activity being audited. The reports are also submitted to entities outside the agency such as the State Auditor's Office, the Legislative Budget Board, the Governor's Office, and the Sunset Advisory Commission. In addition, internal audit reports are placed on the TDHCA Internet Website and hard copies are available.

Standard 2500: Monitoring Progress

The Internal Audit Division maintains a "prior audit issue" database for the purpose of monitoring the disposition of audit issues from previously issued reports. The audit charter requires that the Chief Audit Executive meet with the audit committee at least three times a year. The status of management's progress in implementing recommendations from a previous report is presented to the audit committee at one of the regularly scheduled meetings (or as needed), and the results are made available to all levels of management.

Standard 2600: Management's Acceptance of Risks

According to the Chief Audit Executive, the protocol for reporting management's acceptance of an inappropriate risk is to include the risk as a finding in the audit report. Inappropriate risks are presented to the board (along with any other findings) in connection with the related audit report. During the quality assurance review, the Peer Review Team noted instances of management accepting an inappropriate level of risk that resulted in audit findings and recommendations. Management accepted the recommendations, and accordingly, the Peer Review Team did not note any instances of management accepting an inappropriate level of risk that would require the Chief Audit Executive to notify the Board.

Internal Audit Division BOARD ACTION REQUEST

February 1, 2007

Action Items

Presentation of Internal Audit Report - Energy Assistances Weatherization Assistance Program - Subrecipient Monitoring.

Required Action

Review the Internal Audit Report.

Background

The Internal Auditing Division has completed its audit of the Energy Assistance (EA) subrecipient monitoring functions for the Weatherization Assistance Program. The related report was released in December 2006.

Although Energy Assistance (EA) has various strategies in place to provide reasonable assurance subrecipients comply with laws, regulations, and provisions of contracts and that performance goals are achieved, various conditions were noted that may preclude EA from achieving these objectives.

Management agrees with the conditions noted and recommendations made in this report, which are summarized below.

The quality and effectiveness of desk reviews performed could not be determined due to a
general lack of documentation supporting what monitors should consider and perform during a
review and what they actually consider and perform, and the results and conclusions of the
reviews are not documented.

We recommend management develop the goals and objectives of desk reviews supported by formalized policies and procedures for conducting the reviews.

• While the monitoring compliance checklist used by EA monitors is generally adequate, the checklist should be enhanced to incorporate requirements relating to the maximum amount of federal funds that a Weatherization Assistance Program (WAP) subgrantee can spend to weatherize a multi-family dwelling, the maximum amount of administrative funds to be made available to subgrantees for administrative purposes, and restrictions, limitations and requirements of weatherization activities funded by Investor Owned Utilities. The checklist also needs to be updated for conditions noted by the State Auditor's Office in a prior audit.

EA should update its monitoring compliance checklist to incorporate these Federal requirements and conditions previously noted by the State Auditor's Office.

• Instances were noted where the monitoring checklists used during monitoring visits were not completed or it could not be determined whether required procedures were performed and documentation supporting the procedures performed and results obtained was insufficient to determine the adequacy of the procedures or whether the conclusions reached were reasonable.

Management should enhance documentation standards and establish quality control procedures to ensure the monitoring staff complies with established subrecipient monitoring policies and procedures.

• Controls are not in place to provide reasonable assurance that results of monitoring activities are adequately communicated to appropriate subrecipient personnel. Tests of files disclosed various exceptions that were not carried to the monitoring report and it could not be determined from the supporting documentation in the files if these exceptions were discussed with appropriate subrecipient personnel, subsequently cleared or otherwise disposed of. Monitoring reports were not distributed in a timely manner and follow-up on monitoring results was not timely or timeliness could not be determined.

Controls should be established and put in place to provide reasonable assurance that results of monitoring visits are adequately communicated to appropriate subrecipient personnel.

• The management information system is adequate to track most of the significant monitoring milestones such as the planned monitoring visit date, actual monitoring visit date, monitoring report date, monitoring report response due date and actual receipt date, follow-up letter date, and close-out date (close-out letter). However, data fields have not been created to capture significant milestones relating to the delivery of the monitoring letter to the subrecipient's governing board chair and the subrecipient's response to the monitoring follow-up letter.

Monitors should inform management when they become aware that established due dates for the release of monitoring reports will not be met, discuss obstacles in meeting the due dates and strategies to achieve them, and document in the monitoring files reasons the reports are not released to subgrantees and board chairs within timeframes established by the Department. We also recommend EA enhance its subrecipient monitoring SOP to include standards for timeliness in issuing follow-up and close-out letters and for posting related data to the Monitoring Tracking System.

• While management reports a text/memo field called Notes in the Monitoring Tracking System is used to capture the results of monitoring activities such as findings or conditions noted, required corrective actions, concerns and comments, the information recorded in the Notes field is unclear, not consistently posted, and, in instances, incomplete.

Management should assess its information needs to ensure they are being adequately satisfied and strategies, including computer and non-computer solutions, should be developed for capturing necessary data to operate effectively.

Recommendation

No action is required.

Texas Department of Housing and Community Affairs

Energy Assistance Weatherization Assistance Program Subrecipient Monitoring



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

www.tdhea.state.tx.us

Rick Perry GOVERNOR

December 20, 2006

BOARD MEMBERS Elizabeth Anderson, Chair Shadrick Bogany C. Kent Conine Sonny Flores Gloria Ray Norberto Salinas

Michael Gerber Executive Director

To the Audit Committee and Governing Board of the Texas Department of Housing and Community Affairs:

Re: Internal Auditing Report on Energy Assistance Weatherization Assistance Program Subrecipient Monitoring

The Internal Auditing Division has completed its audit of Energy Assistance (EA) subrecipient monitoring function for the Weatherization Assistance Program (WAP). Although EA has various strategies in place to provide reasonable assurance subrecipients comply with laws, regulations, and provisions of contracts and that performance goals are achieved, various conditions were noted that may preclude EA from achieving these objectives.

We recommend management develop the goals and objectives of desk reviews supported by formalized policies and procedures for conducting the reviews. The monitoring compliance checklist used in connection with monitoring visits should be enhanced to incorporate certain Federal requirements and conditions previously noted by the State Auditor's Office. We also recommend that management enhance documentation standards and establish quality control procedures to ensure the monitoring staff complies with established subrecipient monitoring policies and procedures.

Controls should be established and put in place to provide reasonable assurance that results of monitoring visits are adequately communicated to appropriate subrecipient personnel in a timely manner.

While the management information system is generally adequate, the information posted to a text/memo field in the Monitoring Tracking System used to capture the results of monitoring activities such as findings or conditions noted, required corrective actions, concerns and comments, is unclear, not consistently posted, and, in instances, incomplete. Management should assess its information needs to ensure they are being adequately satisfied and strategies, including computer and non-computer solutions, should be developed for capturing necessary data to operate effectively.

The results and conclusions of the audit are discussed further in the accompanying report.

Sincerely,

Assigned to this audit:

Colleen Bauer Lorrie Lopez

David Gaines, CPA, CISA Director of Internal Auditing

cc: Mr. Michael Gerber, Executive Director

Ms. Brooke Boston, Deputy Executive Director for Programs

Mr. Eddie Fariss, Director of Community Affairs

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Executive Summary

Overall Conclusions

Although Energy Assistance (EA) has various strategies in place to provide reasonable assurance subrecipients comply with laws, regulations, and provisions of contracts and that performance goals are achieved, various conditions were noted that may preclude EA from achieving these objectives.

Key Points

The quality and effectiveness of desk reviews performed could not be determined due to a general lack of documentation supporting what monitors should consider and perform during a review and what they actually consider and perform, and the results and conclusions of the reviews are not documented.

While the monitoring compliance checklist used by EA monitors is generally adequate, the checklist should be enhanced to incorporate requirements relating to the maximum amount of federal funds that a Weatherization Assistance Program (WAP) subgrantee can spend to weatherize a multi-family dwelling, the maximum amount of administrative funds to be made available to subgrantees for administrative purposes, and restrictions, limitations and requirements of weatherization activities funded by Investor Owned Utilities. The checklist also needs to be updated for conditions noted by the State Auditor's Office in a prior audit.

Instances were noted where the monitoring checklists used during monitoring visits were not completed or it could not be determined whether required procedures were performed and documentation supporting the procedures performed and results obtained was insufficient to determine the adequacy of the procedures or whether the conclusions reached were reasonable.

Controls are not in place to provide reasonable assurance that results of monitoring activities are adequately communicated to appropriate subrecipient personnel. Tests of files disclosed various exceptions that were not carried to the monitoring report and it could not be determined from the supporting documentation in the files if these exceptions were discussed with appropriate subrecipient personnel, subsequently cleared or otherwise disposed of. Monitoring reports were not distributed in a timely manner and follow-up on monitoring results was not timely or timeliness could not be determined.

The management information system is adequate to track most of the significant monitoring milestones such as the planned monitoring visit date, actual monitoring visit date, monitoring report date, monitoring report response due date and actual receipt date, follow-up letter date, and close-out date (close-out letter). However, data fields have not been created to capture significant milestones relating to the delivery of the monitoring letter to the subrecipient's governing board chair and the subrecipient's response to the monitoring follow-up letter.

While management reports a text/memo field called Notes in the Monitoring Tracking System is used to capture the results of monitoring activities such as findings or conditions noted, required corrective actions, concerns and comments, the information recorded in the Notes field is unclear, not consistently posted, and, in instances, incomplete.

Summary of Recommendations

We recommend management develop the goals and objectives of desk reviews supported by formalized policies and procedures for conducting the reviews.

EA should update its monitoring compliance checklist to incorporate certain Federal requirements and conditions previously noted by the State Auditor's Office.

Management should enhance documentation standards and establish quality control procedures to ensure the monitoring staff complies with established subrecipient monitoring policies and procedures.

Controls should be established and put in place to provide reasonable assurance that results of monitoring visits are adequately communicated to appropriate subrecipient personnel.

Monitors should inform management when they become aware that established due dates for the release of monitoring reports will not be met, discuss obstacles in meeting the due dates and strategies to achieve them, and document in the monitoring files reasons the reports are not released to subgrantees and board chairs within timeframes established by the Department. We also recommend EA enhance its subrecipient monitoring SOP to include standards for timeliness in issuing follow-up and close-out letters and for posting related data to the Monitoring Tracking System.

Management should assess its information needs to ensure they are being adequately satisfied and strategies, including computer and non-computer solutions, should be developed for capturing necessary data to operate effectively.

Summary of Management's Response

Management agrees with the recommendations is this report.

Background

The Texas Department of Housing and Community Affairs' (Department) Weatherization Assistance Program (WAP), authorized under Title IV, Part A, of the Energy Conservation and Production Act, as amended (10 USC 6851 through 6872), and Texas Government Code Sections 2305.036 and 2306.097, was established to reduce the energy cost burden of low-income households. The Department contracts with local organizations, Community Action Agencies, nonprofits, local Councils of Government, and units of local government to provide funding for the installation of weatherization measures, minor home repairs to improve energy efficiency and energy conservation education programs.

The Department operates the program primarily with funds from the U.S. Department of Energy (DOE) and the Low-Income Home Energy Assistance Program (LIHEAP) from the U.S. Department of Health and Human Services. Additional funds are provided from Independently Owned Utilities (IOUs). IOUs participate in funding WAP activities as a result of settlements of utility rate cases filed with the Public Utility Commission.

WAP subrecipients follow DOE regulations with the exception of more restrictive IOU requirements. WAP, administrated through 34 subgrantees, collectively covers all 254 counties in the state. Participants in the program must earn at or below 125 percent of the federal poverty guidelines. IOU participants must be customers of the particular utility company and receiving other Department weatherization services.

The Department is provided funds from four IOU's for WAP services: Southwestern Public Service Low-Income Program (SPS LIP), El Paso Electric Energy Savers Program (EPE), Entergy Assist Program (Entergy), and Southwestern Electric Power Company Residential Program (SWEPCO). A summary of the planned and actual funding and number of units weatherized for eligible WAP participates is provided in the table below.

Planned vs. Actual Funding and Number of Units Weatherized											
Funding Source	Program Year Ending March 31, 2006 (PY 2005)				Program Year Ending March 31, 2007 (PY 2006)						
	Funding	Expendi- tures	Planned Units	Actual Units	Funding	Expenditures (Thru Nov.)	Planned Units	Actual Units			
DOE	\$ 5,599,993	\$ 5,124,234	1,518	1,658	\$ 6,607.385	\$ 2,469,258	1,680	791			
LIHEAP	8,249,453	7,515,592	2,473	2,690	12,148,153	3,571,184	2,580	898			
SPS LIP	300,000	306,436			300,000	198,005					
EPE	460,000	110,473	Note A	460,000	Note B	Not	Note A				
Entergy	1,100,000	897,486			1,279,727	429,170			NOU		
SWEPCO	400,000	410,689			400,000	79,085					

Source: Energy Assistance Unaudited

Note A – Units are not used as measures of performance for Investor Owned Utilities. IOU funds are used for energy efficient equipment and activities such as replacing energy inefficient refrigerators, purchasing and installing efficient room air conditioners, purchasing compact fluorescent lamps, aerators, and low-flow showerheads, providing energy education, and to supplementing TDHCA WAP for weatherization measures for low-income clients who heat and cool with electricity.

Note B - The EPE contract has not been executed. El Paso is in the process of renewing their service agreement with the Department and no expenditures have been made for PY 2006.

In March 2006, President Bush signed into law \$14.5 million additional funding for LIHEAP in fiscal year 2006. The Department allocated an additional \$6 million into the 2006 LIHEAP WAP program year and reserved \$8.5 million of the total funding for fiscal year 2007 in order to ensure two years of increased funding for the Department's subrecipients. The maximum benefit for a dwelling under LIHEAP WAP has increased from \$2,744 in PY 2005 to \$4,000 in PY 2006.

Subrecipients have the option to leverage DOE WAP funds of \$2,744 per dwelling in PY 2005, which increased to \$2,826 per dwelling in PY 2006, with the LIHEAP WAP funds, which means the agencies may spend up to \$6,826.00 per dwelling in PY 2006. Additionally,

agencies can incur the costs of necessary health and safety measures that eliminate hazards such as moisture accumulation and lead-based paint dust that are affected or caused by the installation of weatherization materials.

The Department monitors subrecipients to ensure subrecipients comply with laws, regulations, and provisions of contracts and that performance goals are achieved. The primary strategies used to monitor subrecipients are field monitoring visits and desk reviews.

Detailed Results

Section 1

Formalize Desk Review Procedures

The quality and effectiveness of desk reviews performed could not be determined due to a general lack of documentation supporting what monitors should consider and perform during a review and what they actually consider and perform. Additionally, the results and conclusions of the reviews are not documented.

The following deficiencies were noted.

- The goals and objectives of the reviews have not been formalized or supported by desk review policies and procedures.
- Criteria for acceptable performance and expenditure rates have not been develop to assess actual performance.
- Documentation standards have not been established.
- The results and conclusions of the reviews conducted by EA staff could not be determined nor whether technical assistance was provided or corrective action was required of subrecipients in response to unsatisfactory performance.

Desk Reviews

Monthly, six-month and nine-month desk reviews of Energy Assistance Weatherization Program subrecipient's budget, performance and financial data are performed to determine if:

- program and administration expenditure rates are reasonable,
- a reasonable level of weatherization is provided,
- expenditure and performance projections for the following month are reasonable.
- incorrect amounts or unexplainable differences exist by comparing data to prior months' data, and
- circumstances exist whereby the Department should reallocate funds from an underperforming subrecipient to another subrecipient to ensure funds are effectively used.

Source: Energy Assistance Management

Desk reviews throughout the term of the contract are important to ensure satisfactory progress is being made in achieving the contract goals and objectives.

Recommendations

We recommend management develop the goals and objectives of desk reviews supported by formalized policies and procedures for conducting the reviews. The policies and procedures should be in accordance with the Department's Standard Operating Procedure 1100.01, Standard Operating Procedure (SOP) System. We recommend the SOP include or refer to standards for performance measurement and acceptable/unacceptable performance by which staff can assess

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subrecipient performance. The SOP should include documentation standards that require the EA staff to make record of desk reviews conducted and of related results and conclusions. Documentation should be required in instances where it is necessary to contact the subrecipient to provide technical assistance or where corrective action is required. Any follow-up on unsatisfactory performance or on the status of required corrective actions should also be documented.

Management's Response

While the EA Section already conducts desk reviews, we will develop a Standard Operating Procedure (SOP) for desk reviews by April 2007. With the implementation of the new contract management system, the Section will establish a formal policy that includes documentation standards relating to results and conclusions of the desk and field reviews. Documentation for all required actions will be scanned and kept in the Department's electronic filling system.

Planned Target Date for Completion - April 2007

Section 2

Enhance the Subrecipient Monitoring Compliance Checklist

The monitoring compliance checklist used by Energy Assistance (EA) monitors in connection with monitoring visits of Weatherization Assistance Program (WAP) subrecipients is generally adequate to provide reasonable assurance of subrecipient compliance with laws, regulations, and provisions of contracts or grant agreements and that performance goals are achieved.

Management reports that a monitor is assigned to review and update the checklist each year to ensure it has incorporated any changes in program laws, regulations and policy issuances. An independent review is conducted on the updated checklist by the entire monitoring section. The Department of Energy (DOE), in its WAP monitoring report dated May 9, 2005, found the monitoring tool/instrument used by the Department's EA staff to be comprehensive, well organized, and thorough.

During the course of our review, we found the checklist adequately considers most significant requirements; however, the checklist should be enhanced to incorporate the following considerations.

Monitoring Visits

Monitoring visits are conducted to provide reasonable assurance subrecipients comply with laws, regulations, and provisions of contracts and that performance goals are achieved in a timely manner, to aid in the detection of fraud, and to identify technical assistance needs.

Monitoring visits consist of completing the monitoring checklist by agreeing subrecipient's program expenditures with their financial records, testing documentation supporting program expenditures, reviewing the eligibility of participating households and multifamily units, conducting inspections of units weatherized to ensure compliance with program requirements and determining compliance with other program requirements.

Source: Energy Assistance Management

- The maximum amount of federal funds that a WAP subgrantee can spend to weatherize a multi-family dwelling as allowed by DOE (Prior Audit Issue, see Appendix 1, IA Ref. No. 306).
- The maximum amount of administrative funds to be made available to subgrantees for administrative purposes in carrying out duties under the program.

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- Restrictions, limitations and requirements of weatherization activities funded by Investor Owned Utilities.
- Certain conditions noted by the State Auditor's Office to enhance monitoring procedures to ensure subgrantees:
 - > consistently document their decision criteria for providing weatherization services to WAP applicants (*Prior Audit Issue, see Appendix 1, IA Ref. No. 308*),
 - > conduct energy audits before providing weatherization services (*Prior Audit Issue, see Appendix 1, IA Ref. No. 308*),
 - input adequate data into the energy software (Prior Audit Issue, see Appendix 1, IA Ref. No. 308).
 - ➤ allow only qualified individuals to conduct energy audits (*Prior Audit Issue, see Appendix 1, IA Ref. No. 308*),
 - > maintain current contracts with contractors, and
 - > establish procedures to ensure weatherization contractors are paid reasonable prices including a material cost analysis survey prepared by the subgrantee of their service area, a competitive solicitation for labor and materials, and contracts with the winner of the solicitation.

Recommendations

We recommend EA update its monitoring compliance checklist to incorporate the considerations previously discussed. We also recommend that appropriate training be provided to the monitoring staff to monitor effectively these issues.

Management's Response

The EA Section acknowledges the need to improve documentation standards and quality control of its monitoring checklist. The Section conducted a weeklong training in November 2006 designed to promote proper monitoring techniques. The training included: reviewing goals and objectives of the monitoring review process; reviewing federal and state regulations; reviewing the International Residential Energy Code; proper review of the single audits submitted by subrecipients; compiling proper support documentation of findings; and an in-depth review and critique of the 2005 monitoring checklist. As a result of the training, the EA Section modified the 2006 WAP monitoring instrument. The revisions include the following:

- Two checklists in the monitoring instrument that identify multifamily and single family units. The checklist for multifamily units incorporates eligibility for individual dwelling units. The two checklists will allow Program Officers to review the maximum expenditures allowable for all individual dwelling units. Additionally, the monitoring instrument directs Program Officers to review the "Building Data Information" form #04-11.30 that provides an expenditure breakdown for each individual dwelling of a building.
- A question to determine that the maximum allowable amount of administrative funds allowed under the DOE and LIHEAP WAP programs has not been exceeded.
- A question to determine if WAP units have received services prior to the completion of an energy audit. Monitoring Instrument instructions prompts the Program Officer to review the signature dates of the completed energy audits and compare them to the dates of the purchase orders for materials. Additionally, the Easy Audit (EZ) online energy audit documents the date of completion for each energy audit and identifies the individual who

- completes the audit. The energy audit completion date will be compared to the dates of purchase orders for materials.
- The Department has established EZ online energy audit administrative procedures that allow the Department to authorize access only to qualified energy auditors. The Administrative procedures also allow Department access to all audit and data entered by the energy auditor.
- Monitoring Instrument instructions require the Program Officers to review the formal bid process to solicit labor and material contractors. The review will assure that the most responsible bidder with the lowest price has been selected. The review will include the examination of the current cost analysis performed by the subrecipient. The Department will also perform a RS Means[®] cost analysis for each subrecipient to insure reasonable prices for materials and labor that have been contracted for.
- The Department has established EZ online administrative procedures that require subrecipient agencies to enter all cost data by vendor prior to the completion of an energy audit. The administrative procedures will allow the Department access to the cost data entered by the subrecipient agency. The Department will compare these costs to RS Means[®], a contractors' pricing guide, to determine reasonableness, when appropriate.
- The EA Section has added a section to the monitoring instrument that requires the Program Officers to list checks selected for review. The list requires the Program Officer to document the purpose of each check selected.
- The EA Section has added a section to the monitoring instrument that requires the Program Officer to list all homes inspected. Any deficiencies that require a corrective action will be noted in that section.
- Monitoring Instrument instructions require the Program Officer to review the Agency's criteria to select clients for weatherization services. The Program Officer will substantiate the Agency's decision and compare the information to the demographic data reported to the Department.

These changes to the monitoring instrument also will assist in full implementation of issues noted in the prior State Auditor's report; Reference No. Chapter 1-A (IA Ref. #306) and Reference No. Chapter 1-C (IA Ref. #308).

Planned Target Date for Completion - Completed

Section 3

Enhance Documentation Standards and Establish a Quality Control Function

Subrecipient Monitoring procedures are generally adequate to assess whether WAP awards are used for authorized purposes in compliance with laws, regulations, and provisions of contracts or grant agreements and that performance goals are achieved.

However, documentation standards should be improved to require sufficient documentation of the items reviewed, the results of the review, and whether the results of the review are consistent with the conclusions reached to enable an experienced monitor other than the monitor who conducted the review to repeat the procedures performed, obtain the same results and reach similar conclusions (*Prior Audit Issue, see Appendix 1, IA Ref. No. 309*). Additionally, quality control procedures

have not been developed or applied to the monitoring procedures performed to ensure the monitors complete the related procedures, including the monitoring checklist, and to ensure controls that have been established are operating as intended.

Instances were noted where the monitoring checklists were incomplete. Eight of eight monitoring checklists reviewed were not adequately completed. The following is a summary of some of the more significant portions of the checklist that were not completed.

- One checklist did not indicate whether the monthly WAP expenditure report was derived
 from or reconciled to the subrecipient's general ledger or other accounting records. Energy
 Assistance (EA) monitoring staff cannot ensure expenditures charged to program are
 allowable without agreeing the expenditure reports submitted to the Department with the
 subrecipient's accounting records.
- One checklist did not indicate whether checks supporting disbursements for the fiscal review
 related to payroll and travel were reviewed during the monitoring visit. Management cannot
 be assured monitoring staff adequately reviewed expenditures charged to program for
 allowability without staff documenting the expenditure checks they reviewed for supporting
 documentation.
- Two checklists did not indicate whether prior monitoring findings had been resolved. One of
 these checklists did not document the existence of two monitoring findings that had been
 previously reported in the prior program year. EA cannot have reasonable assurance that
 prior monitoring findings are adequately resolved without a through independent follow-up of
 the status of findings previously reported.

Instances were noted where required procedures were not completed or it could not be determined whether required procedures were performed. The following is a summary of some of the more significant instances where procedures were not completed or it could not be determined if required procedures were performed.

- Only four checks were selected during the review of the cash disbursement journal in connection with the Final Report for two of eight monitoring files/checklists tested. The checklist requires a review of 5-10 checks. An explanation why only four checks were reviewed was not provided. Checks are reviewed in connection with the Final Report to provide additional assurance expenditures are allowable and to ensure charges to the program occurred and are obligated in the proper program year.
- The Procurement Section was not completed for one of eight checklists tested and the procurement procedures used (i.e. Sealed bid, competitive negotiations, small purchase, etc.) were not completed for six of the eight checklists tested. Management cannot be assured that monitoring staff adequately considered procurement requirements in the absence of sufficient documentation supporting the monitors' review.
- The subrecipient's population of client files and weatherized units was not documented in the monitoring files for eight of eight files reviewed. Accordingly, although the program monitor generally documented the client files and units weatherized that were reviewed in connection with the monitoring visit, it could not be determined if the monitor reviewed ten percent of the client files for the total population of units weatherized during the period of being monitored, as required by the Subrecipient Monitoring Standard Operating Procedure. Additionally, without documentation of the subrecipient's total population of units weatherized, it could not be determined for three of eight monitoring files tested if the review of less than the 10 minimum of units required to be reviewed by the Subrecipient Monitoring SOP was reasonable.

- The single audit results section of one checklist was not completed. Management cannot be assured that findings noted during a single audit are satisfactorily resolved or that costs that have been determined to be unallowable are recovered in the absence of thorough consideration of the results of required single audits.
- Two of eight subrecipients did not submit Information Technology (IT) questionnaires.
 Another subrecipient did not submit the section of the IT questionnaire relating to Network Organization. The incomplete IT questionnaires were accepted without documentation of follow-up to enable an assessment of related risks and to ensure completeness of management's prescribed monitoring procedures.

Instances were noted where documentation supporting the procedures performed and results obtained was insufficient to determine the adequacy of the procedures or whether the conclusions reached were reasonable. The following is a summary of some of the more significant instances of insufficient documentation.

- The monitor did not document or explain the purpose of the checks reviewed for six of eight
 monitoring files tested. Management cannot ensure the adequacy of procedures the monitors
 apply to determine reasonableness and allowability of expenditures without a description of
 the purpose of expenditures reviewed.
- Four of eight checklists did not provide a listing of the homes inspected during the on-site visits or document the reason why a return visit was required. Without adequate descriptions of the homes inspected and the reasons return visits are required, EA will not have the information necessary to ensure that the required return visits occur or that the purpose of the return visit was satisfied.
- One of eight summary sheets was not completed. The summary sheet compiles the results of
 the monitoring visit in a single location. In absence of completing the summary sheet, EA
 does not have reasonable assurance that the conclusions reached by the monitor are
 reasonable or that conditions noted that should be reported as a finding or recommended
 improvement are reported.
- Instances were noted where "No" was indicated on the checklist and the related conditions were not carried to the summary sheet, a recommended improvement, or a finding and the documentation does not support how the conditions were otherwise disposed of.
- Information provided by the subrecipients on three of eight IT questionnaires was not consistent with comparable information on the monitoring checklists. Energy Assistance does not have adequate information to assess the accuracy of information provided by subrecipients or the adequacy of IT controls without explanations for differences between information provided by the subrecipient and information prepared by the monitors.

Management reports that each monitor maintains his or her own files of documentation reviewed during a monitoring visit to the extent they consider it appropriate. However, discussion with monitoring staff indicated that documentation is not necessary maintained. Additionally, the monitoring checklist and monitoring file is not updated for documentation obtained from the subrecipient subsequent to a monitoring visit that may clear a possible monitoring issue noted during the visit.

Recommendations

Management should enhance documentation standards to ensure monitors review sufficient information to support their conclusions and that monitors document the contracts reviewed, the units inspected, and other records and documentation reviewed to support their conclusions and

establish quality control procedures to ensure the monitoring staff complies with established subrecipient monitoring policies and procedures. Each monitoring file should be subject to a minimum quality assurance review to ensure planned monitoring procedures are completed and the monitoring results support the conclusions reached. All monitoring files should be subject to sampling and selection for an extensive quality control review designed to ensure subrecipient monitoring procedures are performed and documented as intended by management.

Management's Response

The Energy Assistance Section acknowledges the need to improve its documentation standards and quality control processes. The EA Section will formalize a peer review process of the monitoring checklist and support documentation upon return from the monitoring visit. The peer review along with improvements made to the monitoring checklist will insure quality control and sufficient documentation of monitoring activities. The peer review process will be implemented for the 2006 Weatherization Monitoring.

Planned Target Date for Completion - January 1, 2007

Section 4

Ensure Monitoring Results are Adequately Communicated to Subrecipients

Controls are not in place to provide reasonable assurance that results of monitoring activities are adequately communicated to appropriate subrecipient personnel. Tests of files supporting eight monitoring visits disclosed various exceptions that were not carried to the monitoring report and it could not be determined from the supporting documentation in the files if these exceptions were discussed with appropriate subrecipient personnel, subsequently cleared or otherwise disposed of. The following are examples of some of the more significant exceptions noted.

The disposition of "No" answers to the monitoring checklist was not documented in the monitoring files. "No" answers on the monitoring checklist generally indicate unfavorable conditions. Unfavorable conditions were not necessarily carried to the summary sheet, a recommended improvement, or a finding for further consideration, and the documentation does not support how the conditions were otherwise disposed of. The following are examples of conditions noted resulting from a "No" indicated on the checklist.

- Nueces County Community Action Agency (Nueces County) does not periodically backup critical data and has not implemented password aging as required by Policy Issuance #04-11.5.
- South Plains Community Action Association (South Plains) does not correctly allocate interest of WAP funds in an interest bearing account as required by 10 CFR 600.121, 600.221.
- Nueces County and Rolling Plains Management Corporation general liability insurance policies do not provide coverage for damages resulting from lead based paint or related work as required by Contract Section 17.
- South Plains has not established adequate internal procedures to provide for the proper and effective management of all activities and funds authorized by the WAP contract with the Department as required by 10 CFR 600.121, 600.220.

• City of Lubbock and Tri-County Community Action Inc. (Tri-County) did not report expenses on completed units and units in process as required by 10 CFR 440.16(g).

"No" answers on the IT Security Policy questionnaire were carried to the monitoring checklist as "Yes" answers. "No" answers on the IT Security Policy questionnaire generally indicate unfavorable conditions; however, in instances, the answers were carried to the monitoring checklist as "yes" answers, which indicates a favorable condition. The documentation does not provide explanations for the change in answers for the following conditions noted.

- Tri County does not have a written IT security policy in place, a written disaster recovery plan, or written procedures for account management, and has not implemented password aging.
- Community Service Inc. (CSI) does not maintain backups of critical data off site or have written procedures for account management. Additionally, CSI has not implemented password aging or physical security practices.
- Combined Community Action Agency does not have a written IT security policy, periodically tests restoring data from backups, or have a written disaster recovery plan.

The disposition of an unfavorable condition was not adequately documented. The program monitor noted in the monitoring file for Community Council of Reeves County (CC Reeves) that the same person signs purchase orders, maintains records and reconciles. In the absence of other information, this appears to be a control weakness; however, there is no documentation in the files whether the monitor was concerned about appropriate separation of duties. While there may be circumstances that preclude this from being a control weakness problem, such circumstances were not documented in the file. The issue was not carried to the monitoring report and there was no documentation in the file whether it was communicated to appropriate client personnel or subsequently resolved.

Recommendations

Controls should be established and put in place to provide reasonable assurance that results of monitoring activities are adequately communicated to appropriate subrecipient personnel. Standard operating policies and procedures (SOPs) should be established which clearly describe the criteria, conditions or exceptions that warrant formal reporting to subrecipients. The SOPs should also require the monitor to document the reasons an unfavorable condition noted during a monitoring review does not warrant formal reporting; such as unfavorable conditions or exceptions noted that are clearly insignificant or are subsequently resolved with the receipt of additional information during the normal course of the monitoring visit.

Management's Response

The EA Section has been working proactively to improve the communication of the results to subrecipients. Changes to the Monitoring Instrument and ongoing training of Program Officers will help insure documentation of unfavorable conditions noted during in a monitoring review, proper reporting of unfavorable conditions, and explanations of circumstances where such conditions are not included in the monitoring report. The EA Section will develop an SOP to detail the criteria, conditions or exceptions that warrant formal reporting to subrecipients and the exceptions that may be resolved with the receipt of additional information prior to the release of the monitoring report.

Planned Target Date for Completion - April 1, 2007

Ensure Monitoring Results and Follow-up Letters are Communicated to Subrecipients in a Timely Manner

Monitoring reports were not distributed in a timely manner. The monitoring report was not distributed within 30 days of the last date of the monitoring visit for the eight subrecipient monitoring files tested. Report release dates ranged from 41 to 82 days after the end date of the monitoring visit. EA's Standard Operating Procedure (SOP) 350.02.11, Subrecipient Monitoring, as well as DOE, requires that reports are due to the contractor within 30 days after the monitoring visit.

Distribution of the reports to the subrecipient's governing board or other oversight entity were not made within 60 days from the date of the monitoring report for five of six subrecipient monitoring files tested. In response to a prior audit recommendation by the Texas State Auditor's Office that copies of monitoring reports be provided to subgrantees' board chairs to help ensure that subgrantees address issues identified (*Prior Audit Issue, see Appendix 1, IA Ref. No. 309*), the Department reported that copies of monitoring reports are being provided to board chairs 60 days after the monitoring report is sent to the subrecipient.

Follow-up on monitoring results was not timely or timeliness could not be determined. Of the eight subrecipient monitoring files tested, the follow-up or close-out letter was not distributed within 15 days from the date the subrecipient's response was received for two of five subrecipients that should have received a follow-up or close-out letter during the audit period. Additionally, in review of the Monitoring Tracking System, there were numerous instances noted where data fields such as monitoring report response dates, follow-up letter dates, and close-out letter dates were not posted.

Management states that the follow-up or close-out letter should be distributed within 15 days from the date of the subrecipient's response. While the EA SOP 350.02.11, *Subrecipient Monitoring*, requires the monitor to issue follow-up letters when warranted and close-out letters and to reflect the status of monitoring in the Tracking System, the SOP does not establish timeframes for the issuance of the follow-up or close-out letters or for posting related actual dates to the Tracking System. Delays in follow-up letters may allow time sensitive unfavorable conditions or exceptions to continue to exist while delays in the close-out letters keep the monitoring file open.

Recommendations

Monitors should inform management when they become aware that established due dates for the release of monitoring reports will not be met, discuss obstacles in meeting the due dates and strategies to achieve them, and assess and document in the monitoring files reasons monitoring reports are not released to subgrantees and board chairs within timeframes established by the Department.

We also recommend EA enhance its subrecipient monitoring SOP to include standards for timeliness in issuing follow-up and close-out letters and for posting related data to the Monitoring Tracking System.

Management's Response

The Section will develop an SOP similar to SOP 2300.01 Community Affairs Division CEAP/CSBG Joint Monitoring Process, which will serve as a basis to help ensure monitoring results and follow-up letters are communicated to subrecipients in a timely manner. The SOP will include standards for timeliness for issuing follow-up and close-out letters and for posting related data to the Monitoring Tracking System. Management will emphasize to the monitoring staff the importance of timeliness in issuing the monitoring reports and the related follow-up and close-out letters.

Planned Target Date for Completion – May 20, 2007

Section 6

Assess and Satisfy Information Needs

The management information system is adequate to track most of the significant milestones such as the planned monitoring visit date, actual monitoring visit date, monitoring report date, monitoring report response due date and actual receipt date, follow-up letter date, and close-out date (close-out letter). However, data fields have not been created to capture significant milestones relating to the delivery of the monitoring letter to the subrecipient's governing board chair and the subrecipient's response to the monitoring follow-up letter.

A text/memo field called Notes in the Monitoring Tracking System is used to capture the results of monitoring activities such as findings or conditions noted, required corrective actions, concerns and comments; however, the information recorded in the Notes field is unclear, not consistently posted, and, in instances, incomplete.

Findings were not posted to the monitoring tracking system for six of the eight monitoring files tested, monitoring results are not tracked to conclusion (actions taken and final resolution), and multiple areas of concern were noted throughout the monitoring checklists and files that were not posted to the monitoring tracking system.

Adequate information is necessary to ensure timely, efficient delivery of services. Tracking results of subrecipient monitoring activities is important to ensure findings noted are satisfactory resolved. The results of monitoring activities also provides meaningful information management can use to identify and prioritize risks for resources allocation purposes and to identify, plan and provide technical assistance. Significant milestone dates are important to help ensure satisfactory progress is being made toward achieving the goals and objectives of the subrecipient monitoring function.

The Department of Energy (DOE) requires that major findings from subgrantee monitoring visits and financial audits be tracked by the State to final resolution and recommends that the tracking record include, but not necessarily be limited to, findings, recommended corrective actions, deliverables, due dates, responsible parties, actions taken, and final resolution. DOE also requires the State annually summarize and review each subgrantee's audit, program monitoring reports and findings for internal monitoring of State and subgrantee needs, strengths, and weaknesses and that the results of this annual monitoring be considered during annual planning and be available for the DOE Regional Offices to review during their State program monitoring visits.

Recommendation

Management should assess its information needs to ensure they are being adequately satisfied. In assessing its information needs, management should minimally:

- determine what information is needed to function and operate on a daily basis,
- evaluate major problems regularly encountered and assess how information can help solve the problems,
- categorize the major decisions program management must make and determine how additional information could help,
- identify various reporting requirements and related information needs,
- evaluate how information can improve the effectiveness of services provided,
- determine what kinds of information could enhance the program's efficiency, and
- assess information needs of others such as executive management and oversight and funding agencies.

Strategies, including computer and non-computer solutions, should be developed for capturing necessary data to operate effectively. Minimally, we recommend the information system be enhanced to capture the results of monitoring activities and track the status of monitoring findings to final resolution.

Regardless of strategies selected, we recommend the processes be formalized with the goal of:

- recording complete, accurate and timely information, which will require the incorporation of quality control procedures and edits,
- facilitating the monitors performing their day-to-day operating activities and responsibilities,
- facilitating management's review and consideration of current performance against operating goals and objectives, and
- satisfying the reporting requirements of oversight and funding agencies.

Management's Response

During the planning of the Contract System being developed by the IS Division, the EA Section identified the daily operational needs of the Section. The Contract System, once complete, will help the Section gather information needed to comprehensively monitor the subrecipients and make effective management decisions. However, Management acknowledges that the Contract System will only provide information for review. The EA Section must provide timely updates, conduct quality control checks, and supplement additional information needs by updating the Intranet monitoring tracking system. The updated monitoring tracking system will assist management by providing information, documenting results, and summarizing desk and field monitoring reviews.

The EA Section will coordinate with IS to update the Intranet monitoring tracking system to incorporate text fields to capture findings and the events that occur up to, and including resolution of, the findings. The updated system will be made available to all EA Program Officers, Project Managers, Section Manager, and to the Division Director. Upon coordination with IS staff, the updated system will be implemented after completion of the 2006 monitoring visits. In the interim, EA is using an Excel monitoring tracking system to track this information.

Planned Target Date for Completion – May 30, 2007

Appendices

Appendix 1

Status of Prior Audit Issues

The status of prior audit issues relating to the objectives of this audit was reviewed. The following is a summary of the status of prior audit issues.

Corrective action was taken on the following conditions.

> IA Ref. # 118

Report - Selection of Subrecipients for Monitoring-Rpt.#9.09-2, dated June 4, 1999 Texas Department of Housing and Community Affairs Internal Audit

A formal risk assessment is not used by any of the Department's programs to select subrecipients for monitoring reviews or on-site monitoring visits.

Corrective Action - Corrective action taken.

Reference No. Chapter 3-C (IA Ref. # 316)
 Report - Selected Assistance Programs at the Department, dated June 2003
 Auditors - State Auditor's Office

The Department requires subgrantees to maintain complete and accurate financial and performance data. However, it does not monitor subgrantees' controls or provide subgrantees with technical assistance regarding the adequacy of controls over information that they maintain electronically.

Corrective Action - Corrective action taken.

Reference No. Chapter 4-A (IA Ref. # 317)
 Report - Selected Assistance Programs at the Department, dated June 2003
 Auditors - State Auditor's Office

The Department does not ensure that WAP subgrantees target weatherization services to the priority populations that the U.S. Department of Energy has established. In addition, although the Department's annual state weatherization plan specifies that it will give priority to the federal priority populations, its contracts with subgrantees do not list two priority populations - high residential energy users and households with a high energy burdens. Subgrantees submit monthly reports on priority populations served; however, the Department does not monitor to ensure that its subgrantees are indeed targeting priority populations and this information does not ensure that subgrantees have actually targeted the priority populations

Corrective Action - Corrective action taken.

> (IA Ref. # 136)

Report - Identification and Tracking of Subrecipients-Rpt.#9.09-1, dated June 4, 1999 Auditors - Texas Department of Housing and Community Affairs Internal Audit

The Department does not have formalized processes in place to identify and capture monitoring-related information that should be used to monitor and evaluate the performance of subrecipients, to plan and track the results of monitoring reviews and to share between the Department's program areas for planning and monitoring purposes to carry out monitoring responsibilities effectively and efficiently.

Corrective Action – Corrective action taken.

Management has implemented the Monitoring Tracking System. This System is complemented with spreadsheets that helps satisfy EA's information needs. The management information system, when considered in the aggregate, is adequate to track most of the significant milestones such as the planned monitoring visit date, actual monitoring visit date, monitoring report date, monitoring report response due date and actual receipt date, follow-up letter date, and close-out date (date of close-out letter).

The addition of certain data fields may help ensure that management achieves its objectives. The system also needs to be enhanced to capture effectively the results of monitoring activities and to track the status of monitoring findings to final resolution.

See Section 6, Assess and Satisfy Information Needs, for additional information.

Management and the Department's Governing Board have accepted the associated risks of not fully implementing the following prior audit issues.

➤ IA Ref. #119

Report - Selection of Subrecipients for Monitoring-Rpt.#9.09-2, dated June 4, 1999 Auditors - Texas Department of Housing and Community Affairs Internal Audit

The Department (agency-wide) does not have formal policies and procedures regarding "joint" monitoring visits to review multiple programs, if applicable, simultaneously, rather than monitoring individual programs separately.

Corrective Action - The Department's Governing Board accepted a report from management that the issue was partially implemented.

Management reported to the Department's Governing Board in June 1999 that it does not believe there would be sufficient benefit derived from coordinated monitoring visits on a routine basis relative to the scheduling issues that such coordination would create and that management, as in the past, will continue to establish team visits to perform comprehensive financial and programmatic monitoring visits when circumstances call for coordinated monitoring efforts.

Reference No. Chapter 1-B (IA Ref. #307) Report - Selected Assistance Programs at the Department, dated June 2003 Auditors - State Auditor's Office

WAP, CEAP and CSBG subgrantees annualize 30 days of income to estimate annual income and determine income eligibility for services, which is allowable under federal regulations; however, using only 30 days of income allows applicants to receive services even when their annual household incomes exceed the program's income eligibility thresholds.

Corrective Action – Management and Board accept associated risks.

Although corrective action was initially taken by requiring 90 days of income to be annualized, in December 2004 the Department's Governing Board subsequently accepted the risks associated with annualizing 30 days of income to estimate annual income and determine income eligibility for services.

The following conditions relating to prior audit issues were not fully resolved.

Reference No. Chapter 1-A (IA Ref. # 306) Report - Selected Assistance Programs at the Department, dated June 2003 Auditors - State Auditor's Office

The Department did not ensure that subgrantees:

- provided weatherization services to only eligible multi-family dwellings,
- did not exceed the maximum they can spend to weatherize a multi-family dwelling, and
- fulfilled a variety of other WAP multi-family requirements, including the need
 - > to have applicants fully complete and sign WAP applications,
 - > for authorized individuals to sign final inspection forms,
 - > for utility billing histories to be obtained with only appropriate authorization, and
 - ➤ to ensure the owners of multi-family dwellings provide the required assurance that the low-income residents will not be subject to rent increases as a result of receiving weatherization services.

Corrective Action – Partially implemented.

There is not evidence that monitoring staff review supporting documentation or conduct other monitoring procedures to determine that subrecipients do not exceed the maximum they can spend to weatherize a multi-family dwelling.

This issue was repeated. See Section 2, Enhance the Subrecipient Monitoring Compliance Checklist, for additional information.

Reference No. Chapter 1-C (IA Ref. # 308) Report - Selected Assistance Programs at the Department, dated June 2003

Auditors - State Auditor's Office

The Department should:

- Ensure that WAP subgrantees consistently document their decision criteria for providing weatherization services to WAP applicants.
- Ensure that WAP subgrantees provide services only to applicants who meet the program's eligibility criteria.
- Ensure that WAP subgrantees obtain residents' signatures on final inspection forms to verify that the weatherization work was actually performed.
- Ensure that, because the energy audits are a critical factor in the determination of which services will be performed, subgrantees:
 - > Input adequate data into the energy audit software.
 - > Conduct energy audits before providing weatherization services.
 - > Perform separate energy audits for each unit to be weatherized.
 - Allow only qualified individuals to conduct the energy audits.

• Provide adequate guidance to subgrantees to ensure that subgrantees maintain current contracts with weatherization contractors and pay contractors reasonable prices. If the Department chooses to allow a variety of contract pricing mechanisms, it should provide guidance related to each alternative and describe the associated benefits and risks. If payments are based on costs, subgrantees need to verify the accuracy of contractor's claimed costs; if payments are based on a flat rate, subgrantees' contracts must include clear statements of work so that the flat rate can be justified.

Corrective Action – Partially implemented.

Monitoring procedures have not been enhanced to ensure:

- subgrantees consistently document their decision criteria for providing weatherization services to WAP applicants,
- adequate data is inputted into the energy audit software,
- energy audits are conducted before providing weatherization services, and
- only qualified individuals are allowed conduct energy audits.

These issues were repeated. See Section 2, Enhance the Subrecipient Monitoring Compliance Checklist, for additional information.

Reference No. Chapter 1-D (IA Ref. # 309)
 Report - Selected Assistance Programs at the Department, dated June 2003
 Auditors - State Auditor's Office

The Department should:

- not close files that have issues it identifies during monitoring visits until the subgrantees have corrected the issues.
- develop WAP monitoring standards that ensure that monitors review a sufficient amount of
 information to support their conclusions and that the monitors document which contracts, files,
 and other documentation they reviewed to draw their conclusions, and
- provide copies of its WAP, CEAP, and CSBG monitoring reports to subgrantees' board chairs to help ensure that subgrantees address issues identified.

Corrective Action - Partially Implemented.

Recommendations not fully implemented include the following:

- Developing WAP monitoring standards that ensure that monitors review a sufficient amount of information to support their conclusions and that the monitors document which contracts, files, and other documentation they reviewed to draw their conclusions.
- Providing copies of monitoring reports to subgrantees' board chairs to help ensure that subgrantees address issues identified.

These issues were repeated. See Section 3, Enhance Documentation Standards and Establish a Quality Control Function, and Section 5, Ensure Monitoring Results and Follow-up Letters are Communicated to Subrecipients in a Timely Manner, for additional information regarding the issues noted in the first and second bullet above, respectively.

Appendix 2:

OBJECTIVES, SCOPE, METHODOLOGY AND OTHER

Objectives

The objectives of the audit were to assess whether Energy Assistance's (EA) Weatherization Assistance Program (WAP) monitoring function is adequate to provide reasonable assurance that Federal and State awards are used for authorized purposes in compliance with laws, regulations, and provisions of contracts or grant agreements and that performance goals are achieved.

Scope

The scope of this audit included consideration of WAP subrecipient monitoring functions for program year 2005. PY 2006 monitoring files were not within audit scope because monitoring visits were not planned to be performed until October or November of the 2006 program year. More specifically, our audit included consideration of the following areas:

- Weatherization assistance monitoring checklist
- Subrecipient monitoring files supporting on-site monitoring visits
- Standard operating policies and procedures relating to subrecipient monitoring
- Monthly desk reviews
- Management information systems
- Contract boiler plates between the Department and the subrecipients
- Contracts between the Department and its subrecipients

Methodology

The methodology consisted of gaining an understanding of the EA WAP subrecipient monitoring function, including tools used to conduct monitoring reviews, documentation of monitoring reviews, methods used to follow up on deficiencies, and reporting the results and conclusions of monitoring efforts. An understanding was gained through interviewing management and staff and by reviewing policies and procedures, monitoring tools, standard EA WAP contracts, management information reports, and relevant laws and regulations.

Tests included considering, comparing and contrasting related monitoring tools and instruments, subrecipient files and management information reports to standards established by the Department, related program rules and requirements, and sound business practices. Eight monitoring files processed in program year 2005 (24% of the WAP subrecipient population) were selected and tested to determine whether the checklist and monitoring file were adequately completed and properly supported, monitoring results were processed timely and reported to appropriate parties, prior monitoring findings were adequately followed-up on, and that the management information system was properly posted.

Type of Audit/Audit Report

The audit was a Performance Audit concentrating on EA's WAP subrecipient monitoring activities, policies and procedures designed to provide reasonable assurance of compliance with significant laws, regulations, program rules and achievement of contract performance statements relating to WAP. While not primary objectives, economy and efficiency issues such as protecting and using the Department's resources and inefficient or uneconomical practices were considered.

Report Distribution

Pursuant to the Texas Internal Auditing Act (Texas Government Code, Chapter 2102), this report is being distributed to the:

- Department's Governing Board
- Governor's Office of Budget and Planning
- Legislative Budget Board
- Office of the State Auditor

Project Information

Audit fieldwork was conducted from January 2006 through July 2006. The audit was made in accordance with generally accepted government auditing standards and the *International Standards for the Professional Practice of Internal Auditing*.

The following staff performed this audit:

- Colleen Bauer
- Lorrie Lopez

Appreciation to Management and Staff

We wish to express our appreciation to management and staff for their courtesy and cooperation during the course of the audit.

Internal Audit Division BOARD ACTION REQUEST

February 1, 2007

Action Items

Presentation of Status of Prior Audit Issues

Required Action

Review the Status of Prior Audit Issues

Background

The Status of Prior Audit Issues provides an overview of the current status of prior audit issues reported by TDHCA's Internal Audit Division (IAD), external auditors, State oversight agencies, and funding source monitors. Prior audit issues are removed from future reports once management reports prior audit issues as implemented or otherwise resolved or when IAD or other external auditor/monitor independently assesses the resolution of an issue. Issues reported by management as implemented or otherwise resolved remain as open issues on IAD's tracking system until the issues are determined to be resolved by IAD or other independent assessment.

Thirteen prior audit issues are reported. Management has reported that one of the issues has been resolved. While progress on addressing the remaining audit issues is generally considered satisfactory, the following is considered worthy of mention.

- ➤ One audit issue (issue ref. no. 408, pg. 2/15) relates to the need for written agreements and program requirements between HOME homebuyers, homeowners, tenants, and the state's subrecipients for certain HOME activities. The issue is being address by an addendum to HOME contracts that the Department has submitted to HUD for approval. The addendum was submitted to HUD in October 2006 and the Department continues to wait for approval of the addendum, which is necessary to resolve adequately the issue.
- Four of the issues (ref. nos. 399-402, pgs. 5-9) relating to OCI's Contract-for-Deed program's subrecipient monitoring function are being addressed by transferring the associated responsibilities to the Portfolio Management and Compliance Division. The transition is expected to be completed by the end of January 2007.
- ➤ One issue (ref. no. 413, pg. 11/15) relates to OCI's Self-Help Centers program's on-site monitoring function. While preliminary discussions have been held to discuss combining the monitoring responsibilities of all CDBG funds, including the Colonia Self-Help Centers program, under PMC, the reported status does not make it clear if the transfer of responsibilities is definite or if the transfer will be made by the target date reported, January 31, 2007.

Recommendation

No action is required.

Texas Department of Housing and Community Affairs

Status of Prior Audit Issues

Texas Department of Housing and Community Affairs -Summary Report of Prior Audit Issues

(except those prior audit issues previously reported as implemented or otherwise resolved)

	Report Date	Report Name	Sta	itus	Target		
<i>Ref.</i> #	Auditors	Audit Scope	Codes*	Date	Date		
394	09/23/05	PMC - Subrecipient Monitoring - Single Audit, Rpt. No. 1003.20	Px	09/23/05			
	IA	To ensure PMC's single audit review process provides reasonable assurance that a complete population of single audits are reviewed in complinace with state and federal regulations.	Px Px Px	12/16/05 03/24/06 03/27/06	05/31/0		
Division	: Portfolio Managem	ent & Compliance	Px Px	05/24/06 09/15/06			
Issue:	single audit responsib Without a single integ	management information system that accumulates and provides necessary information to effectively and efficiently fulfill its illities. The population of subrecipients considered for single audit processing is derived from two different program systems. rated information system for processing single audits, single audit staff have considerable difficulty accumulating basic location to enable them to effectively fulfill their job responsibilities.	lx	11/30/06	10/10/0		
Status:		m Monitoring Module was deployed in November 2066, providing for a single system for maintaining single audit and ata associated with HOME and Community Affairs subrecipient and contracts.					
	09/15/06 - Information Systems Division (ISD) made the Program Monitoring Module available for Portfolio Management and Compliance (PMC) testing in June 2006. During testing, PMC and ISD ("the team") identified 25 bugs and 16 enhancement needs. In July and August, the team resolved most of these issues.						
	these organizations us interface data from the	al, the development an ongoing interface of CS/EA organizations and contracts so that PMC can perform single audits of sing the Program Monitoring Module, has taken substantially more effort than estimated. The team originally planned to e CS/EA Contract System only. However, during testing, the team identified needed data that was available only in a second tabase). As of September 15, we anticipate two additional weeks of interface development and testing, and a module rollout					
		on directors and ISD are meeting on September 25 to set Central Database priorities for FY 2007, factoring in the status of g Module, Contract System and CMTS requests, and the Multifamily Module					
	5/24/06 - The PM Mod team testing the week	dule has moved the projected PM Module release date two weeks, to June 16. The system will be made available for business of May 29.	s				
	3/27/06 - Staff continu	les to work with the Information System Division to assist in development of the Program Monitoring(PM) Module.					
	03/24/06 - The Progra	m Monitoring (PM) Module project team plans to deploy the module by May 31, 2006.					
	12/16/05 - Staff contin	ues to work with the Information Systems Division to assist in development of the Program Monitoring (PM) Module.					
	more advanced single	Im Monitoring Module project team, composed of staff from PMC and ISD, will ensure that the PM Module addresses the audit information needs and that the project deliverables include a simple Community Affairs (CA) contract interface (from the tothe TDHCA Contract System), so the PMC staff can use the PM Module for HOME and CA contracts.					

	Report Date	Report Name	St	atus	Target
<i>Ref.</i> #	Auditors	Audit Scope	Codes*	Date	Date
408	05/10/06	Technical Assistance and Monitoring Visit Home Program M05-SG480100`	Px	06/13/06	
	HUD	To review the state's HOME affordable housing program.	Px Px	09/18/06 10/31/06	
Division	n: Portfolio Managem	nent & Compliance	Px	12/04/06	03/31/07

Issue: Finding No. 1

There are no written agreements between the homebuyers, homeowners and tenants, and the state's subrecipients for the Owner-Occupied Rehabilitation/Reconstruction (OCC), First-Time Homebuyers (FTHB), and the Tenant-Based Rental Assistance (TBRA) projects.

The State must develop a written agreement specific to each type of funding activity that includes the requirements outlines in Section 92.504 (c)(5). The agreement must be executed between the state recipient or subrecipient and their direct HOME-assisted applicants. HUD strongly recommends that the agreements provide the state with recourse in the event of noncompliance. The state also must develop and implement procedures to ensure that the state recipients or subrecipients and the applicants execute the agreements prior to the commitment of any HOME funds. The agreements and procedures must be submitted to HUD for review and approval

Status: 12/04/06 - The Department is currently waiting on HUD's response to our 10/31/06 letter addressing the issue.

10/31/06 - The department concluded that we have currently met the requirements of the HOME statue. Clarification received by HUD indicates their primary concern is for the participating family to receive, in writing, all of the program requirements and provisions for the particular type of assistance being reported. Therefore, the Department has developed an application addendum explaining what the family will be required to comply with and execute in order to receive assistance.

09/18/06 - PMC and Legal Staff are working with HUD, including their attorney's to request a model from another Participating Jurisdiction that does satisfy this issue so that Staff can evaluate and compare and then identify based on the preferred model what changes may need to be made to the Department's existing agreements.

06/13/06 - The Department's Legal Division is currently reviewing this issue to determine whether it is feasible under state law to incorporate all the required provisions outlined in 92.504(c)(5) in a single written agreement for execution by the state recipient or subrecipient and their direct HOME-assisted applicants for each HOME activity. Once a determination has been made by the Department's Legal Division, HUD will be contacted to discuss resolution to this finding.

	Report Date	rt Date Report Name	Sta	tus	Target
Ref. #	Auditors	Audit Scope	Codes*	Date	Date
411	05/10/06	Technical Assistance and Monitoring Visit Home Program M05-SG480100`		06/13/06	
	HUD	To review the state's HOME affordable housing program.	Px Px	09/18/06 10/31/06	
Divisio	n: Portfolio Managem	ent & Compliance	Px	01/05/07	01/14/07

Issue: Finding No. 4

There is no documentation in the files that FHA [Federal Housing Administration] foreclosed properties were in full compliance with the state's property standards prior to closing.

The state must obtain documentation that clearly establishes that these properties were in full compliance with the state's property standards prior to loan closing. If this cannot be done, the state must take one of the following actions:

A. Reinspect the properties and complete any work required to bring the units into compliance with the state's Texas Minimum Construction Standards (TMCS). The state may use HOME funds to complete this work since no federal funds were previously expended for repairs to these properties, or

B. Reimburse its local HOME Trust Account for the full amount of the subsidy provided for the purchase of these units, from non-federal funds. The state may, at its option, require reimbursement from its subrecipient CAHFC.

In its response, the state must either (a) provide documentation acceptable to HUD that these properties were in compliance at the time of closing, or (b) submit documentation (including the source of the funds used) in accordance with A or B above. If the state has reimbursed its local HOME Trust Account, its response must include documentation that the reimbursement has been made. (The state must amend its policies and procedures manual to address the actions to be taken and documented if foreclosed properties from any sources will be included in the state's FTHB program.)

Status: 01/05/07 - The Contract Administrator has informed the Department that the contractor obtained to repair the five homes will complete the requested work by 01/14/07. Additionally, the Department's financial team has confirmed receipt of funds refunding the down payment assistance provided for two properties.

10/31/06 - Department staff met with the Contract Administrator (CA) and reached a resolution to the pending construction issues identified. The CA will resolve all issues identified for five of the properties and will refund the Department the down payment assistance provided to two properties.

09/18/06 - The consultant and the subrecipient are working with the Department to resolve the issue but final strategies have not been agreed upon.

06/13/06 - The HOME-assisted beneficiaries reviewed by HUD received assistance under the Department's Homebuyer Assistance (HBA) funding category, which provides Contract Administrators with the option of providing funds to first-time homebuyers. Of the fourteen (14) HOME-assisted beneficiaries reviewed by HUD, six (6) are reported to be first-time homebuyers. The Department has attempted to contact 3 homeowner's to schedule inspections; however, responses have not been received to date. Department staff will continue efforts to schedule inspections and once complete, will notify HUD of the results. If it is determined that the properties were not in compliance with TMCS, the Department will propose a recommended course of action in accordance with the options presented above. In addition, the Department will amend the 2005 HOME Program Homebuyer Procedures Manual to address the actions to be taken and documented if foreclosed properties are purchased through the Department' s homebuver programs.

<i>Ref.</i> #	Report Date Auditors	Report Name		ntus	Target
neg. "	Auaitors	Audit Scope	Codes*	Date	Date
412	05/10/06	Technical Assistance and Monitoring Visit Home Program M05-SG480100`	Px	06/13/06	
	HUD	To review the state's HOME affordable housing program.	Px Px	09/18/06 10/31/06	
Division	n: Portfolio Managem	nent & Compliance	Px Px	12/04/06 01/05/07	11/30/06 03/31/07

Issue: Finding No. 5

New Hope Housing, a CHDO, has not developed and provided the state with its formal written process to allow for low-income program beneficiaries to advise the organization regarding the decisions and actions of the organization.

The state must begin working with this CHDO and all other CHDOs to develop a formal written process for low-income beneficiaries to advise it of any concerns, issues or questions that they may have.

The state should determine if it wants all CHDOs to use the same process or if it wants to allow each organization to develop its own formal written process in conjunction with the state's requirements. If the latter option is selected, the state must review and approve each process, in writing, for each CHDO.

Status: 01/05/07 - The CHDOs have until 01/15/07 to submit their revised formal process to the Department. TDHCA staff will review the required information as it is submitted and will require resubmission, if necessary, until the requirements are satisfied.

12/04/06 - The Department has mailed a letter to all current CHDOs informing them to amend their by-laws, if necessary, to ensure they follow the correct process to receive input from low income residents.

10/31/06 - The Department received the modified documents from the CHDO (New Hope Housing) and submitted them to HUD for review. The Department is in the process of revising the CHDO certification process and checklist. All prospective CHDOs will be required to adopt the formal process and include the written formal process with the submittal of the CHDO certification checklist. The Department is also reviewing CHDO files in its portfolio to ensure that the low income process has been properly developed and provided to the Department.

09/18/06 - In September 2006 a letter was sent to New Hope Housing (NHH) providing a copy of the city of Dallas' Certification Application of Community Housing Development Organization (CHDO), which includes the low-income input component detailing the low-income input process for their review and consideration. The Department requested of NHH that a process be developed and implemented and that support documentation be submitted by October 15, 2006, which will then be forwarded to HUD.

The department will revise current CHDO's certification requirements and will send a notice to all CHDO's to ensure that they have developed and implemented a process to allow low income program beneficiaries to advise the organization by October 15, 2006.

06/13/06 - The Department will implement requirements as required, but is requesting guidance on appropriate methods and standards for the input process. The Department has contacted the City of Dallas for information on an approach to obtain formal input from low-income beneficiaries, but has not received a reply. In order to develop and enforce policy, the Department requires guidance on the minimum standards.

	Report Date	Report Name		rtus	Target
<i>Ref.</i> #	Auditors	Audit Scope	Codes*	Date	Date
399	06/02/06	OCI Draw processing and Subrecipient Monitoring Function for CFD	PX		08/31/06
	IA	Consideration of the OCI Contract for Deed programs' draw processing and subrecipient Monitoring functions from January 1, 2005 to June 2, 2006	Px Px Px	11/28/06	11/01/06 01/31/07 01/31/07

Roles and responsibilities of OCI staff relating to processing Contract for Deed draw requests have not been formally defined. Access rights have not been established in the Department's Contract System to allow for authorization and subsequent processing of draw requests. We also noted that formal policies and procedures for processing draw requests have not been developed.

We recommend management clearly define the roles and responsibilities of the OCI staff for processing Contract for Deed draw requests. Minimally, roles and responsibilities should formally define the staff positions responsible for reviewing and approving draw requests for payment. Also, based on formal roles and responsibilities, establish the authorization role for approving draw requests in the Department's contract system.

Status: 01/09/07 - Due to revisions included in the "Final Transition Plan for the New HOME Division," the transfer of HOME CFDC contracts from OCI to the new HOME Division will now take place on 1/31/2007 for all CFDC contracts except Contract No. 530021 with CACST and Contract No. 542005 with OPSE which will be retained by OCI until closure.

11/28/06 - All contract administration, draw processing, oversight and monitoring duties for HOME contracts have been transferred to PMC. Technical Assistance responsibilities have been transferred to the new HOME Division. To assist in the transition and provide continued support, OCI will continue to provide on-site technical assistance and marketing of all Department programs in the colonia areas. This action is effective immediately; however, two HOME Contract for Deed Conversion contracts between the Department and OPSE and CACST will remain the responsibility of OCI until 12/31/06 to allow for continuity in the resolution of programmatic and monitoring findings.

09/14/06 - A draft Standard Operating Procedures (SOP) for indentifying the roles and responsibilities of OCI staff for processing the Contract for Deed (CFD) draw requests has been developed and is undergoing revisions.

Access rights to the Department's Contract System have been established for all Border Field Office (BFO) staff and OCI Program Coordinators.

06/02/06 - The OCI will formally finalize by May 31, 2006 the roles and responsibilities of the OCI staff to process Contract for Deed draw requests and authorization roles for approving draws.

D.C.	Report Date	Report Name			Target
Ref. ‡	[‡] Auditors	Audit Scope	Codes*	Date	Date
400	06/02/06	OCI Draw processing and Subrecipient Monitoring Function for CFD	Px		00.01.00
	IA	Consideration of the OCI Contract for Deed programs' draw processing and subrecipient Monitoring functions from January 1, 2005 to June 2, 2006	Px Px Px		01/31/07

Issue: The OCI division assumed monitoring responsibilities for the CFD Program in January 2005, but has not conducted any significant monitoring activities since that time. Additionally, the monitoring function and approach have not been clearly defined. Weaknesses noted in the monitoring function include the following:

- Goals and objectives of the monitoring function have not been clearly defined.
- Monitoring strategies with formal policies and procedures have not been developed, especially relating to the reconstruction and/or rehabilitation activities within the CFD Program to bring housing up to Colonia Housing Standards.
- Responsibilities for the monitoring function have not been clearly assigned.
- · While responsibilities for the monitoring function have not been clearly assigned, informal plans seem to indicate staff responsible for grant management and technical assistance will be responsible for monitoring.

We recommend management clearly define their monitoring objectives and goals. Monitoring strategies, supported by formal policies and procedures, should be developed to ensure the monitoring objectives and goals are achieved.

We recommend management develop ongoing monitoring activities such as reviewing budget, expenditure and performance reports to ensure reasonableness and timeliness of funds expended within the contract period and achievement of contract performance statements, reviewing draw requests and supporting documentation for reasonableness and allowability of expenditures, and obtaining proper documentation to protect the Department's financial interests.

We recommend separate, risk-based, site-specific inspections be conducted to ensure housing financed by the Department is safe and meets minimum standards established by program rules and contract terms.

Reporting standards should be established to ensure the results of monitoring and evaluation activities are properly reported to appropriate individuals who are in position to take corrective action and can be held accountable for acceptable performance. Documentation standards to support monitoring activities conducted should be established. We recommend standardized monitoring tools and checklists.

Finally, we recommend monitoring responsibilities be clearly defined. We recommend staff separate from the grant management and technical assistance functions be assigned responsibilities for the monitoring function. Alternatively, the Department should consider transferring program monitoring responsibilities to Portifolio Management and Compliance's (PMC) existing program monitoring function for HOME funds in order to allow for adequate separation of the program monitoring function from the grant management and technical assistance functions and to capitalize on existing systems of controls.

Status: 01/09/07 - Due to revisions included in the "Final Transition Plan for the New HOME Division," the transfer of HOME CFDC contracts from OCI to the new HOME Division will now take place on 1/31/2007 for all CFDC contracts except Contract No. 530021 with CACST and Contract No. 542005 with OPSE which will be retained by OCI until closure.

11/28/06 - All contract administration, draw processing, oversight and monitoring duties for HOME contracts have been transferred to PMC. Technical Assistance responsibilities have been transferred to the new HOME Division. To assist in the transition and provide continued support, OCI will continue to provide on-site technical assistance and marketing of all Department programs in the colonia areas. This action is effective immediately; however, two HOME Contract for Deed Conversion contracts between the Department and OPSE and CACST will remain the responsibility of OCI until 12/31/06 to allow for continuity in the resolution of programmatic and monitoring findings.

09/15/06 - PMC has agreed to monitor the CFD contracts. The CFD contracts will be included in PMC's risk assessment process designed for

Ref. # Report Date Auditors Report Name Audit Scope Status Target Todes* Date

selecting high-risk subrecipients for on-site monitoring visits. OCI is developing oversight controls to complement the risk-based, on-site monitoring visits, including checklists, quarterly reporting requirements and acceptable thresholds that will support the program. Standard Operating Procedures (SOPs) will be finalized to define clearly OCI's role in the monitoring and oversight of individual contracts.

OCI is working with the Information Systems Division to develop the information reports needed to oversee the CFD program effectively.

06/02/06 - The OCI has approached and requested the Portfolio Management and Compliance Division (PMC) to conduct the monitoring activities under this program. PMC has agreed to monitor the OCI's HOME contracts.

The OCI will work with the Information Systems Division to develop management reports by June 2006 in order to have readily available necessary information to monitor budget, expenditure, and performance reports and the progress of contracts. The OCI field offices will provide oversight functions such as monitoring milestone thresholds or percentage of funds expended and determine if site specific inspections are required to ensure the projects meet minimum standards.

D 4	Report Date	Report Name		itus	Target
Ref. ‡	[‡] Auditors	Audit Scope	Codes*	Date	Date
401	06/02/06	OCI Draw processing and Subrecipient Monitoring Function for CFD	Px		00.01.00
	IA	Consideration of the OCI Contract for Deed programs' draw processing and subrecipient Monitoring functions from January 1, 2005 to June 2, 2006	Px Px Px		01/31/07

Issue: Office of Colonia Initiatives (OCI) has not fully developed standardized operating procedures for processing draw requests or conducting subrecipient monitoring. OCI states they will utilize PMC's policies and procedures for the Contract for Deed (CFD) Program. However, these standards have not been critically evaluated to assess whether they will achieve OCI's objectives and goals or address differences between the divisions and/or limitations OCI may face such as staffing resources, capacity of the contract administrators serving the colonias, or other risks unique to the operations of OCI or its subrecipients.

Management should critically evaluate and amend or supplement where necessary PMC's policies and procedures it intends to use for processing draw requests and conducting monitoring activities to assess whether they are sufficient considering OCI's objectives, goals, resources, and the capacity of the contract administrators serving the colonias. The policies and procedures should sufficiently detail tasks to be performed for the draw requests and monitoring processes to ensure stated goals, objectives and strategies are achieved and appropriate oversight of the Department's CFD subrecipients and contractors.

While PMC's policies and procedures may suffice for OCI in many respects, we recommend OCI comply with standards established by the Department for developing standard operating procedures (SOP 1100.01). We also noted there are prior audit issues that, while PMC management reports they have been cleared, they have not been verified as properly implemented by a party independent of management and the corrective actions may not have been incorporated in the policies and procedures. Accordingly, we recommend OCI management ensure the policies and procedures adequately address the following issues previously reported as audit or monitoring exceptions.

- · Procedures to ensure eligibility of applicants in program.
- Procedures to ensure construction of affordable housing units begin within 12 months of the purchase of the land.
- · Procedures to provide adequate monitoring and oversight of the processing and construction activities of its recipients in accordance with the HOME regulations and applicable OMB circulars.
- Procedures to determine that all required lower-tier subcontracts are executed between applicable parties.
- · Procedures to ensure documentation of full compliance with requirements of the National Environmental Policy Act (NEPA), HUD environmental regulations at 24 CFR Part 58, and other related federal environmental laws and executive orders.

Status: 01/09/07 - Due to revisions included in the "Final Transition Plan for the New HOME Division," the transfer of HOME CFDC contracts from OCI to the new HOME Division will now take place on 1/31/2007 for all CFDC contracts except Contract No. 530021 with CACST and Contract No. 542005 with OPSE which will be retained by OCI until closure.

11/28/06 - All contract administration, draw processing, oversight and monitoring duties for HOME contracts have been transferred to PMC. Technical Assistance responsibilities have been transferred to the new HOME Division. To assist in the transition and provide continued support, OCI will continue to provide on-site technical assistance and marketing of all Department programs in the colonia areas. This action is effective immediately; however, two HOME Contract for Deed Conversion contracts between the Department and OPSE and CACST will remain the responsibility of OCI until 12/31/06 to allow for continuity in the resolution of programmatic and monitoring findings.

09/14/06 - A draft Standard Operating Procedures (SOP) for indentifying the roles and responsibilities of OCI staff for processing the Contract for Deed (CFD) draw requests has been developed and is undergoing revisions. PMC's SOPs for the Owner Occupied Assistance and Homebuyer Assistance programs are being reviewed for applicability to the CFD program managed by OCI.

	Report Date Report Name		Sta	Target	
<i>Ref.</i> #	Auditors	Audit Scope	Codes*	Date	Date
		Il formally finalize the SOPs detailing the various processes to administer the HOME Contract for Deed Conversion Program.			
402	06/02/06	OCI Draw processing and Subrecipient Monitoring Function for CFD	Рх	06/02/06	
	IA	Consideration of the OCI Contract for Deed programs' draw processing and subrecipient Monitoring functions from January 1, 2005 to June 2, 2006	Px Px Px	11/28/06	11/01/06 01/31/07 01/31/07
Division	: Office of Colonia In	itiatives			
Issue:	adequately assess the	tives (OCI) has not utilized the Department's contract system to identify and capture monitoring related information to expenditure rates of funds, achievements of contracted performance targets, and the status of monitoring reviews such as ow-up reviews made, and whether or not deficiencies have been resolved or corrective actions have been taken.			
	information in a form a responsibilities. We al management responsi	evelop processes that are supported by formalized policies and procedures to identify and capture relevant monitoring nd time frame that will allow OCI staff to effectively and efficiently carry out their monitoring and ongoing oversight so recommend OCI work with the Information Systems Division to develop reports to facilitate its monitoring and bilities. The reports should summarize and organize sufficient information to assess the performance of subrecipients and to ults of OCI's monitoring processes.	staff to effectively and efficiently carry out their monitoring and ongoing oversight Information Systems Division to develop reports to facilitate its monitoring and parize and organize sufficient information to assess the performance of subrecipients and to		
Status:	the new HOME Division	sions included in the "Final Transition Plan for the New HOME Division," the transfer of HOME CFDC contracts from OCI to in will now take place on 1/31/2007 for all CFDC contracts except Contract No. 530021 with CACST and Contract No. 542009 be retained by OCI until closure.	5		
	Technical Assistance r OCI will continue to pro- immediately; however,	administration, draw processing, oversight and monitoring duties for HOME contracts have been transferred to PMC. responsibilities have been transferred to the new HOME Division. To assist in the transition and provide continued support, ovide on-site technical assistance and marketing of all Department programs in the colonia areas. This action is effective two HOME Contract for Deed Conversion contracts between the Department and OPSE and CACST will remain the ntil 12/31/06 to allow for continuity in the resolution of programmatic and monitoring findings.			
	selecting high-risk sub visits, including checkl	greed to monitor the CFD contracts. The CFD contracts will be included in PMC's risk assessment process designed for recipients for on-site monitoring visits. OCI is developing oversight controls to complement the risk-based, on-site monitoring ists, quarterly reporting requirements and acceptable thresholds that will support the program. Standard Operating II be finalized to define clearly OCI's role in the monitoring and oversight of individual contracts.	g		
	OCI is working with the	e Information Systems Division to develop the information reports needed to oversee the CFD program effectively.			
	06/02/06 - OCI will wor program.	rk with the Information Systems Division to create various reports to monitor the performance and expenditure of funds in this	i		

	Report Date	Report Date Report Name		ritus	Target
Ref.	[#] Auditors	Audit Scope	Codes*	Date	Date
403	06/02/06	OCI Draw processing and Subrecipient Monitoring Function for CFD	Px		08/31/06
	IA	Consideration of the OCI Contract for Deed programs' draw processing and subrecipient Monitoring functions from January 1, 2005 to June 2, 2006	Px Px Px	09/14/06 11/28/06 01/09/07	

Issue: During the course of our review the following compliance exceptions were noted:

- Office of Colonia Initiatives (OCI) is not meeting the 400 CFD conversions per biennium required by General Appropriations Act riders.
- OCI is not implementing the guaranteed Contract for Deed Conversion Program required by Tex. Gov. Code Ann. § 2306.255.
- The CACST contract # 530021 has been servicing all the contract for deeds that had been converted to first lien notes and warranty deeds rather than sending payments to the Department for servicing. Additionally, mortgage liens are in the name of CACST rather than the Department. While contract terms reserves the Department's right to permit the Administrator to retain interest or return on investment of HOME funds for additional eligible activities by the Administrator, there was not adequate documentation in the files to support the Department granting this right to the Administrator. Section 21.3 of the contract states an Administrator agrees that all repayments (of loans), including all interest and any other return on the investment of HOME funds will be made to the Department.

We recommend the Department develop strategies to address each of these compliance issues.

Status: 01/09/07 - OCI has requested from CACST all of the original loan documentation necessary to transfer the liens from CACST to the Department. This information was requested on 12/6/2006 and has not yet been received: the OCI expects all of the information to be received by 1/31/2007. Once the information is received, a request for a transfer of the liens will be made to the Legal Division; the SOPs of the Legal Division indicate that it will take up to 30 days to transfer the liens. OCI anticipates that this issue will be resolved by 3/5/2007. OCI expects to be able to close CFDC Contract No. 530021 with CACST by 3/31/2007.

11/28/06 - CACST has been informed by OCI that the permission they received was not valid and that they would have to transfer the liens to the Department. CACST agreed to do so after an arrangement was reached for the legal duties concerning the transfers to be carried out by the Department's Legal Division.

09/14/06 - In September 2006 OCI received a response to the monitoring issues letter sent to Community Action Council of South Texas in June 2006. OCI is in the process of evaluating the response. No drawdowns will be approved until the CA resolves the outstanding issues.

06/02/06 - The OCI cannot meet the 400 required contracts for deed conversions due to the amount and source of funding dedicated to this program. The HOME Investment Partnership Program requires the home to meet a certain standard which requires additional funds. Utilizing \$4,000,000 of HOME funds will only provide approximately 80 contracts for deed conversions considering the required costs of rehabilitation necessary to bring the properties up to minimum standards. The Department will need to set-aside approximately \$20,000,000 of HOME funds to meet this mandate which represents approximately half (1/2) of the total HOME allocation to the Department.

The OCI implemented the Contract for Deed Conversion Loan Guarantee Program in 2003. The Department entered into a partnership with Lone Star National Bank (the "Bank") to implement this initiative. The Bank converted the contracts for deed and carried the lien with the Department entering into a Guaranty Agreement with the Bank. The Legislation governing this program identified the HOME funds as the funding source. The HOME Program rules allow loan guarantees to stand for 2 years only. The OCI struggled with the Bank to originate these loans. The housing conditions and the amount of the loans discouraged the Bank from participating in this program. Many other lenders voiced the same concerns.

The OCI assumed the Community Action Council of South Texas (CACST) contract #530021 in January 2005. The OCI does not plan to process the last draw under this contract until all issues such as transferring the notes and deeds of trust to the Department and program income have been resolved. The OCI anticipates closing out this contract in August 31, 2006.

Report Date		Report Name	Sta	rtus	Target
Ref. #	Auditors	Audit Scope	Codes*	Date	Date
413	08/31/06	OCI Draw processing and Subrecipient Monitoring Function for SHC			01/31/07
	IA	Consideration of the OCI Self-Help Center program's subrecipient monitoring and draw processing functions from January 2005 to June 2006	Px Px		01/31/07 01/31/07

Iccup

Assess On-site Monitoring Options - OCI relies upon Office of Rural Community Affairs (ORCA) to conduct on-site monitoring visits. However, the Department has not contracted with ORCA to conduct on-site monitoring visits and the timing, nature and extent of ORCA's on-site monitoring visits may not be sufficient to reduce the risk of subrecipients' non-compliance or non-performance to a level acceptable to the Department.

The Department should assess its options relating to on-site monitoring visits to fulfill its subrecipient monitoring responsibilities, including developing an on-site monitoring function internally, utilizing the Department's Portfolio Management and Compliance Division's existing monitoring function, or contracting with ORCA or other third party to conduct on-site monitoring on behalf of the Department. Regardless of the option pursued, the Department should clearly define the monitoring goals and objectives to be achieved and ensure that controls are in place and operating effectively to provide reasonable assurance that they are achieved and that subrecipients comply with laws, regulations and the provisions of contracts or grant agreements and that performance goals are achieved.

Status: 01/08/07 - Preliminary discussions were held with PMC and Executive to discuss combining monitoring of all CDBG funds being performed by PMC.

11/22/06 - In August 2006, the Department proposed and its Governing Board approved a Memorandum of Understanding between TDHCA and ORCA regarding management of CDBG funds for the Colonia Self-Help Center Program. While TDHCA has not contracted with ORCA for the sole purpose of on-site monitoring visits, OCI intends to amend the MOU to formalize the roles and responsibilities of the oversight and monitoring between TDHCA and ORCA if it is the Department's intent to continue to allow ORCA to provide the monitoring services. In October 2006, OCI staff participated in working sessions with management to develop a list of SOPS's that will be specific to the OCI framework. Finalization of the SOPs for monitoring and oversight is planned in January 2007. In December 2006 OCI intends to Initiate a meeting with Legal staff and other appropriate staff to define the oversight role that will work best for the Department and, if necessary, amend the existing MOU in January 2007 to reflect oversight role(s) between ORCA/OCI staff.

08/31/06 - The Department recognizes the need to formalize the services with an executed contract if ORCA continues to provide the services. The Department will assess its options and develop either an on-site monitoring function for the self-help center program internally, utilize the Department's Portfolio Management and Compliance Divisions existing monitoring function or contract with ORCA or other party to conduct on-site monitoring on behalf of the Department.

		Report Name		itus	Target
Ref.	# Auditors	Audit Scope	Codes*	Date	Date
414	08/31/06	OCI Draw processing and Subrecipient Monitoring Function for SHC	Рх		01/31/07
	IA	Consideration of the OCI Self-Help Center program's subrecipient monitoring and draw processing functions from January 2005 to June 2006	Px	11/22/06	01/31/07

Formalize Strategies to Ensure Compliance with Federal Cost Principles - In instances, OCI accepted documentation as reasonable to support reimbursement of expenditures that does not necessarily ensure compliance with applicable Federal cost principles. Additionally, OCI does not have formal policies and procedures for processing draw requests and there is no evidence of a quality assurance review by someone other than the Border Field Officer (BFO) approving the support for reimbursement.

The Department should fully develop its on-site monitoring function to ensure that the monitoring activities, in the aggregate, provide reasonable assurance that subrecipients comply with Federal cost principles. In instances where the Department's draw documentation standards are less than ensuring compliance with the Federal costs principles, other monitoring strategies should be in place to ensure compliance.

We recommend the Department develop detailed minimum documentation standards required of the subrecipients in their submission of draw requests for reimbursement of expenditures.

We also recommend that OCI develop formal policies and procedures for the processing of draw requests in accordance with the Department's Standard Operating Procedure 1100.01, Standard Operating Procedure (SOP) System. The SOP should include or refer to a checklist or other tool designed to ensure compliance with the Federal cost principles and completeness of processing draw requests, as well as quality control procedures sufficient to provide reasonable assurance that staff is processing draw requests accurately and as intended by management.

Status: 11/22/06 - In October 2006, OCI created draft standard operating procedures (SOPs) to include, but not limited to, the procedures of reviewing, approving, holding, returning and tracking a draw down, in accordance with the Department's SOP's system. One of the SOPs includes a checklist designed to ensure compliance with the Federal cost principles and completeness of processing draw requests, as well as guality control procedures sufficient to provide reasonable assurance that staff is processing draw request accurately and as intended by management. Finalization of the SOP for processing draw requests and the related checklist that will be included in each contract file is planned for January 2007.

08/31/06 - OCI will assess its options relating to on-site monitoring of its subrecipients. SOPs will be developed to formalize the procedure of reviewing and approving draw requests. OCI will also develop a more sophisticated and thorough checklist to be utilized during the review of draw requests that will be included in each contract file. The checklist will assist OCI to ensure that all federal, state and programmatic requirements are met in a timely manner. Special attention will be paid to the CDBG Monitoring Checklists included in the Program Implementation Manual to ensure that OCI contract administration is working in concert with what ORCA is monitoring. The SOPs will be specific to the OCI framework; however, they will be critically compared with ORCA's contract management SOPs and the CDBG Implementation Manual to ensure consistency.

Report Date		Report Name		Status	
Ref.	# Auditors	Audit Scope	Codes*	Date	Date
415	08/31/06	OCI Draw processing and Subrecipient Monitoring Function for SHC	Px		01/31/07
	IA	Consideration of the OCI Self-Help Center program's subrecipient monitoring and draw processing functions from January 2005 to June 2006	Px	11/22/06	01/31/07

Issue: Enhance the Desk Review Process and Supporting Documentation - Standards for performance measurement and acceptable performance variances have not been defined for use and consideration in conducting desk reviews. Documentation of the reviews and the related results and conclusions is inconsistent or non-existent.

We recommend OCI develop formal policies and procedures for conducting desk reviews that include or refer to standards for performance measurement and acceptable/unacceptable performance by which the BFOs can assess subrecipient performance. The SOPs should include documentation standards that require the BFOs to make record of desk reviews conducted and of the related results and conclusions. Documentation should be required in instances where it is necessary to contact the subrecipient to provide technical assistance or where corrective action is required. Any follow-up on unsatisfactory performance or on the status of required corrective actions should also be documented.

Status: 11/22/06 - In October 2006. OCI created draft standard operating procedures (SOPs) to include, but not limited to, the procedures for conducting desk reviews that include or refer to standards for performance measurement and acceptable/unacceptable performance by which the OCI staff can assess Contractors performance, in accordance with the Department's SOP's system. One of the SOPs includes documentation standards that require the OCI staff to make record of desk reviews conducted and of the related results and conclusions. Finalization of the SOP for conducting desk reviews is planned for January 2007.

08/31/06 - To enhance its procedures, the OCI will develop formal policies and procedures for conducting desk reviews in accordance with the Department's SOP 1100.01, Standard Operating Procedure (SOP) System. The SOPs will include or refer to standards for performance measurement and acceptable/unacceptable performance and documentation standards that require the BFOs to make record that a desk review was conducted and of the related results and conclusions.

Report Date		Report Name		Status	
Ref.	# Auditors	Audit Scope	Codes*	Date	Date
416	08/31/06	OCI Draw processing and Subrecipient Monitoring Function for SHC	Px		01/31/07
	IA	Consideration of the OCI Self-Help Center program's subrecipient monitoring and draw processing functions from January 2005 to June 2006	Px Px	11/22/06 01/08/07	01/31/07 01/31/07

Issue.

Enhance Information Systems and Performance Management - Although the Border Field Officers (BFOs) state that they receive and review quarterly reports that provide financial and performance information relevant to achieving specific contract goals and objectives at the contract activity level, these reports are not received and analyzed for specific projects at the detailed project activity level. Additionally, the financial and performance information reviewed by the BFOs is not summarized in a manner and timeframe that will allow management to assess overall success in achieving the program's goals and objectives. While financial information is summarized on a quarterly basis for reporting to Office of Rural Community Affairs (ORCA), the related performance information is summarized and reported to ORCA only upon completion of the contracts.

We recommend Office of Colonia Intiatives (OCI) require subrecipients to submit financial and performance information at a detailed project activity level in addition to the summarized contract activity level. We recommend that BFOs continue to analyze the information and assess whether the achievement of contract performance statements is progressing at an acceptable level. We also recommend staff routinely compile the information from each contract in a single information system and report the information in a manner and timeframe that will allow management and others responsible for oversight to assess the overall success in achieving the program's goals and objectives.

Status: 01/08/07 - Letters will be provided to all countries instruction them to provide management reports detailing information at the project activity level.

11/22/06 - In July 2006, OCI obtained access rights to ORCA's ORACLE database system for the purpose of inputting and gathering important information relating to the Colonia SHC Program. In August 2006, OCI staff received training on the ORACLE database to track contract progress and management. In September 2006, OCI staff created a reference sheet to utilize for the various screens in the ORACLE database when populating information to the various screens.

In October 2006, OCI created draft SOPs to include, but not limited to, inputting information into the ORACLE database and the Quarterly Reports review process that includes OCI staff comments on Quarterly Reports for management review. Finalization of the SOP for Quarterly Reports is planned for January 2007. Additionally, OCI published in the Texas Register draft Colonia SHC Draft Program Rules (10 Texas Administrative Code, Chapter 3). The Rules include, but are not limited to, milestones and performance targets, formalizing procedures for monitoring achievement of the milestones and performance targets, and holding Contractors accountable for achieving them by identifying and applying appropriate graduated sanctions leading up to, but not limited to, deobligation of funds and future debarment from participation in the program. The Rules are an additional tool put in place by the OCI to allow the Department to enforce program measures and performance for the Colonia SHC Contractors.

08/31/06 - The OCI shall continue to analyze the information received from its subrecipients and assess whether the achievement of contract performance statements is progressing at an acceptable level by:

- continuing to collect data for reporting purposes in an agreed format sufficient to complete the CDBG Annual Performance Evaluation Report and for the purposes of drawing funds under the IDIS system. The OCI will fully utilize ORCA's CDBG Contract Management Software (ORACLE) to document all activities under this program,
- requiring the Counties/Colonia SHC to submit program information at the detailed project activity level in addition to the summary information collected at the contract level, and
- clearly defining project milestone and performance targets, formalizing procedures for monitoring achievement of the milestones and performance targets, and holding subrecipients accountable for achieving them by identifying and applying appropriate graduated sanctions leading up to, but not limited to, deobligation of funds and future debarment from participation in the program.

In August 2006, the OCI staff attended a training session on the CDBG Contract Management System (ORACLE) and requested full access to the

Ref. # Report Date Auditors Report Name Audit Scope Status Target Todes* Date

various screens needed to document the progress of the contracts. OCI will work with ORCA to assess how summary information reports can best be developed for the purposes of allowing management and others responsible for oversight to assess the overall success in achieving the program's goals and objectives.

Internal Audit Division BOARD ACTION REQUEST

February 1, 2007

Action Items

Presentation of Status of Internal/External Audit

Required Action

Review the Status of Internal/External Audits

Background

The Status of Internal/External Audits provides an overview of the current status of internal audits/activities and external audits currently in progress or recently completed.

The Internal Audit Division has begun Phase one of three phases of a review of the Department's CDBG Disaster Recovery Program. The first phase is to obtain an understanding and assess the Department's controls in place to manage significant risks associated with (1) processing payment requests from the subrecipients and (2) subrecipient monitoring. Phase 1 will take into consideration and assess the adequacy of the Department's written plans for developing control systems to effectively deliver the program in instances where systems have yet been develop.

The subrecipient monitoring audit on Energy Assistance Weatherization Assistance Program was completed in December 2006. Presentation and discussion of the audit is included on the February 2007 Audit Committee agenda.

Completion of the internal audit of the Manufactured Housing Division (MHD) Homeowners' Recovery Trust Fund (HORTF) has been delayed. Several significant improvements to the accounting and tracking processes used in conjunction with the HORTF were identified and implemented by the Division during the course of this audit and since the completion of fieldwork. In agreement with the MHD Executive Director, Internal Audit will review and test, when appropriate, improvements made and events subsequent to fieldwork with goals of assessing the adequacy of improvements implemented and releasing the report in March 2007.

The Quality Assurance Review of the TDHCA Internal Audit Division was completed in October 2006. Presentation and discussion of the audit is included on the February 2007 Audit Committee agenda.

A senior level internal audit position with the Internal Audit Division is posted. Four applicants have been requested for interview. Two applicants previously accepted other positions; two applicants are scheduled for interview the week ending January 19, 2007.

The Department's annual audits conducted by Deloitte and Touche were completed in December 2006. Presentation and discussion of the audit results are included on the February 2007 Audit Committee agenda.

The Statewide Federal Single Audit for FYE August 31, 2006 being conducted by KPMG, in contract with the Texas State Auditor's Office, is planned for completion in February 2007. The Department's programs within the scope of the audit include the Community Services Block Grant and the HOME Investment Partnership programs.

Recommendation

No action is required.

Texas Department of Housing and Community Affairs

Status of Internal/External Audits

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS INTERNAL AUDIT DIVISION – STATUS/ISSUES OF INTERNAL/EXTERNAL AUDITS January 15, 2007

Internal Audits/Activities	Scope/Description	Stage	Comments	
CDBG Disaster	Phase 1: Control Systems, Policies and Procedures	Planning	Estimated completion – April 2007	
Recovery Program (Project pending	Phase 2: Funding/Management of the Program	Pending Inception	Estimated completion – August 2007	
Audit Committee / Board approval)	Phase 3: Subrecipient Monitoring	Pending Inception	Estimated completion – December 2007	
	Subrecipient Monitoring Processes - To determine whether adequate monitoring policies and procedures are in place to provide reasonable assurance that the Department's subrecipients comply with applicable Federal regulations, program rules and contract terms by conducting the following subrecipient monitoring internal audits:			
Subrecipient Monitoring	Energy Assistance - Monitoring	Complete	The EA audit was released in December 2006 to be reported to the Governing Board in February 2007.	
	PMC - On-site Monitoring Visits / Draw Processing	Terminated	Information accumulated in developing an understanding of PMC's on- site monitoring visits and draw processes is being rolled- over/considered further in connection with the CDBG Disaster Recovery Program project referred to above. The CDBG Disaster Recover Program was identified as a priority project in connection with developing the FY 2007 annual audit plan.	
Homeowners' Recovery Trust Fund	To determine whether the Manufactured Housing Division administers the Homeowners' Recovery Trust Fund (HORTF) in accordance with applicable laws and regulations.	Fieldwork / Reporting	Status and target dates for completion are Remaining Tasks Review events subsequent to fieldwork Test subsequent events, if necessary Prepare and release report	Anticipated Completion January 2007 February 2007 March 2007
Quality Assurance Review	To have a Peer Review/Quality Assurance Review (QAR) of TDHCA's Internal Audit Division pursuant to professional standards and Texas Government Code §2107.007, as arranged through the State Agency Internal Audit Forum QAR program.	Complete	The QAR report was released in October 2006 to be reported to the Governing Board in February 2007.	

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS INTERNAL AUDIT DIVISION – STATUS/ISSUES OF INTERNAL/EXTERNAL AUDITS January 15, 2007

Internal Audits/Activities	Scope/Description	Stage	Comments	
Coordinate External Auditors	To coordinate and assist external auditors.	Periodic	KPMG and Deloitte to finalize audits. See status below.	
Tracking Status of Prior Audit Issues	To track the status of prior audit issues for management/board report purposes.	Ongoing	IA tracks and reports the status of prior audit issues to Management and the Department's Governing Board on an ongoing basis. Twelve unresolved prior audit issues will be reported to the Board in February 2007.	
FY 2007 Annual Audit Plan	To develop an annual audit plan for FY 2007 pursuant to the Texas Internal Auditing Act.	Complete, pending approval	Audit plan to be proposed to the Governing Board in February 2007	
Internal Audit Staffing	Senior level auditor position position and niring in Interviewing accented other positions: two scheduling in Interviewing accented other positions are scheduling in Interviewing accented other positions.		Four applicants requested for interviews. Two applicants previously accepted other positions; two scheduled for interview week ending 1/19/07.	

External Audits	Scope	Stage	Comments
Deloitte and Touche	 Annual Opinion Audits: Consolidated Financial Statements for the FYE August 31, 2006 Revenue Bond Enterprise Fund for the FYE August 31, 2006 Opinion Audit on FY 2006 Computation of Unencumbered Fund Balances 	Complete	To be reported to the Governing Board in February 2007
KPMG	Statewide Federal Single Audit for FYE August 31, 2006 (SAO contract with KPMG)	Reporting	Estimated completion – February 2007

Division of Policy and Public Affairs BOARD ACTION REQUEST

February 1, 2007

Action Items

Partial Texas Action Plan for Disaster Recovery to Use Community Development Block Grant (CDBG) Funding to Assist with the Recovery of Distressed Areas Related to the Consequences of Hurricanes Katrina, Rita, and Wilma in the Gulf of Mexico in 2005 (Action Plan)

Required Action

Approval to send the attached Action Plan to HUD for approval.

Background

This Action Plan will be used by TDHCA, the lead agency designated by Texas Governor Rick Perry to administer these funds, to provide \$428,671,849 in CDBG funding for housing, infrastructure, public service, public facility in areas of the State most directly impacted by hurricanes Katrina and Rita. These funds, coupled with a previous supplemental appropriation authorized under Public Law 109-148 (of \$74,523,000 in CDBG disaster recovery funding), will provide significant assistance to affected areas in southeast Texas.

The Action Plan gives priority to community infrastructure development and rehabilitation as well as the rehabilitation and reconstruction of the affordable rental housing stock including public and other HUD-assisted housing. More specifically, the funds will be used to help:

- provide assistance to homeowners of low to moderate income whose houses were damaged by Hurricane Rita;
- provide focused efforts to restore and protect owner occupied housing stock in the community of Sabine Pass which was severely damaged by the storm;
- repair, rehabilitate, and reconstruct (including demolition, site clearance and remediation) the affordable rental housing stock (including public and other HUD- assisted housing) in the impacted areas;
- restore critical infrastructure damaged by Rita where no other funds are available; and
- provide assistance in Houston/Harris County for increased demands for public service, community development, and housing activities in specific areas (police districts, schools, apartment complexes, neighborhoods) that have experienced a dramatic population increase due to an influx of Katrina evacuees.

Public Comment on the Proposed Action Plan and the Department's Reasoned Responses

The comment period ran from December 15, 2006 through close of business on January 2, 2007. Public comment was accepted at public hearings in Austin, Houston, and Beaumont. Because these natural disasters impacted a region with diverse communities, TDHCA released public comment notifications and Action Plan drafts in English, Spanish, and Vietnamese to provide persons with limited English proficiency a better opportunity to participate in the public comment process.

It should be noted that this is a partial action plan. A more detailed description of how the funding will be used (eligible activities, beneficiaries, areas, etc.) that has been targeted for the Houston/Harris County area will be included in the final Action Plan. This description will be developed separately because of the complexity of crafting a plan that effectively addresses remaining need in Houston and Harris County. The required amendment to the Action Plan shall be developed through a separate public comment process will be coordinated by the Houston and Harris County CDBG entitlement communities.

A great deal of comment was received during the public comment period. Rather than duplicate the description of this comment in the Board Action Request, the Department's summary of comment received and associated reasoned responses are included in Appendix B of the Action Plan.

Recommendation

Approval to send the attached Action Plan to HUD for approval.

Partial Texas Action Plan for Disaster Recovery to Use Community Development Block Grant (CDBG) Funding to Assist with the Recovery of Distressed Areas Related to the Consequences of Hurricanes Katrina, Rita, and Wilma in the Gulf of Mexico in 2005



January 25, 2007

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EXECUTIVE SUMMARY

The Texas Department of Housing and Community Affairs ("Department" or "TDHCA") has prepared this State of Texas Action Plan for Community Development Block Grant (CDBG) Disaster Recovery Grantees under Chapter 9 of Title II of the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Hurricane Recovery, 2006 ("Action Plan"). This Action Plan will be used by TDHCA, the lead agency designated by Texas Governor Rick Perry to administer these funds, to provide \$428,671,849 in CDBG funding to help restore and rebuild in areas of the State most directly impacted by Hurricanes Rita and Katrina.

These funds, coupled with a previous supplemental appropriation authorized under Public Law 109-148 (\$74,523,000 in CDBG disaster recovery funding), will provide significant assistance to affected areas in southeast Texas. It should be noted that this Action Plan addresses a scope of needs beyond the similar plan issued May 9, 2006 to use the funding authorized under Public Law 109-148. While the previous plan only addressed needs associated with Hurricane Rita, this Action Plan addresses needs resulting from both Hurricanes Rita and Katrina. Combined, all the needs identified in *Texas Rebounds*, a document prepared by the Office of the Governor detailing \$2.97 billion in Rita and Katrina recovery needs, will not have been met. However, with an emphasis on helping restore homes and improving neighborhoods, these funds will help address many of the key priorities for recovery.

The Action Plan gives priority to community infrastructure development and rehabilitation as well as the rehabilitation and reconstruction of the affordable rental housing stock including public and other HUD-assisted housing. More specifically, the funds will be used to help:

- provide assistance to homeowners of low to moderate income whose houses were damaged by Hurricane Rita;
- provide focused efforts to restore and protect owner occupied housing stock in the community of Sabine Pass which was severely damaged by the storm;
- repair, rehabilitate, and reconstruct (including demolition, site clearance and remediation) the affordable rental housing stock (including public and other HUD-assisted housing) in the impacted areas;
- restore critical infrastructure damaged by Hurricane Rita where no other funds are available; and
- provide assistance in the City of Houston and Harris County for increased demands for public services, law enforcement and judicial services, community development, and housing activities in specific areas (police districts, schools, apartment complexes, neighborhoods) that have experienced a dramatic population increase due to an influx of Katrina evacuees.

The comment period opened on December 15, 2006, and closed on January 2, 2007. The Department received written public comment as well as verbal public comment at three public hearings, two of which were held in the affected region of Southeast Texas. Because these natural disasters impacted a region with diverse communities, TDHCA released public comment notifications and Action Plan drafts in English, Spanish, and Vietnamese to provide persons with limited English proficiency a better opportunity to participate in the public comment process.

It should be noted that this is a partial action plan. A more detailed description of how the funding will be used (eligible activities, beneficiaries, areas, etc.) that has been targeted for the City of Houston and Harris County will be included in the final Action Plan. This description will be developed separately because of the complexity of crafting a plan that effectively addresses remaining needs in the City of Houston and Harris County. The required amendment to the Action Plan shall be developed through a separate public comment process and will be coordinated by the City of Houston and Harris County CDBG entitlement communities, in conjunction with TDHCA.

INTRODUCTION

In the fall of 2005, Texas felt the extreme impact of both Hurricanes Rita and Katrina. While Hurricane Katrina did not make land fall in Texas, the need for vast amounts of both short and long term assistance to help persons who evacuated to the state soon became apparent. Shortly thereafter, Texas suffered the direct impact of Hurricane Rita, which physically destroyed communities and regions already stretched thin by providing aid and support services to Hurricane Katrina evacuees. This one-two punch left Texas with estimated recovery needs of almost 3 billion dollars, as documented in the report *Texas Rebounds* – an in-depth assessment of the impact of the Hurricanes on Texas prepared by the Governor as part of a request for additional funding assistance from Congress.

Supplemental appropriations to the CDBG program are providing funding to the affected states to implement disaster recovery efforts that address the widespread need caused by these storms. The first supplemental appropriation was tied to Public Law 109-148 (effective December 30, 2005) which provided \$11.5 billion of supplemental appropriation for the CDBG program. This funding was for necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure in the most impacted and distressed areas related to the consequences of Hurricanes Rita, Katrina and Wilma. Of this amount, \$74,523,000 was specifically allocated to Texas by the Secretary of HUD to address the consequences of Hurricane Rita. The funds were intended by HUD to be used toward meeting unmet housing, infrastructure, public service, public facility, and business recovery needs in areas of concentrated distress.

Texas developed the required action plan to use these funds through intensive consultation with the citizens, local government leaders, state and federal legislators, and community action and social services agencies that were hit hardest by Hurricane Rita. In addition to the numerous meetings that were held across the region, five public hearings were held for the specific purpose of crafting the required action plan. The resulting *State of Texas Action Plan for CDBG Disaster Recovery Grantees under the Department of Defense Appropriations Act, 2006* was approved by HUD on May 9, 2006. This action plan used four of the state's Councils of Governments to serve as applicants for the entitlement communities, non-entitlement communities, and federally recognized Indian Tribes within their region. Under the plan, a minimum of approximately \$38.9 million is being used to meet housing needs. The remaining approximately \$31.9 million is being used for infrastructure needs.

Congress recognized that the CDBG funding authorized under PL 109-148 was not sufficient given the full impact that the 2005 hurricane season had on the entire gulf coast region. Therefore, the earlier emergency funding was increased by authorizing Chapter 9 of Title II of the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Hurricane Recovery, 2006 (Public Law 109-234, approved June 15, 2006). As required by Congress, the U.S. Department of Housing and Urban Development published requirements for distribution and use of these funds by the impacted states in its "Department of Housing and Urban Development [Docket No. FR–5089–N–01] Allocations and Waivers Granted to and Alternative Requirements for CDBG Disaster Recovery Grantees Under Chapter 9 of Title II of the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Hurricane Recovery, 2006" published in Federal Register (Vol. 71, No. 209) on October 30, 2006. Part of this requirement was to create a document that will guide and direct the use of funds within the categories outlined under the funds notice.

The funds were made available to the State of Texas through the Office of the Governor. With more needs identified in Texas Rebounds than there were funds available, Governor Rick Perry identified the needs that should be given priority. The majority of the funds are to be used to directly assist Texans who, more than a year after the hurricanes, still struggle with unmet housing needs as a result of the storms. Given that the largest share of the funds would go to meet the housing needs of Texans, the Governor directed TDHCA to assist with the distribution of these funds.

To best inform the public and receive its input, as well as to meet the requirements established by the HUD funding notice, the Department has developed this Proposed Partial Action Plan for Disaster Recovery ("Action Plan"). This Action plan will be used to distribute Federal funding for recovery of distressed areas related to the consequences of Hurricanes Rita and Katrina in the Gulf of Mexico in 2005. The amount of funding to Texas was specified in the funding notice by HUD along with general priorities and a specific funding priority to assist rental housing damaged by Hurricane Rita in Texas. More specifically, the Action Plan describes the:

- priorities to best assist the needs of the State's citizens and communities,
- citizen participation process used to develop the Action Plan,
- the types of activities and funds available for which assistance may be provided,
- who may apply and the application process,
- the methodology used to distribute funds, and
- method of grant administration standards and procedures that will be used to ensure that program requirements, including non-duplication of benefits, are met through continuous quality assurance and internal audit functions.

FEDERAL APPROPRIATION ASSOCIATED WITH THIS PLAN

As described above, Public Law 109-234 (effective June 15, 2006) provided \$5.2 billion supplemental appropriation of CDBG Disaster Recovery Funding for "necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure in the most impacted and distressed areas related to the consequences of Hurricanes Katrina, Rita, or Wilma." In reviewing the totality of the need in the five state region covered by the law, \$428,671,849 was specifically allocated to Texas by the Secretary of HUD. As further provided for under the law, "funds provided under this heading shall be administered through an entity or entities designated by the Governor of each State." Governor Rick Perry has designated TDHCA as this entity for the State of Texas.

All regulations associated with the CDBG program apply to this funding unless specifically detailed as a waiver in the Department of Defense Appropriations Act, 2006 (Public Law 109-148, approved December 30, 2005 or as specified in the February 13, 2006 *Federal Register* notice) or subsequently waived by HUD as documented in this Action Plan. In addition, definitions and descriptions contained in the *Federal Register* are applicable to this funding.

THE IMPACT OF THE STORMS AND TEXAS RECOVERY NEEDS

The 2005 Atlantic hurricane season was one of the most extreme in recorded history. The U.S. Gulf Coast was hit by Hurricanes Katrina, Rita, and Wilma. Texas was greatly impacted by both Hurricanes Katrina and Rita. While Hurricane Katrina did not make landfall directly in Texas, the indirect impact on Texas led to a presidential disaster declaration to provide emergency funding as Texans assisted Katrina evacuees. While that assistance was ongoing, Hurricane Rita dealt a second blow to the lives, homes and property of Texans.

TIMELINE OF STORM EVENTS AND STATE RESPONSES

The timeline of the storm events and related responses are below provided.

- 1. The Governor of Texas declared a State of Emergency on August 29, 2005, relative to Hurricane Katrina's imminent landfall on the Gulf Coast. Hurricane Katrina made landfall that same day in Louisiana. While Texas did not directly receive the impact of the storm, within hours, the significant impact Katrina would have on the State became clear.
- 2. The President issued an Emergency Declaration on September 2, 2005, for all 254 counties in Texas for emergency protective measures due to the huge influx of evacuees from Alabama, Louisiana, and Mississippi. As a result of massive evacuations, Texas absorbed more than 400,000 evacuees mostly from Louisiana.

- 3. While Texas authorities were beginning to assess the long-term sheltering operation for Hurricane Katrina evacuees, dangerous Hurricane Rita entered the Gulf of Mexico. On September 21, 2005, due to the impending threat of Rita, the President issued another Emergency Declaration for all 254 Texas counties.
- 4. On September 24, 2005, only 26 days after Katrina devastated the Gulf Coast, the Category Three Hurricane Rita came ashore. The eye of the storm made landfall near Sabine Pass, Texas severely damaging communities and homes unfortunate enough to fall within its path. As the storm traveled inland, the core of the hurricane's most extreme destruction hit the heavily populated and industrialized areas of Port Arthur, Orange, and Beaumont. Communities in the path of the hurricane sustained enormous physical damage from excessive winds and rain. In some heavily wooded areas, an estimated 25 percent of the trees were lost. High winds and falling trees caused extensive damage to homes and businesses. The same day of the storm, Texas received a FEMA Major Disaster Declaration for all 254 counties for debris operations and emergency protective measures for Hurricane Rita. Multiple amendments have since been added to the Major Disaster Declaration to expand the list of eligible counties for FEMA Individual Assistance Program (IAP) funding to 22 designated counties and Public Assistance Program (PAP) funding to 29 designated counties.

OVERVIEW OF STORM IMPACT

The Governor's Division of Emergency Management (GDEM) and FEMA reported the receipt of 479,199 registrations for the Individual Assistance Program as a result of Hurricane Rita in the 29-county area. As a result of Hurricane Rita, more than 75,000 homes in the area suffered major damage or were destroyed. Of these, approximately 40,000 homes were uninsured. Furthermore, a substantial percentage of the damaged households are located in areas predominantly occupied by individuals meeting the definition of low to moderate income (LMI). There were 44 recovery centers set up in disaster impacted counties and throughout the state so that residents could apply for immediate assistance, meet with Small Business Administration loan specialists, and get information about available federal and state assistance. Additionally, 4,249 travel trailers were issued to displaced individuals and families.

According to FEMA, 640,968 Katrina and Rita applicants for assistance resided in Texas as of February 1, 2006. Most of these families are living in Southeast Texas. Second only to Louisiana, Texas hosts the most people impacted by the devastating hurricanes of 2005. In light of these facts, the lasting impact of Hurricanes Katrina and Rita on Texas is widespread and extremely apparent.

CITIZEN PARTICIPATION

Since the Hurricanes hit, the State has been working closely with the citizens and organizations who were directly impacted by the storm and a wide variety of municipal, county, regional, and state officials to determine what the greatest disaster recovery needs are and how to best address those needs. Through this ongoing interaction and the five public hearings held to develop the *State of Texas Action Plan for CDBG Disaster Recovery Grantees under the Department of Defense Appropriations Act, 2006* (required to use disaster recovery funding associated with Public Law 109-148), the need for assistance to repair homes and to meet specific remaining critical infrastructure needs has been well established.

PUBLIC COMMENT PERIOD AND PUBLIC HEARINGS

On Friday, December 15, 2006, the Action Plan was made available for public comment via TDHCA's website or upon request. The 18-day public comment period began on Friday, December 15, 2006 and ended at the close of business on Tuesday, January 2, 2007.

Verbal comment on the Action Plan was taken at the following public hearings times and accessible locations.

Location:	Austin	Houston	Beaumont	
Facility:	Rusk Building	City Council Annex Chambers	South East Texas Regional	
	Room 227	Public Level	Planning Commission	
Address:	208 E. 10th Street	900 Bagby	2210 Eastex Freeway	
	Austin, TX 78701	Houston, TX 77251	Beaumont, TX 77703	
Date and	Tuesday, December 19	Tuesday, December 19	Wednesday, December 20	
Time:	6:00 p.m.	12:00 p.m.	12:00 p.m.	

The hearing announcement specifically described the process by which individuals who require special assistance could contact TDHCA to make appropriate arrangements so that they could participate in the hearing.

Written comment was also accepted at the public hearings and by mail, fax, or email at the following addresses.

Mail: TDHCA, Division of Policy and Public Affairs, P.O. Box 13941, Austin, TX 78711-3941

Fax: (512) 469-9606

Email: info@tdhca.state.tx.us

As is the Department's standard practice when developing rules or policies, a summary of the issues raised by comment received and the corresponding reasoned responses was generated for both the decision makers and the public. A summary of the comments received during the public comment period and the Department's reasoned responses and resulting changes to the Action Plan is provided in Appendix B of this document.

ADVERTISING THE PUBLIC COMMENT PERIOD

As the disaster impacted region has a diverse community, both the public comment notifications and Plan were published in English, Spanish, and Vietnamese. This enhanced the ability of persons with limited English proficiency to provide comment. The following efforts were made to advertise the public comment period.

- On November 28, 2006, an electronic hearing notification was made through TDHCA's email list serve. This is a list of 3,112 public officials, for-profit and non-profit developers, community housing development organizations, advocacy groups, and supportive service providers that have an interest in TDHCA programs and who sign up to receive notification of upcoming events.
- On December 15, 2006, as required by State law, a notice of the public comment period and associated public hearings was published in the *Texas Register*.
- On December 1, 2006, a letter advertising the comment period and hearings was distributed to a list of 1,531
 addresses which included the State's mayors, county judges, CDBG entitlement communities, and councils of
 government.
- On December 4, 2006, TDHCA posted a webpage at http://www.tdhca.state.tx.us/cdbg/index.htm to specifically
 advertise the hearings and consolidate all documents associated with the Action Plan.

<u>DESCRIPTION OF THE STATE'S OVERALL PLAN FOR DISASTER</u> RECOVERY

PROMOTING SOUND SHORT AND LONG-TERM RECOVERY PLANNING

The Governor's Division of Energy Management (GDEM) offers Disaster Recovery Courses and Workshops to educate local governments on the recovery process following a disaster. Other state agencies and volunteer groups are encouraged to participate in these courses focusing on a combined effort of valuable resources to be made available in

the aftermath of a disaster. During major disasters, representatives of state agencies and volunteer organizations work closely with GDEM staff to participate in the operation of Disaster Recovery Centers. In addition, GDEM has supported and has had significant involvement in the formation of long-term recovery committees. The frequency and magnitude of disasters in this state, necessitates the growing number of long-term recovery committees in order to address unmet needs.

PROMOTING LAND USE DECISIONS THAT REFLECT RESPONSIBLE FLOOD PLAIN MANAGEMENT AND REMOVAL OF REGULATORY BARRIERS TO RECONSTRUCTION

The State promotes wise land use decisions in several ways. It conducts National Flood Insurance Program inspections. Communities who are found to have improperly permitted development in the 100 year floodplain are subject to fines, suspensions, and ejection from the program. A surge marker project has been initiated, which will place warning markers in those areas along the coast which are subject to storm surge flooding. Texas participates in the federally funded mitigation grant programs and is thus in a position to offer incentive grants to communities who wish to repair past mistakes and clear their floodplains. Mitigation funding is denied for some projects unless they are outside the 100 or 500 year floodplain. The State denies all mitigation funding to communities that have not identified the number of citizens and number of community facilities that are in the 100 year floodplain. State law prohibits a manufactured home retailer, broker, or salesperson from delivering a manufactured home for installation in the 100-year floodplain, as designated by FEMA, unless the consumer provides evidence that installation of the home in the floodplain will not violate certain requirements of state and federal law.

COORDINATING PLANNING REQUIREMENTS WITH OTHER STATE AND FEDERAL PROGRAMS AND ENTITIES

To encourage consistent flood plain development across Texas, the State runs an extensive education program for local officials. It runs dozens of classes a year, most of which emphasize the danger of allowing development in the floodplain or near Hazmat facilities/routes. These classes are provided free of charge and travel costs are covered.

PROMOTING HIGH QUALITY, DURABLE, ENERGY EFFICIENT, AND MOLD RESISTANT CONSTRUCTION METHODS

A requirement for construction related activities is that work on residential dwellings must meet the 2000 International Residential Code Chapter 11. For commercial and multifamily rental activities, the International Building Code of 2003 or local municipal code, whichever is more stringent, must be followed. Within this code, there is a section entitled the 2000 International Energy Conservation Code (IECC) which works to provide more energy efficient structures. Following these codes should result in the construction of high quality, durable, energy efficient, and mold resistant buildings.

PROMOTING THE MITIGATION OF FLOOD RISK

Under this Action Plan, housing units receiving funds must be elevated in accordance with FEMA advisory flood elevations or subsequent FEMA permanent maps. For the Rental Housing Stock Restoration Program, accessibility issues created by this elevation must be addressed. The Sabine Pass Dwelling Restoration Program specifically serves as a source of financing to elevate homes. Under that funding priority, persons with disabilities and the elderly can request up to \$15,000 to address the costs associated with accessibility issues caused by the increased elevation of the home.

PROMOTING ADEQUATE, FLOOD-RESISTANT HOUSING FOR ALL INCOME GROUPS THAT LIVED IN THE DISASTER IMPACTED AREAS

Approximately 71 percent of the Action Plan's funding allocation will go towards repair, rehabilitation, and reconstruction of owner occupied and rental units across the disaster impacted areas.

ADDRESSING THE NEEDS OF SPECIAL NEEDS POPULATIONS

Persons with disabilities face unique challenges in finding accessible and affordable housing in the disaster impacted area. The need is clearly described in TDHCA's State Low Income Housing Plan, 2005-2009 State of Texas Consolidated Plan, and The Housing Needs of Texans with Disabilities (published by TDHCA in April 2005). This Action Plan includes the following strategies that help provide assistance to persons with disabilities.

- Construction activities which result in a change of elevation must consider the accessibility needs of persons with disabilities.
- \$42 million of homeowner assistance is being targeted towards assisting persons with special needs.
- Under the Sabine Pass Restoration Program, a homeowner whose household includes a person with a disability or
 an elderly person may apply for an additional \$15,000 in assistance for accessibility related costs associated with
 elevating the dwelling.

TDHCA has found that directly involving program beneficiary representatives, community advocates, and potential applicants for funding in the process of crafting its policies and rules is extremely helpful. This process is often done through a "working group" format. The working groups provide an opportunity for staff to interact with various program stakeholders in a more informal environment than that provided by the formal public comment process. TDHCA will consult with a Disability Advisory Workgroup organized by TDHCA for guidance on how the NOFAs associated with this plan can be structured to effectively serve persons with disabilities.

USE OF ACTION PLAN FUNDING

ANTICIPATED ACCOMPLISHMENTS

Accomplishments resulting from this Action Plan will include restoration of housing units and critical public infrastructure damaged by Hurricane Rita and the provision of enhanced public services and community development efforts to meet increased demand from evacuees from Katrina. TDHCA anticipates that low to moderate income (LMI) individuals will be the primary beneficiaries of the program. Under HUD program guidelines, LMI beneficiaries are part of households that earn less than 80 percent of the area median family income.

NATIONAL OBJECTIVE

Under this Action Plan, all eligible activities must meet one of the three national objectives set out in the Housing and Community Development Act (address slum and blight, urgent need, primarily benefit LMI persons). Pursuant to explicit authority in the Department of Defense Appropriations Act, 2006 (Public Law 109-148, approved December 30, 2005), HUD is granting an overall benefit waiver that allows for up to 50 percent of the grant to assist activities under the urgent need or prevention or elimination of slums and blight national objectives, rather than the 30 percent allowed in the annual State CDBG program. The primary objective of Title I of the Housing and Community Development Act and of the funding program of each grantee is the "development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income." The statute goes on to set the standard of performance for this primary objective at 70 percent of the aggregate of the funds used for support of activities producing benefit to low and moderate income

persons. Since extensive damage to community development and housing affected those with varying incomes, and income-producing jobs are often lost for a period of time following a disaster, HUD is waiving the 70 percent overall benefit requirement, leaving a 50 percent requirement, to give grantees even greater flexibility to carry out recovery activities within the confines of the CDBG program national objectives.

GENERAL USE OF FUNDS AND FUNDING ALLOCATION

TDHCA will use the following funding allocation to prioritize the use of funds based on the highest observed needs.

Activity	Primary National Objective Addressed	Additional Objectives Established in the Federal Register*	Available Funding for Activity	% Plan Funding
Homeowner Assistance Program (HAP)	LMI Benefit	n/a	\$210,371,273	49.08%
Sabine Pass Restoration Program (SPRP)	LMI Benefit	n/a	\$12,000,000	2.80%
Rental Housing Stock Restoration Program	LMI Benefit	i, iii	\$82,866,984	19.33%
City of Houston and Harris County Public Service and Community Development Program	TBD	n/a	\$60,000,000	14.00%
Restoration of Critical Infrastructure Program	Urgent Need	i	\$42,000,000	9.80%
State Administration Funds	Not Applicable	n/a	\$21,433,592	5.00%
Total Plan Funding			\$428,671,849	

^{*}As established by the "Action Plan additional elements" requirement included in the *Federal Register* notice, the activity addresses one or more of the identified additional elements below described.

- "b. The grantee's overall plan for disaster recovery will also include:
- (i) An explanation of how the State will give priority to the rehabilitation and reconstruction of the affordable rental housing stock including public and other HUD-assisted housing, a description of the activities the State plans to undertake with grant funds under this priority, and a description of the unique challenges that individuals with disabilities face in finding accessible and affordable housing;
- (ii) An explanation of how the State will give priority to infrastructure development and rehabilitation, and a description of the infrastructure activities it plans to undertake with grant funds; and
- (iii) An explanation of how the method of distribution or use of funds described in accordance with the applicable notices will result in the State meeting the requirement that at least 19.3311 percent of its allocation under this notice shall be used for repair, rehabilitation, and reconstruction (including demolition, site clearance and remediation) of the affordable rental housing stock (including public and other HUD-assisted housing) in the impacted areas."

OVERARCHING ACTIVITY ELIGIBILITY REQUIREMENTS

This Action Plan outlines the Department's framework for allocating funding as guided by the requirements published in the *Federal Register* (Vol. 71, No. 209) on October 30, 2006. Unless otherwise stated in the *Federal Register*, statutory and regulatory provisions governing the CDBG program for states, specifically 24 CFR Part 570 Subpart I, apply to the use of these funds. All activities must be eligible CDBG activities according to 24 CFR Part 570 Subpart I, except as waived by HUD, must meet requirements for disaster recovery funding cited throughout this document, and must meet at least one of the three national CDBG objectives.

As noted in the Federal Register, under the law "...the funds may not be used for activities reimbursable by or for which funds are made available by the Federal Emergency Management Agency or the Army Corps of Engineers. Further, none of the funds made available under this heading may be used by a State or locality as a matching requirement, share, or contribution for any other Federal program." This will be a key requirement that will be monitored by TDHCA throughout every stage of the program.

ELIGIBLE ACTIVITIES UNDER THE SPECIFIC FUNDING PRIORITIES

As stated in the Federal Register, "the appropriations statute requires funds be used only for disaster relief, long-term recovery, and restoration of infrastructure in the most impacted and distressed areas related to the consequences of hurricanes in the Gulf of Mexico in 2005. The statute directs that each grantee will describe in its Action Plan for Disaster Recovery how the use of the grant funds gives priority to infrastructure development and rehabilitation and the rehabilitation and reconstruction of the affordable rental housing stock including public and other HUD-assisted housing." The following specific funding categories reflect the State of Texas prioritization of need based on its review of available damage assessments and discussions with local leaders and citizens.

Homeowner Assistance Program (HAP)

The Governor has identified destruction done to an individual's home as one of the most persistent and difficult issues to address in the aftermath of Hurricane Rita. To deal with this real need of Texans who have no other place to turn, the largest share of the funding priorities is provided for the HAP. Funding in the amount of approximately \$210 million shall be made available in the form of a grant to homeowners of LMI income whose homes were damaged by Hurricane Rita. Assistance provided in a special flood hazard area (defined as zone "A", "V", "M", and "E" series (44 CFR 64.3) as shown on a current Flood Insurance Rate Map (FIRM), as amended by Letters of Map Amendment (LOMA) or Letters of Map Revision (LOMR)) will be in the form of a deferred forgivable loan. All other assistance will be in the form of a grant. This assistance will be made available for both homeowners who had insurance in an insufficient amount to cover the storm damage as well as those who did not have homeowner's insurance. All grant amounts will be based on damage to the dwelling and do not include its contents or other personal property.

Part of this funding priority, \$42 million (20 percent of the Homeowner Assistance Program funds) will be targeted specifically for persons with special needs. According to HUD, in addition to the homeless, special needs populations include persons with disabilities, the elderly, persons with alcohol and/or drug addictions, persons with HIV/AIDS, and public housing residents. The targeted amount is based on the percentage of elderly households in the 22 counties eligible for this funding. If after 120 days, there are not sufficient applications received for the special needs target, then these funds will be rolled back into the general HAP funding priority.

Eligibility Requirements

The program is limited to homeowners that satisfy all of the following conditions.

- The owner's household must be eligible under the applicable low and moderate income limits.
- The owner must be able to prove ownership and that he or she occupied the property as a primary residence at the time of Hurricane Rita (September 24, 2005). Rental dwellings and second homes are not eligible.
- The owner's home is located in one of the 22 counties eligible for the FEMA IAP as established by FEMA-1606-DR-TX (Angelina, Brazoria, Chambers, Fort Bend, Galveston, Hardin, Harris, Jasper, Jefferson, Liberty, Montgomery, Nacogdoches, Newton, Orange, Polk, Sabine, San Augustine, San Jacinto, Shelby, Trinity, Tyler, and Walker).
- The owner must be able to clearly establish that their residence was physically damaged by Hurricane Rita. Examples of acceptable types of documentation include, but are not limited to, evidence:
 - o from FEMA that the homeowner applied for FEMA IAP and the home was categorized by FEMA as having been "destroyed" or having suffered "major" damage. Homeowners who were approved by FEMA for \$5,200 or more in FEMA home repair assistance (a component of the Individual Assistance Program) will fall into one of these categories, or
 - o from their homeowner's insurance provider that a claim for damage specifically related to Hurricane Rita was filed and that the provider determined that such damage existed.

A description of alternate methods that a program management firm will use to establish that the damage was related to Hurricane Rita will be clearly described in a Request for Proposal.

Requirements for Receiving Assistance

To receive assistance under this funding activity, the owner must:

- sign a release so that financial assistance received through any public or private source can be verified by the Program;
- agree to verification of ownership status and the amount of disaster-related damage to the home;
- swear to the accuracy and completeness of all information provided to the Program under penalty of law;
- agree to sign a legally binding agreement that commits the owner to the following terms and conditions:
 - o the home will meet the legal requirements of the State Uniform Construction Code, comply with local zoning, and comply with the latest available FEMA guidance for base flood elevations, unless exceptions are granted by TDHCA where the action is designed or modified to minimize harm to or within a floodplain;
 - o assure the home will remain owner-occupied for at least three years after the repairs/replacement or a new purchase;
 - o maintain flood insurance if the home is located in a floodplain;
 - o subrogate claims for unpaid and outstanding insurance claims back to the Program; and
 - ensure mitigation efforts to reduce the impact of future storms are undertaken, if mitigation can be done to
 make a home safer and are cost beneficial to undertake, and if the homeowner's eligible assistance allows funds
 for such activities.

Benefit Calculation

The maximum benefit for the HAP is \$40,000 per household. This limit is based on the average cost to repair homes with major or severe damage for a subset of FEMA registrants with real property damage who applied to the Small Business Administration for a loan to assist with repairing their property.

Benefits will be calculated as follows:

- 1. Estimate of Storm Damage Cost The calculation of the benefit amount starts with the smaller of the following values:
 - a. cost of completed repairs (if the work is substantially complete), or
 - a damage assessment by FEMA, SBA, private insurance, or otherwise approved damage assessor.
- 2. Storm Damage Cost Gap To avoid duplication of benefits, the Estimate of Storm Damage Cost will be reduced by the following:
 - a. FEMA Grants which represent a duplication of benefits,
 - b. homeowner insurance proceeds (Unpaid and outstanding insurance claims must be subrogated back to the State),
 - c. National Flood Insurance Program proceeds, and
 - d. SBA Loans identified by SBA as a duplication of benefits.
- 3. Benefit Amount The lesser of \$40,000 or the Storm Damage Cost Gap is the amount of the HAP grant or deferred forgivable loan.

If the cost to fully repair the home exceeds that covered by the grant, then the homeowner must provide evidence that they have the available funds or can obtain financing from an outside source to cover the funding gap. Working with faith based or nonprofit organizations that provide funding, volunteer service, or other forms of self help assistance is an eligible source of such financing.

Distribution of Funding

Program Management Firm Request for Proposal (RFP)

A RFP for a program management firm to administer this funding priority throughout the eligible areas will be released upon HUD's approval of this Action Plan. TDHCA will organize a working group for guidance on how the RFP can be structured most effectively. This working group will include persons impacted by the storm and representatives from organizations working on case management and distribution of funds in the impacted areas.

The RFP will clearly establish all milestones and timelines required of the program management firm to ensure that the funds are distributed in an expeditious manner.

To insure effectiveness of operations as well as accounting and control oversight, the RFP respondent must:

- document their experience with administering such a program including evidence that they have previously
 developed and utilized effective standard operating procedures to validate eligibility, determine benefits procedure;
 work with contractors, and account for the distribution of funds; and
- establish that they have the available resources and existing administrative systems required to effectively manage the program.

The RFP will require the respondent to clearly describe specific efforts that ensure outreach efforts are conducted across the entire region. The respondent must demonstrate that they will be able to implement and maintain a communications process that will reach eligible homeowners to tell them how to apply for benefits. The application process should be customer friendly and include the use of, but not be limited to, 1-800 numbers and a "one-stop" web portal that allows for online application submission. Local assistance facilities shall be established in areas where the need is most concentrated. The respondents must describe the efforts that will be used to ensure that assistance is made available to assist lower income households and households with special needs.

The management firm shall be required to build upon the existing application intake and case management efforts of faith based, regional councils of government, and nonprofit organizations (Local Organizations). In designing its program, the management firm shall:

- determine how to best work with the existing case management and intake processes of Local Organizations;
- develop guidelines so that reasonable and well documented costs incurred by Local Organizations to prequalify, document, and counsel grant applicants are eligible program costs.

Therefore, respondents will be required to describe how they will utilize the current case management and intake systems of the Local Organizations already working in the targeted areas. It is expected the response to the RFP will include the process by which applications received by Councils of Governments for CDBG Disaster Recovery Program funding authorized by Public Law 109-148 will be given priority while still allowing the management firm to maintain oversight of the program.

Other Basic Application Guidelines

Applications shall be accepted on a first come, first served basis with a priority to applications received for the CDBG Disaster Recovery Program funding authorized by Public Law 109-148 until all funds are utilized. The process developed through the RFP process shall ensure that all grant applications are processed equitably, that the privacy of applicant information is maintained, and that an appeals process is in place that can effectively address applicant concerns.

Sabine Pass Restoration Program (SPRP)

While many communities in South East Texas were substantially impacted by Rita, the coastal community of Sabine Pass was nearly destroyed by the storm. To help address this need, funding in the amount of \$12 million shall be made available to homeowners whose homes were damaged by Hurricane Rita. Because all of Sabine Pass is located within a special flood hazard area, such assistance shall be in the form of a deferred forgivable loan unless the funds are being used to move out of the flood zone.

Funding Purpose

Funding from the SPRP will serve three purposes.

- 1. Up to \$40,000 in home rehabilitation and reconstruction assistance will be made available for homeowners whose family income is up to 150 percent of the area median family income. Such assistance will be available to both homeowners who had insurance in an insufficient amount to cover the storm damage as well as those who did not have homeowner's insurance. The eligible loan amount shall be calculated in the same manner as the HAP assistance.
- 2. Homeowners may apply for assistance in an amount up to \$30,000 to help defray the costs of elevating rehabilitated or reconstructed homes in accordance with FEMA advisory flood elevations or subsequent FEMA permanent maps. Unlike the home rehabilitation and reconstruction assistance described above, homeowner income restrictions do not apply for the home elevation assistance. These funds may also be used for other special construction improvements required to increase a home's ability to survive another significant storm event. A homeowner whose household includes a person with a disability or an elderly person may apply for an additional \$15,000 in assistance for additional accessibility related costs associated with elevating the dwelling. While the home elevation assistance may serve all incomes, it is estimated that almost half of the owner occupied households in Sabine Pass are of LMI income.
- 3. After 180 days if uncommitted funding remains available, in instances where a homeowner whose family income is up to 150 percent of the area median family income has experienced damage in an amount equal to or greater than 50 percent of the market value of the home at the time of the storm based on an appraisal and wants to move out of the flood plain, a grant in an amount up to \$40,000 will be made available to purchase a new home elsewhere in the Rita Go Zone. The eligible grant amount shall be calculated in the same manner as the HAP assistance.

Eligibility

The Hurricane Rita damaged home must be located in Census Tract 4824501160 which includes Sabine Pass (See Appendix D for a map of this tract.). With the exception of the household income requirements described in the "Funding Purpose" section above, all eligibility requirements associated with the HAP funding priority apply.

Requirements for Receiving Assistance

All requirements for receiving assistance associated with the HAP funding priority apply. Additionally, for the homeowner to receive assistance, the dwelling must be elevated to comply with the requirements of the Flood Disaster Protection Act of 1973, as amended (42 U.S.C. 4001-4128) which applies to the use of funds provided under the CDBG Disaster Recovery Program."

Distribution of Funding

The same program management firm used for the HAP funding priority will be used to manage the SPRP.

Assistance applications shall be accepted on a first come, first serve basis until all of the SPRP funds are utilized. In the event that the SPRP is fully utilized, if HAP funding is still available, it may be used to address storm damage to households in Census Tract 4824501160. Note that homeowners in Census Tract 4824501160 may only apply through the SPRP for Action Plan assistance.

Rental Housing Stock Restoration Program

Funding in the amount of \$82,866,984 shall be made available in the form of a grant or loan to the owners of affordable rental properties that were damaged by Hurricane Rita. This funding amount complies with statutory provisions as interpreted by HUD in the Federal Register that requires that "...not less than \$1.0 billion of the \$5.2 billion appropriation less \$27.0 million in administrative set-asides (which computes to 19.3311 percent of any State's allocation) shall be used for repair, rehabilitation, and reconstruction (including demolition, site clearance and remediation) of the affordable rental housing stock (including public and other HUD- assisted housing) in the impacted areas. Therefore, HUD is requiring that not less than 19.3311 percent of each State's grant be used for these activities." As further described in the Federal Register, Texas shall set aside \$82.9 million which will be used for activities related to the "repair, rehabilitation, and reconstruction (including demolition, site clearance and remediation) of the affordable rental housing stock (including public and other HUD-assisted housing) in the impacted areas." This federally mandated set aside meets the national objective of serving low and moderate income persons because of the income restrictions placed on the occupancy of the affordable housing units which are being restored.

This funding will be allocated through a two tiered approach.

- For 180 days, the NOFA will be open to multifamily properties with a minimum of 16 units. Applications for assistance for such properties shall be submitted to TDHCA for review and possible approval as described in the NOFA.
- 2. If after 180 days, all funds under the Rental Housing Stock Restoration have not been committed, then properties of fewer than 16 units, including single family units, may apply for assistance. This program will be administered through a program management firm that has been selected for the HAP.

Eligibility Requirements

The applicant must satisfy the following basic eligibility requirements:

- The applicant must be able to prove ownership of the property at the time of Hurricane Rita (September 24, 2005).
- The applicant must establish that this property was physically damaged by Hurricane Rita through the provision of evidence that an insurance claim related to Hurricane Rita was filed and subsequently reviewed by their insurance provider.

Requirements for Receiving Assistance

In exchange for accepting funding assistance, each applicant must agree to the following requirements.

- At a minimum, the number of affordable housing units available on September 24, 2005 must be available when the construction has been completed.
- To assure that the assisted housing is as affordable as possible and is occupied by families with appropriate incomes, a land use restriction agreement must be recorded that establishes appropriate low to moderate rent and income limits for the period of years required by HUD regulations.
- All construction will be in accordance with the International Building Code (IBC) of 2003 or local municipal code, whichever is more stringent.
- Units that are being demolished and rebuilt shall be elevated in accordance with FEMA advisory flood elevations or subsequent FEMA permanent maps. In doing so, access needs for persons with disabilities must be met as required by State and Federal law.
- Maintenance of 100 percent insurance coverage on replacement values of the property for all hazard types will be required.

Grant Calculation

The amount and terms of the loan or grant shall be based on underwriting criteria established in the NOFA. The assistance amount for the first tier of funds shall be determined through an intensive review of the application by the Department's Real Estate Analysis Division. Among other items, this review will specifically assess each application's stated operating proforma, cost estimates, and area rental market conditions to develop the appropriate amount of and structure for the assistance. If available, the assistance amount for the post 180 day program awards shall be determined through careful review of the application conducted by the program management company selected for the HAP.

Applicants are encouraged, but not required, to leverage other available resources to preserve affordable housing for low and very low income residents.

All application requests will be carefully scrutinized to ensure that the assistance does not duplicate any of benefits that the applicant may have received from other sources.

Distribution of Funding

TDHCA will issue a Notice of Funding Availability (NOFA) for the Rental Housing Stock Restoration assistance upon HUD's approval of this Action Plan. This NOFA will clearly establish the application acceptance period, threshold criteria, and selection criteria. In addition to other factors, the selection criteria will give a scoring priority to applications which:

- serve households at very low income levels;
- are constructed or will be rehabilitated in a manner that provides for low maintenance and energy efficiency; and
- help persons avoid or transition from homelessness.

City of Houston and Harris County Public Service and Community Development Program

Many Texas communities openly welcomed persons displaced by Hurricane Katrina. The initial and ongoing impact was felt most strongly in the City of Houston and Harris County. With a reported peak of more than 400,000 displaced persons in the Harris County area, the area has worked tirelessly to provide ongoing assistance with food, shelter, clothing, emergency services, law enforcement, community services, education, and medical care. According to information provided by a Gallup poll commissioned by the Texas Health and Human Services Commission, Houston remains the transitional home to nearly half of the 251,000 people evacuated from Louisiana and elsewhere along the Gulf Coast as a result of Hurricane Katrina.

It is proposed under the Action Plan, that funding in the amount of \$60 million be included in this funding priority for public service, community development, and housing activities in areas (police districts, schools, apartment complexes,

neighborhoods) comprised predominantly of low to moderate income households and where it can be clearly demonstrated that the population within the area has seen a dramatic population increase due to an influx of Katrina evacuees.

The State has identified this as an important part of disaster recovery. However, the funds available for this effort does not meet all the need demonstrated in the request from the City of Houston and Harris County. It is expected that the City of Houston and Harris County will need to cooperatively determine where it is most appropriate to direct the dedicated resources under the requirements identified in the HUD release.

An amendment to this plan will follow detailing how the funding priorities will meet HUD's NOFA's requirements, the delivery mechanism, the distribution of funds and other HUD requirements. The amendment to this Action Plan may designate the City of Houston or Harris County as the subdivision of the State of Texas charged with administering these funds as they have a direct relationship with HUD as participating jurisdictions. If that designation is not made, and/or approved, TDHCA, by and through its Governing Board, will administer these funds in the most appropriate manner.

Restoration of Critical Infrastructure Program

While housing is the priority in this Action Plan, a number of significant infrastructure projects were identified as budget priorities. Approximately 10 percent of the available funding will be used for the restoration of critical infrastructure damaged by Rita. This \$42 million will be used solely for infrastructure projects where there is outstanding damage and no other sources of funding can be obtained. The Office of Rural Community Affairs (ORCA) will administer activities awarded under this program through a contract with TDHCA and approved by TDHCA's Governing Board.

Reserved Funds from the Restoration of Critical Infrastructure Program

As significant need for the following projects has already been clearly established, funding for these purposes has been accordingly reserved.

Memorial Hermann Baptist Orange Hospital

Funding in an amount of up to \$6 million will be provided in the form of a grant to the Memorial Hermann Baptist Orange Hospital. In order to provide emergency medical care in Orange County, the Memorial Hermann Baptist Orange Hospital, the only emergency care hospital in the county, should be restored and hurricane damage repaired. The hospital also serves the entire Southeast Texas region, which consists of eight counties covering over 6,800 square miles.

The hospital was severely affected by Hurricane Rita. The storm's powerful winds removed rooftops and destroyed HVAC, power and water supply systems, buildings and windows, and caused water damage throughout various hospital facilities. Exposure to wind and water caused costly medical and surgical equipment to rust, corrode, or mold. As a result, in addition to repairing structural damages, the hospital must replace an extensive amount of expensive, high tech equipment, restock supplies, and recreate a sterile environment. After reimbursement from insurance and FEMA assistance, it is estimated that the hospital suffered over \$20 million in uninsured damages from the storm. The Action Plan has established a budget priority of \$6 million to assist with necessary remaining repairs.

Many citizens in this region are poor and medically underserved. In Orange County, the 2005 unemployment rate stood at 8%¹, while the median household income was \$37,174². This compares to Texas statewide figures for the same period of 5.3% unemployment and median household income of \$42,139. Approximately 15.2% of individuals in Orange

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¹ U.S. Bureau of Labor Statistics

² U.S. Census 2000

County were living below the poverty level. According to the U.S. Department of Health and Human Services, Hardin, Jefferson, and Orange Counties are the only places in Texas with both Medically Underserved Area (MUA) and Medically Underserved Population (MUP) designations.

Bridge City Water Infrastructure

Funding in an amount of up to \$3.8 million will be provided in the form of a grant to Bridge City for water, sanitary sewer, and drainage structure work. The funds will assist in the rebuilding and replacement of Ferry Drive, a major street in Bridge City connecting two main arteries (Highway 87 and FM 1442).

Hardin County Drainage Restoration Project

Funding in an amount up to \$10 million will be provided in the form of a grant to Hardin County. This funding will assist the County with removal of vast amounts of fallen timber and debris that resulted from Hurricane Rita. Currently, this debris is blocking ditches and drainage areas, especially in the Pine Island Bayou area, causing flooding with each subsequent storm event.

Unreserved Funds from the Restoration of Critical Infrastructure Program

The remaining unreserved funds from the Restoration of Critical Infrastructure Program will be provided in the form of grants in an amount up to \$5 million to help communities address unmet, critical infrastructure needs directly related to damage from Hurricane Rita. In the event that more applications are received than can be served, ORCA will evaluate the requests based on priorities included in a NOFA announcing the availability of these funds.

Eligible activities include:

- flood and drainage projects (including flood buyouts in which the property is converted into open, undeveloped land);
- repair of roads and bridges, utilities, water control facilities, water supply facilities, waste water facilities, buildings and equipment, hospitals and other medical facilities; and
- debris removal.

Ineligible activities include:

- reimbursement of entities for disaster related funding that has been previously expended.
- assistance for storm shelters that were not damaged by Hurricane Rita.

Evidence must be provided that all other options of financing have been explored and no other options are available.

Projects must be identified, approved, and underway within 12 months of approval of the Action Plan by HUD. Work must be substantially underway and drawing funds within 18 months. The TDHCA governing Board may reallocate any funds to HAP that have not been committed within 12 months or may deobligate committed funds where substantial progress has not been achieved within 18 months.

Eligibility Requirements

Infrastructure work must occur in one of the counties eligible for FEMA's Public Assistance Program for Hurricane Rita. These counties include Angelina, Brazoria, Chambers, Fort Bend, Galveston, Hardin, Harris, Jasper, Jefferson, Liberty, Montgomery, Nacogdoches, Newton, Orange, Polk, Sabine, San Augustine, San Jacinto, Shelby, Trinity, Tyler, Walker, Cherokee, Gregg, Harrison, Houston, Marion, Panola, and Rusk.

Eligible applicants for these funds are local and county governments. Requests regarding utility reconstruction are limited to municipally owned entities

Adherences to Program Regulations

The following procedures will be followed to comply with HUD's CDBG program regulations for this project. The State or its designee will:

- review the procurement process utilized in the hiring of an architect and/or engineer for the project and will verify
 and document that the person/firm hired is not listed on the federal Excluded Parties List;
- review the professional services contract to ensure that it includes all required supplemental clauses and conditions;
- review the project's bid package and ensure inclusion of all required supplemental clauses and conditions, Federal Labor Standards Provisions, current wage decision(s), etc.;
- attend the pre-bid conference and the bid opening as necessary;
- obtain a copy of the bid tabulation and verify and document the eligibility of the contractor selected via the federal Excluded Parties List system;
- attend the pre-construction conference to ensure that all required Equal Opportunity forms and certifications are signed by the prime contractor and all subcontractors, as well as to provide these contractors with a list of eligible workers obtained from the State's Department of Labor. This list will help the contractor in meeting the Section 3 hiring goals requirement. At this conference, the Labor Standards requirements of weekly payrolls and daily inspections reports will be explained;
- review submitted payrolls, new and existing employee forms, payroll deduction authorization forms, etc., as well as conduct employee interviews and make site visits to the project when necessary. During the review of the payrolls, it will be verified that Davis-Bacon and Contract Work Hours and Safety Standards Act (CWHSSA) requirements are being met and will ensure payment of restitution where needed;
- review and process Request for Payment forms and supporting documentation, and will review change orders for reasonableness of cost and consistency with the project's scope of work; and
- prepare a Final Wage Compliance Report, accept clear liens, make final payments and issue Acceptance of Work Certificates.

State Administration Funds

The state may use up to 5 percent of the funding, approximately \$21.1 million for the Departments' administrative expenses, including contract administration, compliance monitoring, and the provision of technical assistance.

GENERAL APPLICATION PROCESS

PREVIOUS PERFORMANCE

Each applicant's or respondents performance with previous state and federal funding assistance will be thoroughly reviewed to ensure they are in compliance with the program requirements. Specifically, they must be in compliance with both of the following sections of the Texas Administrative Code (TAC).

- As more thoroughly described in 10 TAC Sec. 1.3, "Delinquent Audits and Other Issues," applicants are ineligible to apply for Plan funds if they have any audits past due to TDHCA and are ineligible to receive funds until any unresolved TDHCA audit findings or questioned or disallowed costs are resolved.
- As more thoroughly described in 10 TAC Sec. 255.1(h)(6), an applicant that has one year's delinquent audit may apply for disaster funding but must satisfy all outstanding ORCA audits prior to award. A community with two years of delinquent audits may not apply for additional funding and may not receive a funding recommendation.

REGULATORY REQUIREMENTS

Contract awardees (applicants to NOFAs or respondents to an RFP that are awarded funds) must comply with relevant fair housing, nondiscrimination, labor standards, and environmental requirements applicable to the CDBG Program.

FAIR HOUSING

Each contract awardee will be required to take steps to affirmatively further fair housing. TDHCA will require that special emphasis be placed on those communities who both geographically and categorically consist of individuals who comprise "protected classes" under the Civil Rights Act of 1964 and the Fair Housing Act of 1978 as amended. The efforts will be recorded in an "Affirmative Marketing Plan" which will be part of the application or RFP response submitted to the Department. At all times, "Housing Choice" will be an emphasis of program implementation and outreach will be conducted in the predominate language of the region where funds will be spent.

NONDISCRIMINATION

Each contract awardee will be required to adhere to the Department's established policies which ensure that no person be excluded, denied benefits or subjected to discrimination on the basis race, color, national origin, religion, sex, familial status, and/or physical and mental handicap under any program funded in whole or in part by Federal CDBG funds. Contract awardees will be required to document compliance with all nondiscrimination laws, executive orders, and regulations.

LABOR STANDARDS

Where required by CDBG regulations, the contract awardee will be required to oversee compliance with Davis-Bacon Labor Standards and related laws and regulations. Regulations require all laborers and mechanics employed by contractors or subcontractors on CDBG funded or CDBG assisted public works construction contracts in excess of \$2,000, or residential construction or rehabilitation projects involving eight or more units be paid wages no less than those prescribed by the Department of Labor and in accordance with Davis Bacon Related Acts.

ENVIRONMENTAL

Specific instructions concerning environmental requirements at 24 CFR Part 58 will be made available to all contract awardees. Some projects will be exempt from the environmental assessment process, but all contract awardees will be required to submit the Request for Release of Funds and Certification (HUD Form 7015.15) for those activities requiring environmental review. Funds will not be released for expenditure until TDHCA is satisfied that the appropriate environmental review has been conducted if required. Contract awardees will not use CDBG disaster recovery funds for any activity in an area delineated as a special flood hazard area in FEMA's most current flood advisory maps unless it also ensures that the action is designed or modified to minimize harm to or within the floodplain in accordance with Executive Order 11988 and 24 CFR Part 55.

PREVENTING FRAUD, ABUSE OF FUNDS, AND DUPLICATION OF BENEFITS

TDHCA will monitor all contract expenditures for quality assurance and to prevent, detect, and eliminate fraud, waste and abuse as mandated by Executive Order RP 36, signed July 12, 2004, by the Governor. TDHCA will particularly emphasize mitigation of fraud, abuse and mismanagement related to accounting, procurement, and accountability which may also be investigated by the State Auditor's Office. TDHCA will monitor the compliance of applicants, and HUD will monitor the Department's compliance with this requirement.

MONITORING STANDARDS AND PROCEDURES

TDHCA's monitoring procedures have been modified to specifically address the requirements of the CDBG Disaster Recovery Program. These procedures will ensure that all contracts funded under HUD disaster recovery allocation are

carried out in accordance with federal and state laws, rules, regulations, and the requirements. The procedures will ensure that there are no duplication of benefits that have otherwise been covered by FEMA, private insurance, or any other federal assistance or any other funding source. Expenditures will be disallowed if the use of the funds is not an eligible CDBG activity, does not address disaster-related needs directly related to Hurricane Katrina or Hurricane Rita, or does not meet at least one of the three national CDBG objectives. In such case, contract awardees shall be required to refund the amount of the grant that was disallowed. To ensure that funds are spent promptly, contracts will be terminated if identified timetables/milestones are not met.

QUALITY ASSURANCE

Continual monitoring efforts will provide quality assurance. These efforts will be guided by both CDBG Program requirements and responsibilities to low income Texans. In determining appropriate monitoring of the Action Plan, TDHCA will consider prior CDBG grant administration, audit findings, as well as factors such as complexity of the project. TDHCA will determine the areas to be monitored, the number of monitoring visits, and their frequency. Any entity administering CDBG Disaster Recovery funding will be monitored not less than once during the contract period. The monitoring will address program compliance with contract provisions, including national objectives, financial management, and the requirements of 24 CFR Part 58 ("Environmental Review Procedures for Entities Assuming HUD Environmental Responsibilities") or 50 ("Protection and Enforcement of Environmental Quality.") as applicable TDHCA will utilize the checklists specifically developed for monitoring activities under this Action Plan.

These monitoring efforts include:

- identifying and tracking program and project activities to ensure the activities address needs caused by Hurricane Katrina or Hurricane Rita;
- identifying technical assistance needs of applicants;
- ensuring timely expenditure of CDBG funds;
- documenting compliance with program rules;
- preventing fraud and abuse;
- identifying innovative tools and techniques that help satisfy established goals; and
- ensuring quality workmanship in CDBG funded projects

INVESTIGATION

Section 321.022(a) of the Texas Government Code requires that if the administrative head of a department or entity that is subject to audit by the State Auditor has reasonable cause to believe that money received from the State by the department or entity or by a client or contractor of the department or entity may have been lost, misappropriated, or misused, or that other fraudulent or unlawful conduct has occurred in relation to the operation of the department or entity, the administrative head shall report the reason and basis for the belief to the State Auditor. TDHCA is responsible for referring suspected fraudulent activities to the State Auditor's office as soon as is administratively feasible. The State Auditor reports directly to the Texas Legislature.

TDHCA has also established a strong working relationship with HUD's Office of Inspector General during administration of the first supplemental CDBG Disaster Recovery funding. TDHCA anticipates that this partnership will be carried through to the Department's administration of the second supplemental funding round.

INDEPENDENT INTERNAL AUDIT

TDHCA and contract awardee are subject to the Single Audit Act. A "Single Audit" encompasses the review of compliance with program requirements and the proper expenditure of funds by an independent Certified Public

Accountant or by the State Auditors Office. Reports from the State Auditors Office will be sent to the Office of the Governor, the Legislative Audit Committee and to the TDHCA Governing Board.

Internal Audit staff at TDHCA perform independent internal audits of programs and can perform such audits on these programs and Applicants. The TDHCA Internal Auditor reports directly to TDHCA's Governing Board.

INCREASING CAPACITY OF IMPLEMENTATION AND COMPLIANCE

TDHCA staff will be provided with all training necessary to ensure that activities funded under this Action Plan are correctly administered. As contracts are made, necessary efforts to increase the capacity of local governments, subrecipients, applicants, contractors and any other entity responsible for administering funding under this Action Plan will be implemented to ensure they have the specific skills needed to successfully oversee the activity.

CONTRACT ADMINISTRATION

AMENDMENTS

Action Plan Amendments

The following events would require a substantial amendment to the Action Plan:

- addition or deletion of any allowable activity described in the Action Plan;
- change in the allowable beneficiaries; or
- a change of more than five percent in the funding allocation between the activity categories described in the Action Plan (unless sufficient Applications are not received to meet the targeted percentages for each activity).

If a substantial amendment to the Action Plan is needed, then reasonable notice will be given to citizens and units of general local government to comment on the proposed changes. This notice must be provided to citizens in predominant languages of the region. Consistent with the desire to allocate these funds as quickly as possible, the public comment period will be the same as that utilized for the Action Plan. The Department's public comment notification, receipt, and response processes will also follow those used to develop the Action Plan.

Contract Amendments

TDHCA will direct contract awardees to carefully plan projects that meet the stated requirements and to specify activities, associated costs, milestones/delivery dates, and proposed accomplishments and beneficiaries in order to reduce the need for amending contracts. Two-year contracts will be awarded. Contract amendments that vary more than 10 percent in budget categories or project deliverables must be approved by the TDHCA Governing Board.

TDHCA will follow an established, consistent process for amendments. Contract awardees shall contact TDHCA prior to requesting an amendment or contract modification that affects the budget, activities, beneficiaries or timeframe for accomplishing the work. Should a proposed amendment result in the need for modification of this Action Plan, the State will follow the process required by HUD for this disaster recovery funding.

Substantial amendments may be cause to review the entire Application or Response submitted to determine if the project is meeting its stated goals and timelines.

CERTIFICATIONS REQUIRED

The use of the disaster funding is contingent upon certain requirements, and both TDHCA and contract awardees will be expected to certify that these requirements will be met or carried out. Applicable federal and state laws, rules and regulations are listed in the NOFA or RFP, and the designee authorized by the contract awardee will be required to certify in writing that the grant will be carried out in accordance with the stated requirements.

Anti-Displacement and Relocation

Each contract awardee must certify that they will minimize displacement of persons or entities and assist any persons or entities displaced in accordance with the Uniform Anti-Displacement and Relocation Act and local policy.

HUD Action Plan Certification

TDHCA has provided a fully executed copy of HUD Required Certifications for State Governments, Waiver and Alternative Requirement as in Appendix E.

CITIZEN COMPLAINTS

Each contract awardee must have adopted procedures for responding to citizens' complaints as is required under the Texas Small Cities Nonentitlement CDBG Program or Entitlement programs. Citizens must be provided with the address, phone numbers, and times for submitting such complaints or grievances. Contract awardee must provide a written response to every citizen complaint within 15 working days of the complaint, if practicable.

DOCUMENTATION AND REPORTING

Each contract awardee must submit or maintain documentation that fully supports the application submitted to TDHCA. Requirements relating to such documentation will be established in the Application Guide. Any recipient of public funds in Texas is subject to Texas Government Code Chapter 552, commonly called the Public Information Act. Records retention policies must meet federal Office of Management and Budget guidelines and/or other applicable state or local statute with regards to record retention.

Each contract awardee must report on a quarterly basis (on a form provided by TDHCA) on the status of the activities undertaken and the funds drawn. Quarterly status reports will be due to TDHCA within 15 calendar days following the end of the quarter. TDHCA will then report to HUD using the online Disaster Recovery Grant Reporting system.

More frequent reports may be required if the contract awardee has missed milestones/or has not met substantial elements of the Application.

MATCH REQUIREMENT

The provisions at 42 USC 5306(d) and 24 CFR 570.489(a)(1)(i) and (iii) will not apply to the extent that they cap State administration expenditures and require a dollar for dollar match of State funds for administrative costs exceeding \$100,000.

PROGRAM INCOME

Any program income earned as a result of activities funded under this grant will be subject to 24 CFR 570.489(e), which defines program income and provides when such income must be paid to the state.

TIMEFRAME FOR COMPLETION

Availability of funds provisions in 31 USC 1551-1557, added by section 1405 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510), limit the availability of certain appropriations for expenditure. This limitation may not be waived. However, the Appropriations Act for these grants directs that these funds be available until expended unless, in accordance with 31 USC 1555, TDHCA determine that the purposes for which the appropriation has been made have been carried out and no disbursement has been made against the appropriation for two consecutive fiscal years. In such case, TDHCA shall close out the grant prior to expenditure of all funds. All grants will be in the form of a contract between the Applicant and TDHCA that adheres to the federal time limitation.

APPENDIX A. REQUESTED WAIVERS

No waivers from HUD are being requested at this time.

APPENDIX B. DEPARTMENT'S RESPONSE TO PUBLIC COMMENT

This section describes public comment submitted in writing or provided at three public hearings conducted for the Action Plan. Summaries of the issues and the Department's responses are provided below. To help reviewers compare the summarized comments to the actual comments, the numbers after the subject titles correspond to the "Commenter Information" table at the end of this section. Copies of the original comments or public hearing transcripts may be requested from the TDHCA Division of Policy and Public Affairs by calling (512) 475-3976.

GENERAL PROGRAM ISSUES (In Alphabetical Order)

ADMINISTRATIVE COSTS (2)

Comment was provided on the need to minimize administrative costs. The Action Plan allocates 5 percent of the total funds, or \$21 million for State administrative costs.

Staff Response:

For the previous distribution of \$74 million in CDBG disaster recovery funding (authorized under PL 109-148), the Department significantly limited its administrative costs to allocate as many funds as possible. There are indications that the available amount of administrative funds is not sufficient to meet the demands of the program. The administrative funds for the second CDBG disaster recovery assistance of \$429 million must cover the Department's direct activities and oversight of the program management firm; the Office of Rural Community Affairs' administrative costs; and the cost of the program management firm for up to three years. A decrease in the amount of administrative funds would require the Department to request appropriated funds or limit the delivery of the program.

No changes to the Action Plan were made to address this comment.

Assisting Beneficiaries with Greatest Need (1, 2, 3, 17, 18, 24, and 32)

Many comments were voiced on offering homeowner assistance on a first come, first served basis because households with the greatest need may not be served under this scenario. It was suggested that preference should not be given just to the person that knows how to apply, and is in line first to make an application. For example, a person with special needs might take longer to apply because of the need for extensive case management assistance. The comments typically listed the populations with highest need as: elderly, persons with disabilities, extremely low-income households, and single parent households.

One commenter indicated that "low income families should not just be the primary beneficiaries, they should be the sole beneficiaries."

It was requested that a definition be added to the Action Plan for "special needs" populations.

Staff Response:

The Department understands that homeowners with special needs may require additional assistance to prepare an application. Persons with special needs may also have a relatively higher need for assistance due to lower income levels. The proposed Action Plan targeted 10 percent of the HAP for persons with special needs. According to HUD, in addition to the homeless, special needs populations include persons with disabilities, the elderly, persons with alcohol and/or drug addictions, persons with HIV/AIDS, and public housing residents. The original target was based on the percentage of persons with "mobility/self-care limitations and that earn less than 80 percent of AMFI." Based on public comment, it appears that the percentage of elderly persons in the region might provide a better indication of how large the target for persons with special needs should be.

Based on public comment, the special needs percentage is being increased to 20 percent as indicated from a review of decennial Census data. If the maximum assistance amount of \$40,000 was utilized for each special needs household assisted, then this funding would serve approximately 1,000 households. To clarify what "special needs" populations include the HUD definition was also added to the Action Plan. The following revision was made to the Action Plan.

"Part of this funding priority, \$42 M. (20 percent of the Homeowner Assistance Program funds) will be targeted specifically for persons with special needs. According to HUD, in addition to the homeless, special needs populations include persons with disabilities, the elderly, persons with alcohol and/or drug addictions, persons with HIV/AIDS, and public housing residents. The targeted amount is based on the percentage of elderly households in the 22 counties eligible for this funding."

Geographic Distribution of Funds (1, 2, 8, 10, 11, 12, 13, 14, 15, 17, 24, 38, 40, 43, and 44)

A comment stated that ensuring that applicants who have already applied for PL 109-148 funds will receive priority for this Action Plan's funds is an effective way to target the funds to areas with the highest need.

In contrast, a number of comments were made that the Action Plan does not allocate the funding geographically based on need. It was suggested that given the limited CDBG funds, the State should target assistance to the hardest-hit counties of Hardin, Jefferson, and Orange. The most acute and enduring devastation is in these three counties, and the programs should be prioritized in these areas.

A couple of comments requested that infrastructure funding be targeted specifically for Jefferson County as it did not receive any reserved funding such as that dedicated for specific activities in Hardin and Orange Counties.

Simultaneously, comment was provided on the outstanding housing and infrastructure problems in the parts of the disaster region that may not have been as significantly impacted as Hardin, Jefferson, and Orange counties. An example provided from Tyler County was that storm debris from Hurricane Rita in drainage structures is causing flooding during current storms.

Another comment stated that the Hurricane Rita storm damage data used to distribute the PL 109-148 CDBG funding was not accurate. This caused the level of need in some regions to be under represented which reduced the amount of funding they received. Therefore, if a need based system is used to regionally target the funds, then a different data set needs to be used to calculate the regional distribution.

Staff Response:

The State has identified almost \$3 billion in damages related to Hurricanes Rita and Katrina. The Department recognizes that each of the 22 counties eligible under this program have outstanding needs. Unfortunately, the limited funding available will not fully address all of the needs in the impacted communities. The Department has sought to develop an Action Plan that will help as many people impacted by the hurricanes receive safe, decent, affordable housing as soon as possible.

The priority established for HAP applicants that have requested PL 109-148 CDBG funding will effectively ensure that homeowners in the most affected counties are served at a higher rate than other parts of the region. Given the high level of need across the disaster region, the Department does not see a dramatic benefit in establishing a regionally tiered system of funding.

No changes to the Action Plan were made to address these comments.

Importance of Distributing the Funds Quickly (8, 10, 11, 20, 21, 34, 40, and 49)

Many comments were received on the need to quickly allocate these funds while ensuring that persons with the greatest need are not excluded from the process. The fact that a year and a half has passed and a lot of people are still without homes, living in damaged homes, or living in FEMA trailers was repeatedly emphasized.

Concern was expressed that waiting on HUD approval and pursing an RFP process to hire a program management firm is going to greatly delay the distribution of funds. It was suggested that perhaps a few interim steps could be taken to at least get some of the money flowing. Examples provided included the following items.

- Allow the local COGs to start drawing some funds down to serve households that have already qualified for the first allocation of CDGB funds.
- Start having inspectors assess the damage to houses so the cost estimates will be ready when the applications are made.

Staff Response:

The Department clearly understands the need to get this funding out as quickly as possible. The Department is moving quickly to ensure that the Action Plan is approved and an appropriate program management firm is selected for the HAP program. The HAP application process associated with this Action Plan is designed to take advantage of qualification efforts of the PL 109-148 CDGB funding. Therefore, applicants that are being qualified now for that program are effectively in line for this Action Plan's funds once the PL 109-148 funding is exhausted.

From discussions with some of the COGs, it is understood that there are some bottlenecks in the process caused by the inability to find qualified building inspectors. Therefore, even if more funds were committed to the COGs, at this time, the assistance could not be provided immediately. In order to expedite the inspection process, the Department will encourage the program management firm to utilize housing assessment information already gathered by the COGs.

Since the Rental Housing Stock Restoration Program and Restoration of Critical Infrastructure Programs are being administered directly by TDHCA and ORCA, NOFAs for these activities will be available after HUD approval of the Action Plan.

No changes to the Action Plan were made to address this comment.

Integrating the Action Plan Activities with the Existing Assistance Efforts of Nonprofit, Faithbased, and Governmental Organizations (1, 2, 3, 4, 7, 8, 9, 10, 11, 14, 17, 18, 19, 24, 26, 32, 33, 36, 40, 41, 43, 49, and 50)

A number of comments requested that the administrative structure established for the PL 109-148 CDBG funds be used to distribute this Action Plan's funds. This is because the COGs have the capacity, experience, and an up and running system to get the funds out quickly while maintaining local control.

Almost half of the commentators emphasized how important it was for the program management firm that will administer the HAP funds to work closely with community organizations, local officials, and regional councils of government because these organizations have:

- discovered, over the past 16 months since Hurricane Rita, what the highest priority needs are and how these may be best addressed. Therefore, the management firm should utilize the existing case management and intake systems to take advantage of this experience;
- identified and to some extent prequalified thousands of families for the assistance associated with this Action Plan.

A number of comments also expressed concerns that there will be a lot of confusion among potential applicants regarding the varying sources of assistance that are available and the corresponding eligibility requirements and application processes. One suggestion was that a unified "clearing house" is needed to distribute information on what

the State, councils of government, local government and private organizations are doing, by the key contact for applications, and help to coordinate the actions of the various funding sources. Such coordinator would also help eliminate duplication of funding as a central database could track assistance distributions. A number of comments indicated that the COGs are currently serving in this role and should continue to do so.

A number of comments suggested that existing housing assistance applications with the COGs should be taken by the program management firm and given priority status under the first come, first served system. Once they are received the management firm needs to continue to work with these homeowners if the applications are not complete. The process needs to ensure that applicants in the pipeline will not lose their priority or change priority based on the status of their application.

A number of comments were provided on the importance of providing case management to help homeowners (particularly persons with special needs) apply for and use the homeowner assistance funding. It was emphasized that case management extends beyond the act of qualifying people and many special populations will require ongoing assistance with working with lenders, contractors, etc. It was suggested that local organizations should be reimbursed for assistance provided throughout the case management process. It was also suggested that the case management efforts should remain local.

A comment specifically objected to the Action Plan's use of the word "encouraged" in regard to actions the management firm might take to work efficiently with existing assistance efforts. It was suggested that this should be changed to make it mandatory that the project management firm review those programs and take advantage of existing applicant qualification efforts.

A comment requested that an online registration and tracking system be implemented to facilitate application submission and ensure completeness of submitted applications.

A comment requested that persons who actually experienced damage from Hurricane Rita should serve on the "Board" that will develop the actual application process.

A comment requested that the contract administrator should have offices set up in this region. It was also stated that they should hire people that were affected by the storm that are now unemployed.

Comment was provided that the text "outreach efforts are uniformly performed across the region" was not appropriate as need is more concentrated in some areas than others.

Staff Response:

Due to the amount of assistance to be distributed, size of the disaster region, complexity of regulations, and need to deliver the assistance in a timely manner, the Department believes that the use of a project management firm to centralize and standardize this effort is necessary. This project management firm will also serve as a clearing house for information and coordination of funding across the region. The RFP developed for the program management firm will clearly indicate that the existing intake processes of the COGs, the faith-based community, of non-profits, and other governmental entities shall be effectively incorporated into the process.

The following changes were made to the Action Plan to more clearly indicate the desired relationship between the program management firm and existing assistance efforts.

- The Action Plan was reviewed and words such as "may" and "encouraged" were changed to "shall" where the activity described is not optional.
- A change to the description of the RFP working group was made to clearly show that individuals affected by the storm will be encouraged to participate.
- A number of changes were made to the description of the RFP to more clearly indicate the responsibilities of the

program management firm.

The Department recognizes the need to provide case management assistance to ensure that the persons with greatest need are able to access the funds. The RFP will be developed to ensure that ongoing case management assistance is provided to those households who need it and at a level of service that is appropriate to their need. While the RFP provides for reimbursement of local organization pre-application case management costs, for the program to be administered effectively, the program management firm will have to manage the case management process after the homeowner's application is approved.

The "outreach efforts are uniformly performed across the region" text was included in the Action Plan to ensure that information about the availability of assistance was distributed across the entire region. Upon review, this may seem to imply that the out reach techniques will be the same in all areas of the disaster region. As noted in public comment, because the concentration and types of need varies across the region it may be appropriate to use different outreach efforts. The following revision was made to the Action Plan.

"The RFP will require the respondent to clearly describe specific efforts that ensure outreach efforts are conducted across the entire region."

COMMENT ON SPECIFIC FUNDING ACTIVITIES (In the order they appear in the Action Plan)

HAP Comment

Assistance Amount (1, 2, 16, 17, 22, 23, 24, 27, 30, and 48)

A few comments suggested that the amount of funding per household was too low given the extent of damage to some homes. It was stated that homes FEMA considered to have experienced "major damage" had an average of \$47,000 in damage and for homes deemed to be "severely damaged" the average amount of damage was over \$60,000. The \$135,000 amount allowable under the PL 109-148 CDBG funding was also referenced. Other comments focused on the ability of low income, elderly, and special needs households to make up the resulting funding gaps that exceed the \$40,000. Since the targeted recipients of these funds are to be low to moderate income it seems unrealistic to expect many of these homeowners to qualify for the Action Plan assistance and then go out and obtain a loan to make up the difference imposed by the \$40,000 cap. It was also suggested that many elderly households may not be able to fund the gap because they live on fixed incomes and few financial institutions will provide a note for 20 to 30 years for someone who will likely not live through that note.

To address these issues it was suggested that either the assistance amount should be increased or a mechanism needs to be put in place where the program management firm would have funds available or would work directly with other state, federal, private, nonprofit or other housing programs to help fill that gap rather than just leaving it up to the homeowner.

It was suggested that it appeared that repair of existing housing problems would not be covered by the HAP program. For example, could the funds be used by low-income families who had both Hurricane Rita and other existing damage to their homes due to lack of maintenance, termites, or age to bring their homes up to current housing codes?

A number of comments were voiced that households which had already begun or completed work through the use of their own funds or Small Business Administration (SBA) loans should be eligible for reimbursement. It was indicated that these households should not be discriminated against for taking the initiative to put their lives back together. In addition to the issue of fairness, it was indicated by one commentator that it sets a precedent that it is better to wait than to take action. Also, it was suggested that in the case of Sabine Pass, residents may have faced specific costs that might

not apply to other areas of the disaster zone such as the need to have properties re-platted and elevation certified. If they went ahead and paid for these costs, then the costs should be eligible for reimbursement.

Also with regard to SBA loans, comment was provided that clarification is required to describe what a duplication of benefits is related to an approved SBA loan. It is thought that an applicant who is otherwise eligible for assistance should receive that assistance with any loan approval reduced to account for the grant received.

Staff Response:

One of the goals of the Action Plan is to assist the greatest number of persons possible with a limited amount of funds. By establishing a maximum amount of assistance, the Department will be able to help many families meet the average cost of repairing a damaged home. The \$40,000 limit was developed using Texas Department of Insurance figures, FEMA estimates, and early indications of the amount of repairs required. Given the \$210 million in homeowner assistance and the \$40,000 limit, the Department will be able to assist approximately 5,250 households.

With regard to what duplication of SBA benefits will entail, this will be an issue that will have to be addressed by the application review process put into place by the program management firm. As the SBA has its own legal requirements, in the end the SBA must determine what a duplication of benefits under its program would entail, and what that might mean in terms of the loan amount. Obviously the program management firm will work closely with the SBA in reviewing applications that involve their loans.

No changes to the Action Plan are recommended.

Contractor Costs (1 and 3)

Comment was also made that the program management firm will have to vigilantly review eligible contractor costs to ensure they are not inflated as most of the repairs made by local community organizations have been much less than the \$40,000. With lower assistance amounts, more households will be served.

Comment was expressed to make sure that there are incentives for whoever the contractors are, not to spend money unnecessarily.

A few specific items of concern were that the Action Plan states that:

- [the owner must] "ensure mitigation efforts to reduce the impact of future storms are undertaken, if mitigation can be done to make a home safer and are cost beneficial to undertake, and if the homeowner's eligible assistance allows funds for such activities;" and
- the SPRP that the elevation funds "may also be used for other special construction improvements required to increase a home's ability to survive another significant storm event."

The concern is that these items could encourage a homeowner or contractor to increase the cost right up to the maximum allowable benefit.

Staff Response:

The primary reason the specifically referenced sections were included in the Action Plan is that after the repairs are made, the State does not want these homes to be damaged by future storms that could have been prevented with cost effective improvements that may go beyond typical codes. In the case of the SPRP funding it is understood that making structures hurricane resistant (roof anchoring systems, special windows, etc.) is more costly than standard construction and wanted to be sure to indicate that these costs are eligible. In essence these costs serve the same purpose of elevating the structure to protect it from harm from future storms.

With regard to controlling contractor expenses for all HAP activities, the use of a project management firm will allow for consistent and effective review and approval of construction costs across the disaster region. One of the key provisions of the RFP described in the Action Plan will be for the respondent to "document their experience with administering such a program including evidence that they have previously developed and utilized effective standard operating procedures to validate eligibility, determine benefits procure and work with contractors, and account for the distribution of funds…"

No changes to the Action Plan were made to address this comment.

Household Eligibility (1, 2, and 24)

It was suggested that households that are ineligible for funding either because they made too much money to qualify under some programs and not enough for others should be eligible for funds if funds remain after all other applications for an assistance activity are funded.

A few of the comments expressed concern that it appears that in order to be eligible for the assistance a homeowner will have had to either received funding from FEMA or have made an insurance claim.

Staff Response:

Given the limited amount of funding available, the income restrictions in the Action Plan are thought to be appropriate.

The HAP program is designed to serve any qualified homeowner whose home was damaged by Rita and who has a remaining funding gap to get the home repaired. The references to FEMA or insurance claims were only examples of how it could be clearly documented that the reported damage stems from Rita and not other events that may have damaged the home. The following text will be added to clarify that this is the case.

"A description of alternate methods that a program management firm will use to establish that the damage was related to Hurricane Rita will be clearly described in a Request for Proposal."

Homeowner Requirements (1, 2, and 35)

Comment was provided that the following two requirements to receive assistance under the HAP are unrealistic for some of the potential beneficiaries.

"To receive assistance under this program, the owner must:...

- agree to sign a legally binding agreement that commits the owner to the following terms and conditions:
 - o the home will meet the legal requirements of the State Uniform Construction Code, comply with local zoning, and comply with the latest available FEMA guidance for base flood elevations, unless exceptions are granted by TDHCA where the action is designed or modified to minimize harm to or within a floodplain;...
 - o maintain hazard insurance and flood insurance;..."

As previously mentioned, the need to bring some homes up to current standards is going to create a financing gap that is well beyond the \$40,000 max under the HAP. Therefore, just to fix a roof, a low income household in a home with problems that preceded the storm would have to find funds to rehabilitate the entire home.

The ability of some residents (particularly very low income) who were previously not insured or under insured prior to Hurricane Rita to now qualify and pay for such insurance after the storm does not seem realistic.

Staff Response:

The Department recognizes that the amount of funds available is not sufficient to meet the outstanding needs in the impacted areas. To meet any financing gaps, layering of additional funds may be required.

There is a CDBG program requirement that homes receiving assistance in a flood plain must have flood insurance. The language relating to this issue in the Action Plan was changed to read:

"To receive assistance under this funding activity, the owner must:...

- agree to sign a legally binding agreement that commits the owner to the following terms and conditions:...
 - o maintain flood insurance if the home is located in a floodplain..."

Sabine Pass Restoration Program (16, 18, 20, 21, 22, 23, 24, 25, 27, 29, 30, 31, 45, 46, and 48)

A great deal of comment was received on the extreme level of destruction and problems faced by the community of Sabine Pass. This comment emphasized that in addition to the lives of individual families, the level of damage threatened the entire fabric of the community. Many of the residents voiced personal stories of how long they have been waiting for assistance and the need to get this money to them in a timely manner so they do not have to leave the community. The need to establish a stable population base to support the other parts of the community's public infrastructure (schools, stores, employers) was also emphasized.

Comment also requested that funds to relocate outside of Sabine Pass not be allowed.

One comment supported the 150 percent of median income restriction that allows more households to be eligible.

There were a number of comments regarding the \$30,000 amount available for elevating structures under the SPRP. From a review of the public comment it is difficult to determine if the commenter wanted to be able to use the funds for both elevation and reconstruction or just wanted to ensure that the funds could be used to elevate reconstructed homes as well as rehabilitated homes.

Staff Response:

The Department recognizes the special needs of Sabine Pass in the establishment of this funding priority for the community. The provision of funding for elevation and repair recognizes the impact of the storm in this area. The Department has committed to alerting FEMA to the delay in this funding being made available and the special needs of this area.

The Department desires to balance the concern about funds being used to relocate outside of Sabine Pass with the need to provide safe, decent affordable housing options to persons impacted by the hurricanes and has altered the Action Plan as follows:

"After 180 days if uncommitted funding remains available, in instances where a homeowner whose family income is up to 150 percent of the area median family income has experienced damage in an amount equal to or greater than 50 percent of the market value of the home at the time of the storm based on an appraisal and wants to move out of the flood plain, a grant in an amount up to \$40,000 will be made available to purchase a new home elsewhere in the Rita Go Zone."

To address concerns about reconstruction, the following change was made to the Plan:

"Homeowners may apply for assistance in an amount up to \$30,000 to help defray the costs of elevating rehabilitated or reconstructed homes in accordance with FEMA advisory flood elevations or subsequent FEMA permanent maps. Unlike the home rehabilitation and reconstruction assistance described above, homeowner income restrictions do not apply for the home elevation assistance."

Rental Housing Stock Restoration Program (2, 24, 39, and 44)

A comment was made that the Action Plan appears to preclude the use of these funds for demolition and site clearance for rental units that will be reconstructed.

A comment was made that applicants should be able to receive a priority for leveraging other funds and that are ready to proceed.

A number of comments were provided on the Action Plan's prioritization of assistance for multifamily apartment complexes larger than 16 units. One commenter asked that given that the Governor's and FEMA's damage estimates indicating that the vast majority of reported damage was single-family rental homes, why should multifamily properties have the first priority under this rental program. A specific example provided by another person was that they have 123 apartments that are operated under one company. These units provide affordable housing for low and medium income people but are on scattered sites. They are mostly duplexes, triplexes, and other small apartment complexes.

A couple of comments were provided on the need to give public housing authorities priority in receiving these funds as the legislation specifically refers to them.

It was questioned why the program management firm would oversee the Rental Housing Stock Restoration activity. It was suggested that the PHAs would be best able to do this with their existing capacity and knowledge of local needs.

Staff Response:

With regard to the comment on allowable construction activities, the Action Plan contains the following text which specifically indicates that reconstruction, demolition, and site clearance are eligible uses for the assistance.

"As further described in the Federal Register, Texas shall set aside \$82.9 million which will be used for activities related to the "repair, rehabilitation, and reconstruction (including demolition, site clearance and remediation) of the affordable rental housing stock (including public and other HUD-assisted housing) in the impacted areas."

Preference is being provided for larger, non scattered developments to expedite the distribution of assistance. Qualifying and inspecting dwellings on multiple plots would greatly complicate the process and require a program management firm as is the case with the HAP. By focusing on larger multifamily developments, the Department will be able to administer this activity with existing staff. The legislation also appears to place a priority on PHA restoration activities which is thought to involve larger properties.

Department research indicates that the multifamily developments with the greatest remaining need are PHA properties. It is anticipated that the PHA's will comprise the majority of the applicants for this funding. The scoring system for the Rental Housing Stock Restoration program will be fully described in the NOFA for this activity.

CITY OF HOUSTON AND HARRIS COUNTY PUBLIC SERVICE AND COMMUNITY DEVELOPMENT PROGRAM (2, 5, and 6)

One comment expressed a concern that the proposed use of funds for the City of Houston and Harris County Public Service and Community Development Program appears to be primarily focused on infrastructure. It was suggested that currently no assistance is being provided in the Action Plan for the Katrina evacuees who are remaining in Houston, and who will probably be there for the long term. It was also stated that low-income families should be the sole beneficiaries under this program because, as evidenced by a Gallup Poll commissioned by the Texas Health and Human Services Commissions, 41 percent of the Katrina evacuees have an income of less than \$500 a month, and 135,000 of them are dependent upon temporary housing subsidies. Since these are extremely poor people, they should be served with this very limited amount of assistance.

Other specific uses that were suggested for the City of Houston and Harris County Public Service and Community Development Program included:

- additional disaster recovery assistance needs for Katrina evacuees. This would include: youth services, youth alternative services, mental health services, employment assistance, and child care;
- affordable housing assistance including targeted assistance for seniors, persons with disabilities, and those families
 with members who have serious illnesses. The preference is for affordable owner occupied housing.

The importance, when developing the plan for these funds, of including the affected persons in the process was also emphasized along with the dire need to deliver the assistance quickly.

Staff Response:

The use of the City of Houston and Harris County Public Service and Community Development Program assistance will be developed at the local level. The process of developing this plan will include local hearings to gather comment on what types of need are the most critical. No changes to the Action Plan were made to address this comment.

Restoration of Critical Infrastructure Program

Allowable Uses (2, 4, 3, 15, 24, 37, 38, and 45)

One comment stated that the Action Plan should not provide assistance for infrastructure or other services until the housing needs of impacted families are fully addressed. While infrastructure is important, it was thought that the true suffering is with the people who have lost their homes. It was also stated that it appears that this infrastructure need could be addressed by other funding sources.

In contrast, a number of other sources emphasized the need for assistance for critical infrastructure projects. It was noted that under the first allocation of \$74 million of CDBG funding, there were a number of local governments that did not receive any assistance. According to the public comment, there are a number of significant remaining problems that need to be addressed including water control facilities, water supply and waste water facilities, power transmission and backup systems and condemnation activities to remove destroyed structures. It was suggested that not addressing many of these issues will significantly affect the impact of future severe storms on the region.

A few comments were made on the Action Plan's prohibition of using the funds for generators. With regard to generators, the comment explained that local water supply corporations in rural areas, utility districts, and local governments who could not afford generators were without water for days after the storm. It was suggested that other funds are not available for generators.

Comment was also made on the Action Plan's prohibition of using the funds for shelters.

Comment was made questioning if power grid infrastructure was a qualified use of funds.

In cases where it appears a certain use is being prohibited, it was requested that the local elected officials and the citizens should be able to make their own decisions about what the funds might be used for as long as they were eligible uses of CDBG funding.

Staff Response:

Given the limited funding for all activities in the disaster region, the Department believes that the Action Plan's allocation amounts for each activity are appropriate.

With regard to eligible uses, the Department notes that while generators and shelters are not specific ineligible uses under the Federal Register Notice, the intent of the legislation is to cover "necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure in the most impacted and distressed areas related to the consequences of Hurricanes Katrina, Rita, or Wilma." Unless the shelter or generator was damaged by the storm, then it would not seem to meet the "consequences of Hurricane Katrina, Rita, or Wilma" requirement.

The Action Plan already includes "repair of roads and bridges, utilities, water control facilities, water supply facilities, waste water facilities, buildings and equipment..." as eligible activities. While not specifically identified in the plan, power related activities would fall under repair of "utilities." The Action Plan does note that "Requests regarding utility reconstruction are limited to municipally owned entities." The listed allowable activities would include repairing or

replacing damaged generators. Since repair of buildings and equipment is an eligible use, the following revision is suggested for the following section which precludes the repair of existing storm shelters damaged by the storm.

'Ineligible activities include:

- reimbursement of entities for disaster related funding that has been previously expended.
- assistance for storm shelters that were not damaged by Hurricane Rita."

Funding Allocation by ORCA (37, 38, and 42)

A few comments were made on the need for ORCA to allocate the infrastructure assistance that has not been reserved for specific uses through the council of governments as was done through the first round of funding. A reason sited for doing so was that ORCA already coordinates the annual CDBG application review activities to select infrastructure projects that have the most meaning for local areas.

Staff Response:

To clarify how the unreserved infrastructure funds will be allocated the following text is being added to the Action Plan.

"Unreserved Funds from the Restoration of Critical Infrastructure Program

The remaining unreserved funds from the Restoration of Critical Infrastructure Program will be provided in the form of grants in an amount up to \$5 million to help communities address unmet, critical infrastructure needs directly related to damage from Hurricane Rita. In the event that more applications are received than can be served, ORCA will evaluate the requests based on priorities included in a NOFA announcing the availability of these funds."

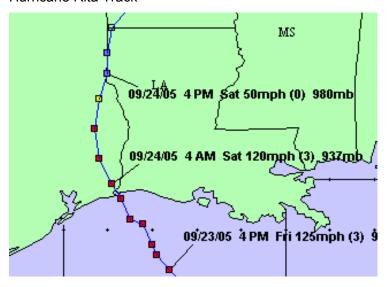
Commenter Information Table

1. Ms. Celia Blanford	Southeast Texas Interfaith Organization
2. Ms. Carlisle	Texas Low Income Housing Information Service
3. Mr. Joe Higgs	Southeast Texas Interfaith Organization
4. Mr. J. Andrew Rice	Public Management
5. Ms. Glenda Jones Harris	Greater Katrina Survivors
6. Ms. Lisa Blakes	New Home Family Worship Center
7. Ms. Candye Anderson	Southeast Texas Regional Planning Commission
8. The Honorable Joe Deshotel	Texas House of Representatives
9. The Honorable Alan Ritter	Texas House of Representatives
10. The Honorable Mike Hamilton	Texas House of Representatives
11. Judge Carl Griffith	Jefferson County Judge
12. Judge Jacque Blanchette	Tyler County Judge
13. Commissioner Everette "Bo" Alfred	Jefferson County Commissioner
14. Mr. John Dubose	Not designated
15. Mr. Martin Nash	Tyler County Commissioner
16. Mr. Adam Saunders	Resident of Sabine Pass
17. Ms. Suzanne Simmons	City of Sour Lake Alderwoman
18. Mark Viator	Recovery Coalition of Southeast Texas
19. Mr. Guy Goodson	Mayor of Beaumont
20. Mr. Sam Garrison	Sabine Pass Resident
21. Ms. Karen Garrison	Sabine Pass Resident
22. Ms. Karen Garnson 22. Ms. Kay Peltier	President of the Sabine Pass Organization for Disaster Relief
23. Ms. Kristi Heid	Principal of Sabine Pass School.
24. Mr. Walter Diggles.	Executive Director of the Deep East Texas Council of Governments
25. Pastor Kitty Shivers Key	Sabine Pass United Methodist Church
26. Pastor Robert Fisher	Pastor of United Methodist Church in Orange
27. Father Sinclair Oubie	St. Paul's Catholic Mission in Port Arthur
28. Mr. Carl Snider	Sabine Pass Resident
29. Ms. Cheryl Snider	Sabine Pass Resident
30. Ms. Helena Saunders	Sabine Pass Resident
31. Mr. Gregorio Flores	Sabine Pass Resident
32. Mr. Harland Merriam	Southeast Texas Interfaith Organization
33. Ms. Angela Baker	Southeast Texas Interfaith Organization Southeast Texas Interfaith Organization
34. Pastor Ernest Hendricks	First Union Baptist Church in Beaumont
35. Mr. Andy Narramore	Nehemiah's Vision
36. Mr. Pastor Neil Lindley	First Christian Church in Port Arthur
37. Mr. Jim Gibson	East Texas Council of Governments
38. Mr. Jim Glosoff	Director of Planning for the City of Orange
39. Mr. Donald Ball	Orange Tri Star
40. Ms. Cheryl Bean	Resident of Kountze
41. Mr. Robert Reyna	Executive Director Of The Beaumont Housing Authority
42. Mr. David Waxms	Planning Consultant
43. Mr. Pete De La Cruz	Director of the Southeast Texas Regional Planning Commission
44. Mr. Barry J. Palmer	Coats, Rose, Yale, Ryman, and Lee
45. Ms. Glenda Eldridge	Sabine Pass Resident
46. Ms. Lou Teller	Sabine Pass Resident
47. Mr. Fred Forsythe	Sabine Pass Resident Sabine Pass Resident
48. Mr. Dale Watson	Director of Planning, City of Port Arthur
49. Mr. J.F. Domino	President of Entergy
	Southeast Texas Emergency Relief Fund
50. Ms. Regina Rogers	Southeast Texas Efficigency Renet Fund

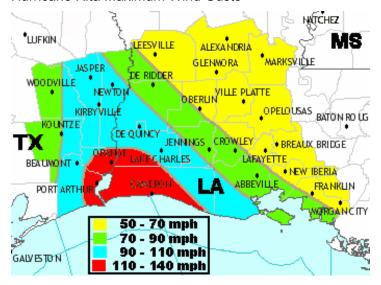
APPENDIX C. HURRICANE RITA TRACK, STORM SURGE, AND MAXIMUM WIND GUSTS

Source: All maps are from the National Weather Service Forecast Office, Lake Charles, LA website visited on 11/14/2006. http://www.srh.weather.gov/lch/rita/rita_main.php

Hurricane Rita Track



Hurricane Rita Maximum Wind Gusts



Hurricane Rita Storm Surge



<u>APPENDIX D. MAP OF CENSUS TRACT 4824501160 WHICH INCLUDES</u> SABINE PASS

Source: US Census website visited 11/16/2006. http://factfinder.census.gov



APPENDIX E. HUD REQUIRED CERTIFICATIONS FOR STATE GOVERNMENTS, WAIVER AND ALTERNATIVE REQUIREMENT

In accordance with applicable statutes, regulations, and notices the State of Texas makes the following certifications:

- The state certifies that it will affirmatively further fair housing, which means that it will conduct an analysis to
 identify impediments to fair housing choice within the state, take appropriate actions to overcome the effects of any
 impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.
 (See 24 CFR 570.487(b)(2)(ii).)
- 2. The state certifies that it has in effect and is following a residential anti- displacement and relocation assistance plan in connection with any activity assisted with funding under the CDBG program.
- 3. The state certifies its compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms, if required by that part.
- 4. The state certifies that the Action Plan for Disaster Recovery is authorized under state law and that the state, and any entity or entities designated by the State, possesses the legal authority to carry out the program for which it is seeking funding, in accordance with applicable HUD regulations and this Notice.
- 5. The state certifies that it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR Part 24, except where waivers or alternative requirements are provided for this grant.
- 6. The state certifies that it will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR Part 135.
- 7. The state certifies that it is following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.115 (except as provided for in notices providing waivers and alternative requirements for this grant), and that each unit of general local government that is receiving assistance from the state is following a detailed citizen participation plan that satisfies the requirements of 24 CFR 570.486 (except as provided for in notices providing waivers and alternative requirements for this grant).
- 8. The state certifies that it has consulted with affected units of local government in counties designated in covered major disaster declarations in the nonentitlement, entitlement and tribal areas of the state in determining the method of distribution of funding;
- 9. The state certifies that it is complying with each of the following criteria:
 - a. Funds will be used solely for necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure in the most impacted and distressed areas related to the consequences of Hurricane Rita in communities included in Presidential disaster declarations.
 - b. With respect to activities expected to be assisted with CDBG disaster recovery funds, the action plan has been developed so as to give the maximum feasible priority to activities that will benefit low- and moderate-income families.

- c. The aggregate use of CDBG disaster recovery funds shall principally benefit low- and moderate-income families in a manner that ensures that at least 50 percent of the amount is expended for activities that benefit such persons during the designated period.
- d. The state will not attempt to recover any capital costs of public improvements assisted with CDBG disaster recovery grant funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless
 - disaster recovery grant funds are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than under this title; or
 - ii) for purposes of assessing any amount against properties owned and occupied by persons of moderate income, the grantee certifies to the Secretary that it lacks sufficient CDBG funds (in any form) to comply with the requirements of clause (A).
- 10. The state certifies that the grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601–3619) and implementing regulations.
- 11. The state certifies that it has and that it will require units of general local government that receive grant funds to certify that they have adopted and are enforcing:
 - a. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
 - b. A policy of enforcing applicable state and local laws against physically barring entrance to or exit from a facility or location that is the subject of such non-violent civil rights demonstrations within its jurisdiction.
- 12. The state certifies that each state grant recipient or administering entity has the capacity to carry out disaster recovery activities in a timely manner, or the state has a plan to increase the capacity of any state grant recipient or administering entity who lacks such capacity.
- 13. The state certifies that it will not use CDBG disaster recovery funds for any activity in an area delineated as a special flood hazard area in FEMA's most current flood advisory maps unless it also ensures that the action is designed or modified to minimize harm to or within the floodplain in accordance with Executive Order 11988 and 24 CFR Part 55.
- Signed by:

 Michael Gerber

 Date

14. The state certifies that it will comply with applicable laws.

Executive Director, Texas Department of Housing and Community Affairs

PORTFOLIO MANAGEMENT AND COMPLIANCE DIVISION

BOARD ACTION REQUEST February 1, 2007

Action Item

Presentation, discussion and possible approval of requests for amendments to Program Year 2005 and 2006 HOME Investment Partnerships Program (HOME) Owner Occupied (OCC) contracts to increase the maximum amount of assistance per home by 9.09%, but no more than \$5,000 per home.

Requested Action

Approve or deny the request for increase in the amount of assistance allowed per home for HOME OCC and Disaster Relief contracts including increase in administration amount.

Background

The Texas Department of Housing and Community Affairs (Department) has received significant public comment, that like the tax credit properties who were previously granted an increase, the HOME contracts that were awarded in the 2005 and 2006 cycle are being impacted by the increased costs related to building materials and supplies and availability of builders due to Hurricanes Rita and Katrina. In the HOME OCC program, contracts are typically for nine (9) homes in 2005 and for five (5) homes in 2006 to be constructed at a maximum cost of \$55,000 each. There are HOME Administrators who are performing only rehabilitations of existing homes, but the majority are tear down and reconstruct type activities as is allowed under the HOME Program.

Staff is recommending that the value of each contract be increased by 9.09% or \$5,000 per home, whichever is less. This would allow an increase of approximately \$26,000 per contract. Without this increase, there is concern that the size of the product being built will be directly impacted or produce a lower quality product. Staff has examined the cost of this program and it would require an additional \$3,096,453 in program costs and an additional \$123,858 in administrative expense for a total of \$3,220,311 for both years. De-obligated HOME funds are available to cover the cost of these increases.

By approval of this increase, the Board would be waiving the current HOME rules that limit the amount of any OCC related contract to \$275,000. It would also provide the direction to approve expenditures per home over the current \$55,000. No other changes would be made to the existing contracts.

If approved, staff would amend the current contracts to reflect the new totals but would not extend or delay any of the contracts. These funds would only apply to HOME OCC funds already awarded and not completed. Each Administrator would have the option to accept or decline the additional funds by not executing the amendment. Attached is a chart that demonstrates the impact per contract.

Recommendation

Staff recommends approval of waiver to the necessary HOME rules to approve costs not exceeding \$60,000 per home by allowing an increase in the 2005 and 2006 HOME contracts of 9.09%, but no more than \$5,000 per home, in accordance with Exhibit A as related to HOME OCC and Disaster relief.

Exhibit A TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

2005 AND 2006 HOME OCC CONTRACTS

Administrator	Setaside	# of Units	Contract Number	Begin Date	End Date	Project Budget	Drawn to	Initial Budget Per Unit	Proposed Increase Per Unit	Total Proposed Budget Per Unit	Total Proposed Project Amount	Total Proposed Project Increase
Amherst	None	9	1000550	10/3/2005	9/28/2007	\$495,000.00	\$0.00	\$55,000.00	\$5,000.00	\$60,000.00	\$540,000.00	\$45,000.00
Asherton	None	9	1000468	10/3/2005	9/28/2007	495,000.00	0.00	55,000.00	5,000.00	60,000.00	540,000.00	45,000.00
Bandera	None	9	1000456	10/3/2005	9/28/2007	495,000.00	0.00	55.000.00	5,000.00	60.000.00	540,000.00	45,000.00
Bee Community Action Agency	None	5	1000558	10/17/2005	9/28/2007	275,000.00	0.00	55,000.00	5,000.00	60,000.00	300,000.00	25,000.00
Bellmead	None	5	1000502	10/3/2005	9/28/2007	245,304.00	0.00	49,060.80	4,460.07	53,520.87	267,604.36	22,300.36
Bellmead	None	5	1000687	11/1/2006	4/30/2008	275,000.00	0.00	55,000.00	5,000.00	60,000.00	300,000.00	25,000.00
Bells	None	9	1000526	10/3/2005	9/28/2007	495,000.00	0.00	55,000.00	5,000.00	60,000.00	540,000.00	45,000.00
Belton	None	5	1000725	11/1/2006	4/30/2008	275,000.00	0.00	55,000.00	5,000.00	60,000.00	300,000.00	25,000.00
Berryville	None	9	1000520	10/3/2005	9/28/2007	495,000.00	0.00	55,000.00	5,000.00	60,000.00	540,000.00	45,000.00
Bogata	None	2	1000548	10/3/2005	9/28/2007	90,377.00	0.00	45,188.50	4,108.05	49,296.55	98,593.09	8,216.09
Bronte	None	9	1000522	10/3/2005	9/28/2007	495,000.00	0.00	55,000.00	5,000.00	60,000.00	540,000.00	45,000.00
Carrizo Springs	None	9	1000470	10/3/2005	9/28/2007	495,000.00	0.00	55,000.00	5,000.00	60,000.00	540,000.00	45,000.00
Center	None	5	1000547	10/3/2005	9/28/2007	234,247.00	0.00	46,849.40	4,259.04	51,108.44	255,542.18	21,295.18
Community Development Corporation of Brownsville	None	10	1000540	10/3/2005	9/28/2007	500,000.00	0.00	50,000.00	4,545.45	54,545.45	545,454.55	45,454.55
Corsicana	None	4	1000545	10/3/2005	9/28/2007	200,000.00	0.00	50,000.00	4,545.45	54,545.45	218,181.82	18,181.82
Crystal City Housing Authority	None	9	1000479	10/3/2005	9/28/2007	495,000.00	0.00	55,000.00	5,000.00	60,000.00	540,000.00	45,000.00
Daingerfield	None	3	1000485	10/3/2005	9/28/2007	124,269.00	0.00	41,423.00	3,765.73	45,188.73	135,566.18	11,297.18
Dekalb	None	4	1000493	10/3/2005	9/28/2007	223,683.00	0.00	55,920.75	5,000.00	60,000.00	240,000.00	16,317.00
Dell City	None	3	1000523	10/3/2005	9/28/2007	121,180.00	0.00	40,393.33	3,672.12	44,065.45	132,196.36	11,016.36
Denver City	None	3	1000503	10/3/2005	9/28/2007	172,286.00	0.00	57,428.67	5,000.00	60,000.00	180,000.00	7,714.00
Driscoll	None	5	1000734	11/1/2006	4/30/2008	275,000.00	0.00	55,000.00	5,000.00	60,000.00	300,000.00	25,000.00
Duval County	Disaster Relief	18	1000641	6/1/2006	5/30/2008	500,000.00	0.00	27,777.78	2,525.25	30,303.03	545,454.55	45,454.54
Eagle Lake	None	5	1000714	11/1/2006	4/30/2008	275,000.00	0.00	55,000.00	5,000.00	60,000.00	300,000.00	25,000.00
EBENZ, Inc.	None	5	1000488	10/3/2005	9/28/2007	239,302.07	24,526.07	47,860.41	4,350.95	52,211.36	261,056.80	21,754.73
Edinburg	None	8	1000689	11/1/2006	4/30/2008	275,000.00	0.00	34,375.00	3,125.00	37,500.00	300,000.00	25,000.00
El Campo	Disaster Relief	9	1000554	10/3/2005	9/28/2007	500,000.00	0.00	55,555.56	5,000.00	60,000.00	540,000.00	40,000.00
El Cenizo	None	9	1000467	10/3/2005	9/28/2007	495,000.00	0.00	55,000.00	5,000.00	60,000.00	540,000.00	45,000.00
Encinal	None	9	1000472	10/3/2005	9/28/2007	495,000.00	0.00	55,000.00	5,000.00	60,000.00	540,000.00	45,000.00
Eustace	None	4	1000454	10/3/2005	9/28/2007	223,683.00	0.00	55,920.75	5,000.00	60,000.00	240,000.00	16,317.00
Garrison	None	9	1000461	10/3/2005	9/28/2007	495,000.00	0.00	55,000.00	5,000.00	60,000.00	540,000.00	45,000.00
George West	None	5	1000736	11/1/2006	4/30/2008	275,000.00	0.00	55,000.00	5,000.00	60,000.00	300,000.00	25,000.00
Groesbeck	None	9	1000516	10/3/2005	9/28/2007	500,000.00	0.00	55,555.56	5,000.00	60,000.00	540,000.00	40,000.00
Hale Center	None	4	1000663	11/1/2006	4/30/2008	243,600.00	0.00	60,900.00	5,000.00	60,000.00	240,000.00	0.00
Hardin County	Disaster Relief	5	1000552	10/3/2005	9/28/2007	303,500.00	0.00	60,700.00	5,000.00	60,000.00	300,000.00	0.00
Haskell County	Disaster Relief	9	1000407	8/1/2005	7/31/2007	500,000.00	0.00	55,555.56	5,000.00	60,000.00	540,000.00	40,000.00
Henrietta	None	5	1000694	11/1/2006	4/30/2008	275,000.00	0.00	55,000.00	5,000.00	60,000.00	300,000.00	25,000.00
Hitchcock	None	9	1000455	10/3/2005	9/28/2007	495,000.00	0.00	55,000.00	5,000.00	60,000.00	540,000.00	45,000.00
Hudspeth County	None	3	1000524	10/3/2005	9/28/2007	121,180.00	0.00	40,393.33	3,672.12	44,065.45	132,196.36	11,016.36
Huntington	None	5	1000704	11/1/2006	4/30/2008	275,000.00	0.00	55,000.00	5,000.00	60,000.00	300,000.00	25,000.00

Exhibit A TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

2005 AND 2006 HOME OCC CONTRACTS

Administrator	Setaside	# of Units	Contract Number	Begin Date	End Date	Project Budget	Drawn to Date	Initial Budget Per Unit	Proposed Increase Per Unit	Total Proposed Budget Per Unit	Total Proposed Project Amount	Total Proposed Project Increase
Ingleside	None	5	1000459	10/3/2005	9/28/2007	275,000.00	0.00	55,000.00	5,000.00	60,000.00	300,000.00	25,000.00
Institute of Rural Development, Inc.	None	9	1000525	10/3/2005	9/28/2007	495,000.00	0.00	55,000.00	5,000.00	60,000.00	540,000.00	45,000.00
Iowa Park	Disaster Relief	9	1000410	8/1/2005	7/31/2007	500,000.00	0.00	55,555.56	5,000.00	60,000.00	540,000.00	40,000.00
Jim Wells County	Disaster Relief	9	1000640	6/1/2006	5/30/2008	500,000.00	0.00	55,555.56	5,000.00	60,000.00	540,000.00	40,000.00
Joaquin	None	5	1000675	11/1/2006	4/30/2008	275,000.00	0.00	55,000.00	5,000.00	60,000.00	300,000.00	25,000.00
Kemp	None	9	1000509	10/3/2005	9/28/2007	495,000.00	0.00	55,000.00	5,000.00	60,000.00	540,000.00	45,000.00
Kendall County	None	2	1000460	10/3/2005	9/28/2007	95,403.00	0.00	47,701.50	4,336.50	52,038.00	104,076.00	8,673.00
La Grange	None	5	1000716	11/1/2006	4/30/2008	275,000.00	0.00	55,000.00	5,000.00	60,000.00	300,000.00	25,000.00
La Salle County	None	2	1000476	10/3/2005	9/28/2007	66,884.00	0.00	33,442.00	3,040.18	36,482.18	72,964.36	6,080.36
Lacy Lakeview	None	4	1000686	11/1/2006	4/30/2008	220,000.00	0.00	55,000.00	5,000.00	60,000.00	240,000.00	20,000.00
Laredo-Webb Neighborhood Housing	None	9	1000543	10/3/2005	9/28/2007	495,000.00	0.00	55,000.00	5,000.00	60,000.00	540,000.00	45,000.00
Lockhart	None	5	1000683	11/1/2006	4/30/2008	275,000.00	0.00	55,000.00	5,000.00	60,000.00	300,000.00	25,000.00
Lone Oak	None	9	1000507	10/3/2005	9/28/2007	495,000.00	0.00	55,000.00	5,000.00	60,000.00	540,000.00	45,000.00
Luling	None	5	1000682	11/1/2006	4/30/2008	275,000.00	0.00	55,000.00	5,000.00	60,000.00	300,000.00	25,000.00
Malakoff	None	9	1000508	10/3/2005	9/28/2007	495,000.00	0.00	55,000.00	5,000.00	60,000.00	540,000.00	45,000.00
Marble Falls	None	8	1000465	10/3/2005	9/28/2007	424,616.00	0.00	53,077.00	4,825.18	57,902.18	463,217.45	38,601.45
McCamey	None	3	1000511	10/3/2005	9/28/2007	143,485.00	0.00	47,828.33	4,348.03	52,176.36	156,529.09	13,044.09
McKinney	None	10	1000491	10/3/2005	9/28/2007	500,000.00	0.00	50,000.00	4,545.45	54,545.45	545,454.55	45,454.55
Midland	None	5	1000450	10/3/2005	9/28/2007	150,000.00	0.00	30,000.00	2,727.27	32,727.27	163,636.36	13,636.36
Miles	None	9	1000458	10/3/2005	9/28/2007	495,000.00	0.00	55,000.00	5,000.00	60,000.00	540,000.00	45,000.00
Montgomery	None	9	1000531	10/3/2005	9/28/2007	500,000.00	0.00	55,555.56	5,000.00	60,000.00	540,000.00	40,000.00
Nash	None	8	1000486	10/3/2005	9/28/2007	437,463.00	0.00	54,682.88	4,971.17	59,654.05	477,232.36	39,769.36
Nash	None	5	1000665	11/1/2006	4/30/2008	275,000.00	0.00	55,000.00	5,000.00	60,000.00	300,000.00	25,000.00
New Braunfels	None	16	1000483	10/3/2005	9/28/2007	317,909.00	44,240.00	19,869.31	1,806.30	21,675.61	346,809.82	28,900.82
Newton County	Disaster Relief	13	1000551	10/3/2005	9/28/2007	479,000.00	0.00	36,846.15	3,349.65	40,195.80	522,545.45	43,545.45
Nome	None	9	1000528	10/3/2005	9/28/2007	495,000.00	0.00	55,000.00	5,000.00	60,000.00	540,000.00	45,000.00
Odem	None	9	1000462	10/3/2005	9/28/2007	495,000.00	0.00	55,000.00	5,000.00	60,000.00	540,000.00	45,000.00
Onalaska	None	5	1000677	11/1/2006	4/30/2008	275,000.00	0.00	55,000.00	5,000.00	60,000.00	300,000.00	25,000.00
Orange Grove	None	5	1000731	11/1/2006	4/30/2008	275,000.00	0.00	55,000.00	5,000.00	60,000.00	300,000.00	25,000.00
Plains	None	3	1000457	10/3/2005	9/28/2007	170,564.00	0.00	56,854.67	5,000.00	60,000.00	180,000.00	9,436.00
Pleasant Valley	Disaster Relief	9	1000408	8/1/2005	7/31/2007	500,000.00	0.00	55,555.56	5,000.00	60,000.00	540,000.00	40,000.00
Primera	None	21	1000559	10/17/2005	9/28/2007	221,364.00	0.00	10,541.14	958.29	11,499.43	241,488.00	20,124.00
Princeton	None	9	1000521	10/3/2005	9/28/2007	495,000.00	0.00	55,000.00	5,000.00	60,000.00	540,000.00	45,000.00
Rising Star	None	9	1000463	10/3/2005	9/28/2007	495,000.00	0.00	55,000.00	5,000.00	60,000.00	540,000.00	45,000.00
ROCKWALL HOUSING DEVELOPMENT CORP	None	2	1000664	8/31/2006	4/30/2008	110,000.00	0.00	55,000.00	5,000.00	60,000.00	120,000.00	10,000.00
Roma	None	2	1000477	10/3/2005	9/28/2007	66,884.00	0.00	33,442.00	3,040.18	36,482.18	72,964.36	6,080.36
San Benito	None	16	1000542	10/3/2005	9/28/2007	500,000.00	0.00	31,250.00	2,840.91	34,090.91	545,454.55	45,454.55
San Marcos	None	8	1000497	10/3/2005	9/28/2007	404,712.00	0.00	50,589.00	4,599.00	55,188.00	441,504.00	36,792.00
San Patricio County	None	5	1000732	11/1/2006	4/30/2008	275,000.00	0.00	55,000.00	5,000.00	60,000.00	300,000.00	25,000.00

Exhibit A TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

2005 AND 2006 HOME OCC CONTRACTS

Administrator	Setaside	# of Units	Contract Number	Begin Date	End Date	Project Budget	Drawn to Date	Initial Budget Per Unit	Proposed Increase Per Unit	Total Proposed Budget Per Unit	Total Proposed Project Amount	Total Proposed Project Increase
San Saba County	Disaster Relief	9	1000409	8/1/2005	7/31/2007	500,000.00	0.00	55,555.56	5,000.00	60,000.00	540,000.00	40,000.00
Santa Fe	None	5	1000710	11/1/2006	4/30/2008	275,000.00	0.00	55,000.00	5,000.00	60,000.00	300,000.00	25,000.00
Seymour	Disaster Relief	9	1000411	8/1/2005	7/31/2007	500,000.00	0.00	55,555.56	5,000.00	60,000.00	540,000.00	40,000.00
Smithville	None	5	1000720	11/1/2006	4/30/2008	275,000.00	0.00	55,000.00	5,000.00	60,000.00	300,000.00	25,000.00
Socorro	None	3	1000484	10/3/2005	9/28/2007	132,811.00	0.00	44,270.33	4,024.58	48,294.91	144,884.73	12,073.73
Splendora	None	9	1000501	10/3/2005	9/28/2007	500,000.00	0.00	55,555.56	5,000.00	60,000.00	540,000.00	40,000.00
Stamford	None	2	1000512	10/3/2005	9/28/2007	71,343.00	0.00	35,671.50	3,242.86	38,914.36	77,828.73	6,485.73
Stanton	None	5	1000739	11/1/2006	4/30/2008	275,000.00	0.00	55,000.00	5,000.00	60,000.00	300,000.00	25,000.00
Taft	None	9	1000504	10/3/2005	9/28/2007	495,000.00	0.00	55,000.00	5,000.00	60,000.00	540,000.00	45,000.00
TENAHA	None	5	1000673	11/1/2006	4/30/2008	275,000.00	0.00	55,000.00	5,000.00	60,000.00	300,000.00	25,000.00
Texarkana	None	5	1000668	11/1/2006	4/30/2008	275,000.00	0.00	55,000.00	5,000.00	60,000.00	300,000.00	25,000.00
Trinity	None	5	1000703	11/1/2006	4/30/2008	275,000.00	0.00	55,000.00	5,000.00	60,000.00	300,000.00	25,000.00
Turkey	None	9	1000505	10/3/2005	9/28/2007	495,000.00	0.00	55,000.00	5,000.00	60,000.00	540,000.00	45,000.00
Van	None	9	1000466	10/3/2005	9/28/2007	495,000.00	0.00	55,000.00	5,000.00	60,000.00	540,000.00	45,000.00
WALKER COUNTY	None	5	1000678	11/1/2006	4/30/2008	275,000.00	0.00	55,000.00	5,000.00	60,000.00	300,000.00	25,000.00
Wallis	None	5	1000706	11/1/2006	4/30/2008	275,000.00	0.00	55,000.00	5,000.00	60,000.00	300,000.00	25,000.00
Webb County	None	2	1000494	10/3/2005	9/28/2007	67,559.00	0.00	33,779.50	3,070.86	36,850.36	73,700.73	6,141.73
Wharton	Disaster Relief	9	1000553	10/3/2005	9/28/2007	495,000.00	0.00	55,000.00	5,000.00	60,000.00	540,000.00	45,000.00
Wharton County	None	7	1000506	10/3/2005	9/28/2007	392,433.00	0.00	56,061.86	5,000.00	60,000.00	420,000.00	27,567.00
Wharton County	Disaster Relief	9	1000492	10/3/2005	9/28/2007	500,000.00	0.00	55,555.56	5,000.00	60,000.00	540,000.00	40,000.00
Whitney	None	5	1000515	10/3/2005	9/25/2007	266,675.00	0.00	53,335.00	4,848.64	58,183.64	290,918.18	24,243.18
Wickett	None	9	1000469	10/3/2005	9/28/2007	495,000.00	0.00	55,000.00	5,000.00	60,000.00	540,000.00	45,000.00
Willis	None	7	1000500	10/3/2005	9/28/2007	396,397.00	0.00	56,628.14	5,000.00	60,000.00	420,000.00	23,603.00
Winnsboro	None	4	1000544	10/3/2005	9/28/2007	223,683.00	0.00	55,920.75	5,000.00	60,000.00	240,000.00	16,317.00
Yoakum	None	7	1000464	10/3/2005	9/28/2007	364,039.00	0.00	52,005.57	4,727.78	56,733.35	397,133.45	33,094.45
	Total # of Units	713				\$35,780,835.07	\$68,766.07	\$5,289,099.48	\$478,332.07	\$5,739,984.85	\$38,870,188.41	\$3,096,453.34
									Adr	ministration (4%)		\$123,858.13
						-		·				\$3,220,311.48

PORTFOLIO MANAGEMENT AND COMPLIANCE DIVISION

BOARD ACTION REQUEST February 1, 2007

Action Item

Presentation, discussion and possible approval of 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) state 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.

Department policy requires that the commitment rate and expenditure rate of each contract be analyzed when processing extension requests. Extension requests will only be considered by the Department to complete activities that are in process and that have been committed in the TDHCA Contract System. Commitment is defined as contract funds that have been pledged to an eligible household. These funds must be entered electronically into the TDHCA Contract System by the Administrator, and the funds must be approved electronically by the Department in the TDHCA Contract System. Before commitments are entered in the TDHCA Contract System all household and budget information must be verified by the Administrator. Documentation must be submitted to the Department to substantiate the commitment of funds.

<u>Jefferson County Contract Number 1000596</u>

Summary of Request

Jefferson County (County) is requesting a waiver of the \$55,000 cap per unit and a reduction in the number of assisted households from thirty-six (36) to thirty-two (32), or a reduction of eleven (11%) percent of the households served. However, the County is lowering the funds requested by only \$250. The County is also requesting a six (6) month extension in order to complete construction.

The County states that as a result of Hurricanes Katrina and Rita, the cost of construction in this area has risen dramatically. The low bid received for each house is over \$50,000. When the costs of demolition, disposal, elevation and soft costs are added in, the total cost for each home exceeds \$60,000 (see County's request letter for details on the thirty-two (32) homes).

The Department has acknowledged some increases and in a separate agenda item has requested an increase and additional funding for HOME related awards. The proposed increases on these projects exceed the increase suggested by staff in the new policy.

				Percent
	Original	Requested	Change	Change
Households	36	32	(4)	11.0%
Budget	\$2,080,000	\$2,079,750	(\$250)	0.0%

The County has not yet committed the funds; however, because the original contract term was only twelve (12) months, the County requests a contract extension prior to the commitment of the funds.

Amendment Number: 1

Activity Type: Owner Occupied Assistance (OCC) Contract (Reconstruction)

Contract Executor: Judge Carl Griffith Consultant: GrantWorks, Inc. April 17, 2006 Contract Start Date: Contract End Date: April 17, 2007 Requested End Date: October 31, 2007 Service Area: Jefferson County Total Budget Amount: \$2,080,000 Project Amount: \$2,000,000 Administration Amount: \$80,000 **Amount Committed:** \$0 Amount Drawn: \$0 Households Required: 36

0

Requested Action

Households Committed:

Staff recommends approval of the reduction in number of households served and the six month extension. Staff does not recommend approval of the waiver to exceed the \$55,000 cap, unless approved by the Board as a part of an overall policy, but not to exceed the amount recommended in the Board policy.

The amount of soft costs and administrative costs currently budgeted for the County's consultant is \$214,260 and \$79,990 respectively, for a total of \$294,250. To bring the houses in line, with cost limits the County should consider a reevaluation of the total costs of the houses before proceeding, including lowering soft costs or administrative fees.

				Percent
	Original	Recommended	Change	Change
Households	36	32	(4)	11.0%
Budget	\$2,080,000	\$1,996,800	(\$83,200)	4.0%

The amendment, as recommended by staff, would reduce the required beneficiaries from thirty-six (36) to thirty-two (32), would reduce the contract amount to \$1,996,800, resulting in deobligated funds of \$83,200, and would extend the contract date for six (6) months from April 17, 2007 to October 31, 2007 to ensure sufficient time to complete construction.

The approval of this amendment would require the County to meet the following requirements:

- Inclusion of language in any subcontract that provides the Department the ability to directly review, monitor, and/or audit the operational and financial performance and/or records of work performed under this contract.
- Inclusion of language in any subcontract that failure of subcontractor/consultant to adequately perform under this contract may result in penalties up to and including Debarment from performing additional work for the Department.
- Authority of the Department to directly review, monitor, and/or audit the operational and financial performance and/or records of work performed under this Contract.
- Submission of a Monthly Contract Progress Report in a form prescribed by the Department.



Carl R. Griffith, Jr. County Judge

Gefferson County Counthouse D. O. Boz 4025 Beaumoni, Tezas 77704

Beaumoni 409-835-8466 Dl. Arthur 409-727-2191, ext. 8466 Fassimile 409-839-2311

December 21, 2006

Mr. Mike Gerber TDHCA Executive Director 221 East 11th Street Austin, Texas 78701-2410

Re: Jefferson County HOME Contract#1000596

Dear Mr. Gerber:

We recently solicited and received bids from multiple contractors for the homes to be assisted in Jefferson County using HOME Disaster Relief funds. As a result of Hurricanes Katrina and Rita the cost of construction in this area has risen dramatically. The low bidder for each house is over the \$55,000 cap (please review the attached spreadsheet for a breakdown). Therefore, we respectfully request that the agency waive the \$55,000 cap so that we can assist these households devastated by Hurricane Rita.

Additionally, we are requesting a contract amendment reducing the number of units to thirty-two (32), as well as a six month extension to complete this contract. While we do not anticipate construction going past the contract expiration date of April 17, 2007, we are entering a rainy season, and an extension will be necessary if we encounter any weather delays.

Construction contracts cannot be executed until the agency has granted the per-unit increase and the reduction in units. Therefore, it is imperative that this request be expedited.

Judge Carl Griffith Jefferson County

Since

Jefferson Cty #1000596

Address	City	Base Bid	<hardi></hardi>	Elevate	Demo	l ou Ston	Diamond						
1 1797 Cartwright	Beaumont	\$ 50,600.00			\$ 3.000.00	Low Step		_	Sub Total		Soft Cost		Total
2 4255 Ironton Ave	Beaumont	\$ 50,600.00	\$ (2,000.00)		\$ 3,000.00		\$3,000.00		54,600.00		6,552.00		61,152.00
3 6191 Fannett Rd	Beaumont	\$ 50,600.00	\$ (2,000.00)	,	\$ 3,000.00		\$ 3,000.00		54,600.00	-	6,552.00	-	61,152.00
4 1772 Grand	Beaumont	\$ 50,600.00	\$ (2,000.00)	, -	\$ 3,000.00		\$ 3,000.00		54,600.00	-	6,552.00	\$	61,152.00
5 3195 Elinor St	Beaumont	\$ 50,600.00	\$ (2,000.00)		\$ 3,000.00				55,600.00		6,672.00	\$	62,272.00
6 1384 Euclid	Beaumont	\$ 50,600.00	\$ (2,000.00)		\$ 3,000.00		\$ 3,000.00	\$	54,600.00	\$	6,552.00	\$	61,152.00
7 1555 Louisiana	Beaumont	\$ 50,600.00	\$ (2,000.00)		\$ 3,000.00		\$3,000.00	\$	54,600.00	\$	6,552.00	\$	61,152.00
8 927 Waco	Port Arthur	\$ 50,350.00	\$ (2,000.00)		\$ 3,000.00		\$3,000.00	\$	54,600.00	\$	6,552.00		61,152.00
9 523 S 35th St	Nederland	\$50,350.00	\$ (2,000.00)		\$ 3,000.00		\$ 3,500.00	\$	54,850.00	\$	6,582.00	\$	61,432.00
10 1701 E 19th St	Port Arthur	\$ 50,350.00	\$ (2,000.00)		\$ 3,000.00			\$	54,850.00	\$	•	\$	61,432.00
11 3541 27th St	Port Arthur	\$ 50,350.00	\$ (2,000.00)		\$ 3,000.00	\$ 700.00		\$	54,850.00	\$	6,582.00	\$	61,432.00
12 2440 Neches Ave	Port Arthur	\$ 50,350.00	\$ (2,000.00)		\$ 3,000.00	\$ 700.00	\$3,500.00	\$	55,550.00	\$	6,666.00	\$	62,216.00
13 447 Drummond St	Port Arthur	\$ 50,350.00	\$ (2,000.00)				\$ 3,500.00	\$	54,850.00	\$	6,582.00		61,432.00
14 2148 Thomas Blvd	Port Arthur	\$ 50,350.00	\$ (2,000.00)		\$ 3,000.00	\$ 700.00	,	\$	58,350.00	\$	7,002.00	-	65,352.00
15 934 Russelli Ave	Port Arthur	\$ 50,350.00	\$ (2,000.00)		\$ 3,000.00	\$ 700.00	\$ 3,500.00	\$	55,550.00	\$	6,666.00		62,216.00
16 5213 10th St	Port Arthur	\$ 50,350,00	\$ (2,000.00)		\$ 3,000.00		\$3,500.00	\$	54,850.00	\$	6,582.00	\$	61,432.00
17 519 San Jacinto	Port Arthur	\$50,350.00	\$ (2,000.00)			\$ 700.00		\$	54,850.00	\$		\$	61,432.00
18 5334 S 6th	Sabine Pass	\$51,600.00	\$ (2,000.00)			\$ 700.00	\$3,500.00	\$	58,050.00	\$		\$	65,016. 00
19 511 treemont	Sabine Pass	\$51,600.00	\$ (2,000.00)				\$ -	\$	62,100.00	\$		\$	69,552.00
20 3280 Westomore	Beaumont	\$ 50,600,00	\$ (2,000.00)	\$ 12,000.00	\$ 3,000.00		\$4,000.00	\$	69,100.00	\$		\$	77,392.00
21 2048 thomas	Port Arthur	\$ 50,600.00	\$ (2,000.00)		\$ 3,000.00	\$1,000.00	\$3,000.00	\$	54,600.00	\$		\$	61,152.00
22 3865 irving	Beaumont	\$ 50,600.00	\$ (2,000.00)		\$ 3,000.00	φ 1,000.00		\$	55,600.00	\$		\$	62,272.00
23 2795 Pine	Beaumont	\$ 50,600.00	\$ (2,000.00)		\$ 3,000.00	\$ 1,000.00		\$	54,600.00	\$		\$	61,152.00
24 10525 Vinson	Beaumont	\$ 50,600.00	\$ (2,000.00)		\$ 3,000.00	\$ 1,000.00		\$	55,600.00	\$,	\$	62,272.00
25 530 Shamrock	Beaumont	\$ 50,600.00	\$ (2,000.00)		\$ 3,000.00	\$ 1,000.00		\$	54,600.00	\$		\$	61,152.00
26 1141 James	Port Arthur	\$ 50,350.00	\$ (2,000.00)		\$ 3,000.00	φ 1,000.00		\$		\$		\$	62,272.00
27 549 E 12th	Port Arthur	\$50,350,00	\$ (2,000.00)		\$ 3,000.00	\$ 700.00		\$		\$		\$	61,432.00
28 3144 E 8th	Port Arthur		\$ (2,000.00)		\$ 3,000.00	Ψ /00,00		\$				\$	62,216.00
29 2980 Roberts	Beaumont		\$(2,000.00)		\$ 3,000.00			\$	-		,	\$	61,432.00
30 4090 Howard	Beaumont		\$ (2,000.00)		\$ 3,000.00			\$				\$	61,152.00
31 2949 9th	Port Arthur		\$ (2,000.00)		\$ 3,000.00			\$				\$	61,152.00
32 4839 13th	Port Arthur		\$ (2,000.00)		\$ 3,000.00	•		\$	-			\$	61,432.00
			+ (=,000.00)		\$ 5,000.00	Ψ -	\$3,000.00	\$	54,600.00	\$	6,552.00	\$	61.152.00

\$ 1,785,500.00 \$ 214,260.00 \$ 1,999,760.00

(240.00)

Real Estate Analysis Division

BOARD ACTION ITEM February 1, 2007

Action Item

Presentation, discussion and possible action on a timely filed appeal regarding the termination of a development under the HOME/HTC/Tax Exempt Bond program, development Ennis Senior Estates in Ennis, TX.

Requested Action

Approve, deny or approve with amendments a determination on the appeal.

Background

060612 Ennis Senior Estates

Life Rebuilders, Inc., the General Partner of the Applicant, submitted an application for funding under the 2006 Private Activity Bond/Tax Credit and HOME programs to develop 164 units targeting elderly. The Applicant had requested a fully repayable HOME loan in the amount of \$1,900,000. The development was evaluated and underwritten but not recommended for funding (and subsequently terminated) due to the lack of financial feasibility without a 100% forgivable HOME loan or grant. The Executive Director for Life Rebuilders, Inc., Barry Halla, submitted an appeal on December 14, 2006 requesting that the Department reconsider the termination of their application for funds. The Applicant claims in the appeal that the underwriter applied a lower net achievable rent standard for the two bedroom units and a higher expense standard than should have been applied. The appeal further indicates that even if the lower rent and higher expenses are used, alternative financing structures exist to qualify the HOME award as a repayable loan.

The Executive Director denied the appeal and found that the rents used were based on a thorough evaluation of the comparables in the market and the underwriter's expense conclusions were similarly developed in accordance with the Department's rules using information provided by the applicant and the comparable properties in the area. The Applicant's proposal to make the HOME loan fully repayable requires interest only payments for the first ten years and then an amortization over the next 25 years. This places a heightened reliance on the proforma projections for purposes other than they are intended. Moreover, the repayment structure may be inconsistent with the expectations in the financing commitments for the lender and syndicator in that they anticipate the HOME loan to be paid out of cash flow if available. The underwriting proforma projections reflect that insufficient funds exist to pay the deferred developer fee within 15 years unless the HOME funds are subordinate and forgivable.

The Applicant subsequently requested that the appeal be brought before the Board, and brought forth no new appeal issues. It should be noted, that the Applicant has outstanding attorney fees to the Department's outside bond counsel, Vinson & Elkins totaling \$26,970 and has intimated that these fees should be waived. These fees are for work invoiced directly by Vinson & Elkins and the Department has no ability to waive or reduce these fees.

The Department's rules and guidelines were applied evenly, fairly, and as originally intended during the underwriting analysis. No additional documentation to support the appeal to the Board was provided.

Recommendation

Staff recommends the Board deny the appeal.

P (420) 237-3000

F (480) 837-0566



Life Rebuilders, Inc.

"housing development company"

16810 E. Avejof the Fountains, 6565 M. MacAnhur Blod Suite 324

Fountain Hills, AZ 85268 Irving, TX 15039 P (972) 721-1600 F (972) 721-1611

Sent Via FedEx Overnight

Monday, January 15, 2007

Brooke Boston **TDHCA** 221 East 11th St. P. O. Box 13941 Austin, TX 78701-2410

Re: Ennis Senior Estates, TDHCA #060612

Dear Brooke:

Life Rebuilders submitted documentation to Executive Director Michael Gerber on December 15, 2007 to appeal the Termination of application for Housing Tax Credits and HOME funds for Ennis Senior Estates.

Life Rebuilders received denial of the appeal via facsimile on January 11, 2007 in a letter dated January 5, 2007 from the Executive Director signed by you. According to 10 TAC §1.7 the Executive Director was to respond in writing to the appeal not later than the fourteenth day after the date of receipt of the appeal, which would have been December 29, 2006. What remedies are in place for the applicant that is not properly notified by the TDHCA?

Pursuant to the letter dated January 5, 2007 and received by Life Rebuilders on January 11, 2007 please accept this letter and the enclosed as Life Rebuilders formal appeal to the Board of Directors of the TDHCA that must be received by 5:00 p.m. on January 16, 2007.

The enclosures, only sent via FedEx, include the original appeal documentation to the executive director along with supplemental data submitted after the original appeal was submitted. Additionally, enclosed is an e-mail sent to Robbye Meyer on January 12, 2006 as additional data following the appeal, which will also be faxed along with cover to the below.

Respectfully Submitted.

Barry Halla President & CEO

Robbye Meyer, Via Fax, Cover and E-mail only Cc: Michael Gerber, Via Fax, Cover and E-mail only

Page 1 of 3

Barry Halla

From:

Barry Halla [barry@liferebuilders.org]

Sent:

Friday, January 12, 2007 5:10 PM

To:

Robbye Meyer (E-mail)

Subject:

FW: TDHCA Ennis Senior Estates Invoice

Importance:

High

Follow Up Flag: Follow up

Following

Flag Status:

Flagged

Robbye.

Your thinking on legal fees may be in accordance with a strict interpretation of the fee agreement with V & E but does not take into account numerous factors that have influenced the processing of this transaction.

The Real Estate Analysis Department's inability to properly communicate the terms of the HOME funds in a timely manner caused us to continue with our assumptions regarding the terms of the HOME funds. We tried repeatedly to get answers on how the HOME funds would be structured starting with David Danenfelzer months ago then from Burt Murray and others. We also asked you several times about the HOME aspect of this transaction and never received a response and thus we continued to move forward in good faith.

Had the terms of the HOME funds been explained to us in a more timely manner, legal fees would not have been expended until the HOME issue was resolved. There are many e-mails, which requested that the terms for the HOME funds be confirmed that went unanswered.

It was not until days before we were scheduled to go to the December Board that we we're finally informed of the terms of the HCME funds. The premise we were operating under regarding the proposed HOME fund terms turned out not to be acceptable by Staff. Now we are left "holding the bag" and that's not right!

Your Attorney's legal fees are exorbitant in light of the extenuating circumstances that syrround this transaction. Can you point me to the specific reason you feel you are able to deny us access to the Board due to your receipt of a "questionable" outside legal invoice, which by the way is apparently calculated on the basis that the transaction will not close. Your "ultimatum" may be out of line considering the complexity of this transaction, the above argument, and the following.

Wasn't the moving of our appearance on this transaction from the December Board meeting to February Board meeting as much for TDHCA's convenience as for ours due to the uncertainty of even Staff's interpretation of HOME terms?

Lam respectfully requesting that Ennis Senior Estates be on the agenda for the February 1 Board meeting. V & E has been paid \$30,000 to date and now they are requesting \$26,970, which is the balance of their total fees for this transaction. Lam not sure if all V & E documents are satisfactory nor is our Altorney and thus Lam not really sure what we are being invoiced for. I believe our good faith is well documented with the payment of \$30,000.

Robbye, denying us access to the Board for the reason stated will not be satisfactory to Life Rebuilders. We believe the Board needs to tell us that our HOME funds would have to be declared "deferred forgivable" and thus not acceptable even though the transaction can repay these funds within the amortization period of the bonds. The payment of deferred developer fees, which is about \$90,000 per year, ends at year 10. The payment of principal and interest at 1% for HOME funds over the next 30 years goes down from the deferred developer fee payment of \$90,000 to about \$60,000. These facts thus dispute Staff's argument that HOME funds can't be repaid.

However Robbye, there is an additional very important argument that we feel must be considered. I am able to understand the need to "deep skew" rents for a "deferred forgivable" HOME loan to be addeptable in a

Page 2 of 3

family transaction. A senior transaction, which is also the serving of a special needs population, should be given the same consideration when considering HOME funds to a CHDO even though rents are not deep skewed. Thus even if the HOME funds have to be declared "deferred forgivable", it should be OK since the HOME funds are being used to serve a special needs population. Staff's interpretation of when and how "deferred forgivable" HOME funds can be used is questionable as it relates to the intentions of the use of HOME funds that MAY have to be declared "deferred forgivable". Please consider this last paragraph as additional data concerning our appeal and thus please present this to the Board members in their Board books prior to our direct appeal to them February 1. If these assumptions are correct, wouldn't this argument by itself be sufficient to overturn the termination of the Ennis Senior Estates application?

Please call to discuss.

Respectfully submitted.

Sarry Halla

----Original Message-----

From: Robbye Meyer [mailto:robbye.meyer@tdnca.state.bx.us]

Sent: Wednesday, January 10, 2007 8:14 AM

To: 'barry@liferebuilders.org'; John Barraclough (E-mail)

Cc: Teresa Morales; 'Tom Gourís'

Subject: FW: TDHCA Ennis Senior Estates Invoice

Barry and John,

I realize you are under appeal for Ennis however the Board will not take action on a transaction that is past due. The V&E fees (see the attached invoice) must be paid in order for this to be presented to the Board at the February Board meeting.

Robbye G. Meyer
Director of Multifamily Finance
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, Texas 78701
(512) 475-2213 (voice)
(512) 475-0764 (fax)

To the extent this communication contains any statement regarding federal taxes, that statement was not written or intended to be used, and it cannot be used, by any person (i) as a basis for avoiding federal tax penalties that may be imposed on that person, or (ii) to promote, market or recommend to another party any transaction or matter addressed herein.

.....CONFIDENTIALITY NOTICE.....

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p.5

Page 3 of 3

and delete this email from your system.

Thank You.



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

www.tdhca.state.tx.us

Rick Perry GOVERNOR

Michael Gerber Executive Director

January 5, 2007

Barry Halla Life Rebuilders, Inc. 6565 N. MacCarther Road, Suite 225 Irving, TX 75039

Re: Appeal of Termination of Ennis Senior Estates, #060612

Mr. Halla:

I have reviewed the documentation submitted with your appeal of the termination of the application to the Texas Department of Housing and Community Affairs (TDHCA) for Housing Tax Credits and HOME Investment Partnership funds for Ennis Senior Estates. The appeal is based on the assertion that the development can achieve higher rents and lower expenses than those estimated at underwriting by the Real Estate Analysis Division. The appeal further requests consideration of an increase in the number of HOME units, and a revised structure of the HOME loan in the form of a 0% interest rate and 40 year amortized loan or a 40 year loan with the first 10 years to include interest-only payments.

The core of your appeal appears to center around rents and expenses. The one-bedroom rents for the 60% of Area Median Income units utilized at underwriting (\$595) were based on your estimates and were confirmed as reasonable by the underwriter. The two-bedroom rents for the 60% of AMI units (\$651) are based upon extensive analysis of comparable rents as discussed in the underwriting report dated December 7, 2006. Also discussed in the underwriting report, the estimates for operating expenses were based on several sources including the TDHCA database of operating properties; experience with other properties in the city of Ennis; and the analysis of the expenses of Terrell Senior Terraces I and II. As pointed out in the underwriting analysis, the underwriter's estimates for the three line items with the largest variances are actually lower than actual line item expenses at Terrell Senior Terraces. These expenses include general and administrative, utilities, and property taxes. The appeal did not include new information to alter the underwriting conclusions with regard to income and expenses.

The underwriter also anticipated a request to increase the number of HOME units although this request will not significantly impact the financial analysis and conclusions presented in the underwriting report. Your proposal to revisit the

C. Kent Conine Sonny Flores Gloria Ray Norberto Salinas

Elizabeth Anderson, Chair

BOARD MEMBERS

Shadrick Bogany

structure of the HOME loan in your appeal letter does not appear to be substantiated by the other financial participants in the development. Further, an appeal is not a mechanism to alter or revise the application. The appeal is of existing Department underwriting based on the current application. You are welcome to resubmit a new application reflecting the new structure.

The appeal is denied. If you wish to appeal this decision to the TDHCA Board, you must submit a formal appeal with any additional supporting documentation by 5:00 p.m. January 16, 2007 in order to be considered at the Board meeting on February 1, 2007.

Sincerely,

Michael Gerber

Executive Director

Poroole Bostur fr



Life Rebuilders, Inc.

"Housing Development Company"

16810 Ave. of the Fountains Suite 202 Fountain Hills, AZ 85268 P (480) 837-3000 F (480) 837-0566 6565 N. MacCarthur Blvd. Suite 225 Irving, TX 75039 P (972) 721-1600 F (972) 721-1611

Sent Via FedEx Overnight

Thursday, December 14, 2006

Michael Gerber TDHCA P. O. Box 13941 221 East 11th St. Austin, TX 78701-2410 HANDED THE STATE OF THE STATE O

Re: Ennis Senior Estates, TDHCA #060612

Dear Mr. Executive Director Gerber:

This letter and supporting documentation constitutes Life Rebuilders' formal appeal to the Texas Department of Housing and Community Affairs ("TDHCA") as allowed under the Texas Administrative Code 10 TAC § 1.7.

Life Rebuilders, Inc. received notification, December 9 via fax with the original received December 11, of application termination in a letter from Brooke Boston dated December 8, 2006. Staff gave the following reasons for application termination:

- (1) The development would require 100% of the HOME funds to be in the form of a grant based upon Title 10 of the Texas Administrative Code ("TAC") §1.32 (d)(4)(D)
- Without the HOME funds structured as a 100% grant or deferred forgivable loan, the Development is not financially feasible based upon the Department's standards for repayment of deferred fees in less than 15 years (10 TAC §1.32)
- The development's net income is likely to be insufficient to support tax-exempt bonds amounting to at least 50% of the cost making the Development ineligible for Housing Tax Credits (Internal Revenue Code § 42 (h)(4)).

The staff's recommendations are well respected by Life Rebuilders, but our experience and the extensive experience of our management company provides us a better perspective on proposed rents and expenses for Ennis Senior Estates.

Ennis Senior Estates will be almost identical in amenities and building design to our Terrell Senior Terraces Phase I, 72-units, and Phase II, 180-units, which are one of the featured success stories by the TDHCA in its handout entitled "What is Affordable Housing". Both properties are tax credit developments and are located in Terrell, TX. Both of these properties are stabilized and continually operate at 98% occupancy or better with extensive social service and activity programs. Please see Terrell newsletter for December behind Exhibit "A". Staff determined that the Ennis market and the Terrell market were comparable in their underwriting report.

In addition to the Terrell Senior Terraces properties we consider the Villas of Lancaster to be a comparable property. Lancaster is located just North of Ennis west of Interstate-45. All of these properties are single-story four-plex communities with many amenities and social service programs and with Terrell Senior Terraces having a low density of less than 12.5 units an acre, which is also proposed for Ennis Senior Estates. These properties are more of a garden style home rather than a two or three story institutional apartment complex we see in many senior tax credit developments. Please see the proposed Ennis Senior Estates floor plans and elevations along with pictures of Terrell Senior Terraces I & II and Lancaster Senior Estates behind Exhibit "B".

Our experience has shown that many seniors prefer this type of property especially when downsizing from a single family home. Below are the comparable rents for these three properties:

Rent	Bedrooms	Ennis Senior	Terrell Senior	Terrell Senior	Villas of
Level		Estates	Terraces I	Terraces II	Lancaster
40%	1	N/A	N/A	\$419	\$434
40%	2	N/A	N/A	\$502	\$505
50%	1	\$477	\$543	\$543	\$558
50%	2	\$564	\$651	\$651	\$654
60%	1	\$605	\$646	N/A	\$683
60%	2	\$695	\$760	N/A	\$804
Market	1	N/A	\$675	\$675	N/A
Market	2	N/A	\$795	\$795	N/A

All of these apartments are very similar in size and interior features. Our management company has done extensive research in the market and on other senior properties and is agreeable with the proposed rents for Ennis Senior Estates. Please see attached letter in Exhibit "C". Staff recommendation for the 1br. 60% unit was \$605 and \$651 for the 2br. unit. We too believe that \$605 is the proper rate now for the 1br unit as the market has strengthened considerably.

Another contributing factor that had driven down 2 bedroom rents in the Primary Market Area was the addition of Silverton apartments, a 252 unit family development. However, these rents are starting to recover and a senior community like ours will undoubtedly command higher rents, just like we experienced in Terrell.

Staff estimated in the underwriting report that total annual operating expenses were \$3,818 per unit. Our estimate for operating expenses for Ennis Senior Estates is \$3,529 per unit. This was concluded from our experience at Terrell Senior Terraces I & II.

Many positive changes to operations, since start up, at Terrell Senior Terraces I & II have occurred in 2006. Activities and social services are now coordinated through resident councils (volunteers) and local agencies. This has enhanced community involvement and strengthened resident ties, giving the residents a true sense of community. A different utility provider was identified with less expensive rates and unused phone lines were eliminated. Property tax valuations were challenged and reduced by the Appraisal District. Both Life Rebuilders and our management company closely monitor operating expenses on a monthly basis.

Current operations for Terrell Senior Terraces I on the Profit and Loss statement through October 2006 show total operating expenses to be \$214,540.27. Prorating this total through the end of the year, total operating expenses would be \$257,448.32 or \$3,576 per unit (\$257,448.32 / 72). Please see Profit and Loss statement enclosed behind Exhibit "D".

Current operations for Terrell Senior Terraces II on the Profit and Loss statement through October 2006 show total operating expenses to be \$424,825.78. However, this total does not reflect all of the taxes that were escrowed at permanent conversion. Adding the taxes paid at perm conversion the total operating expenses through October are \$510,430.60 (\$424,825.78 + 85,604.82). Prorating this total through the end of the year, total operating expenses would be \$612,516.72 or \$3,402 per unit (\$612,516.72 / 180). Please see Profit and Loss statement enclosed behind Exhibit "E".

Our management Company has preliminarily estimated the 2007 operating budgets for Terrell Senior Terraces to average \$3,500 per unit. Please feel free to discuss the expenses with Brenda Metcalf, Regional Manager, by dialing 214-695-9773.

Life Rebuilders has elected to add 4 HOME units per the discussions on page 9 of the underwriting report. This would increase the total HOME units to 24 thus allowing \$1,900,000 to be obtained. Please see revised Volume 1 Tab 2 Part B Rent Schedule behind Exhibit "F".

Based on the information presented above, Life Rebuilders is respectfully requesting the TDHCA to reevaluate Ennis Senior Estates based on two scenarios, which do not require the HOME loan to be classified as a grant or deferred forgivable loan for the HOME funds.

The first scenario would be to underwrite the 60% rents at \$605 for a 1br. unit and \$695 for a 2br. Unit, utilizing Life Rebuilders' projected expenses. Life Rebuilders is requesting a HOME loan at 0% interest with a 40-year amortization. These rents would allow the HOME loan to be fully amortized for 40 years with an annual payment of \$47,500 starting at lease stabilization. In order to achieve a 1.10 DSC the permanent debt would be sized at \$7,400,000. All deferred developer fees can be paid within 10-years. Staff HTC Allocation Analysis in the underwriting report was utilized in determining the tax credit amount of \$423,574 annually. Please see underwriting in TDHCA format behind Exhibit "G".

The second scenario would be to underwrite the 60% rents utilizing staff recommendations at \$605 for a 1br. unit and \$651 for a 2br. Unit, utilizing Life Rebuilders' projected expenses. Life Rebuilders is requesting 0% interest with a 40-year amortization for the first 10years of operation while paying half of the amortized amount or \$23,750. Upon the 11th year of operations the amount not paid during the 1st 10-years (\$23,750 x 10 = \$237,500) of operations is added to the outstanding balance (\$1,662,500) and the loan is fully amortized over the next 30 years. To compensate the TDHCA for the \$237,500 that would not get paid off during the first 10 years the outstanding balance would start earning interest at 1% at the 11th year. In order to achieve a 1.10 DSC the permanent debt would be sized at \$7,220,000. All deferred developer fees can be paid within 10 years. Staff HTC Allocation Analysis in the underwriting report was utilized in determining the tax credit amount of \$423,574 annually. Please see underwriting in TDHCA format behind Exhibit "H".

Both of these underwriting scenarios are based on the guidelines set forth by the TDHCA of annual revenues increasing by 3% and annual expenses increasing by 4%.

Life Rebuilders has expended tremendous efforts and resources over the last 1½ years in order to bring this development to fruition. Architectural and civil engineering plans are 100% complete and the City of Ennis is ready to issue building permits. We feel our housing product along with our extensive social service and activities programs offers underserved seniors a better housing alternative.

Your help in recommending the one of two solutions to staff's termination of the application would be greatly appreciated. We don't consider the HOME funds to be anything other than a loan, which the property is ready, willing, and capable of repaying. Life Rebuilders would be undoubtedly agree to a due on sale or refinance clause in the loan documents for the HOME funds once the compliance period has ended.

The 50% test is satisfied under either of the above scenarios. It is significant to note that once the deferred developer fees are paid off in year 10, the payments to amortize the HOME loan at 1% over the next 30 years is lower than the payment of deferred developer fees.

Additionally, close to 50 anxious senior recipients on the waiting list, generated from word of mouth and two major I-45 billboards, will be appreciative of your favorable efforts on our behalf. Help one of the best non-profits replace the finest senior housing built to date, Terrell Senior Terraces, with what will undoubtedly be the best new senior housing built to date for North Texas' most experienced generation.

Respectfully submitted,

Barry Halla

President & CEO

Encl.

EXHIBIT "A"





Iteres

SENIOR TERRACES

260 Fm 2578 • Terrell, TX 75160 • (972) 524-0432

OPHICE HOURS

Monday=Friday 8:30 a.m.=5:30 p.m.
Saturday 9:00 a.m.=11:00 a.m.
Sunday By Appointment Only

ANO DIRECTION OF STRAIN

Amanda Bowden Property Manager
Kim Rockwell Assistant Manager
Jeff Sweazea Maintenance
Kenneth Moore Courtesy Officer
Melinda Cranford Hair Stylist

IMPORTANT PHONE NUMBERS

MAIN OFFICE	972-524-0432
MAINTENANCE	972-524-0432
COURTESY OFFICER	972-524-0432
HAIR SALON	
TERRELL POLICE SERVI	CES 972-551-6622
KART TRANSPORTATIO	N 972-524-1423

Holiday Safety

Ho, ho, ho! We want all our community members to enjoy a safe and joyous holiday season. With that in mind, please take a few precautions to avoid holiday fire hazards:

- Check lights for defects before stringing them.
- Unplug all electric decorations before leaving your home or going to bed.
- Purchase "flame-retardant" wrapping paper, ornaments and decorations.
- If you have a freshly cut Christmas tree, water it daily to prevent its drying out.
 Dry trees are extremely flammable.

December 2006

Christmas Reflections

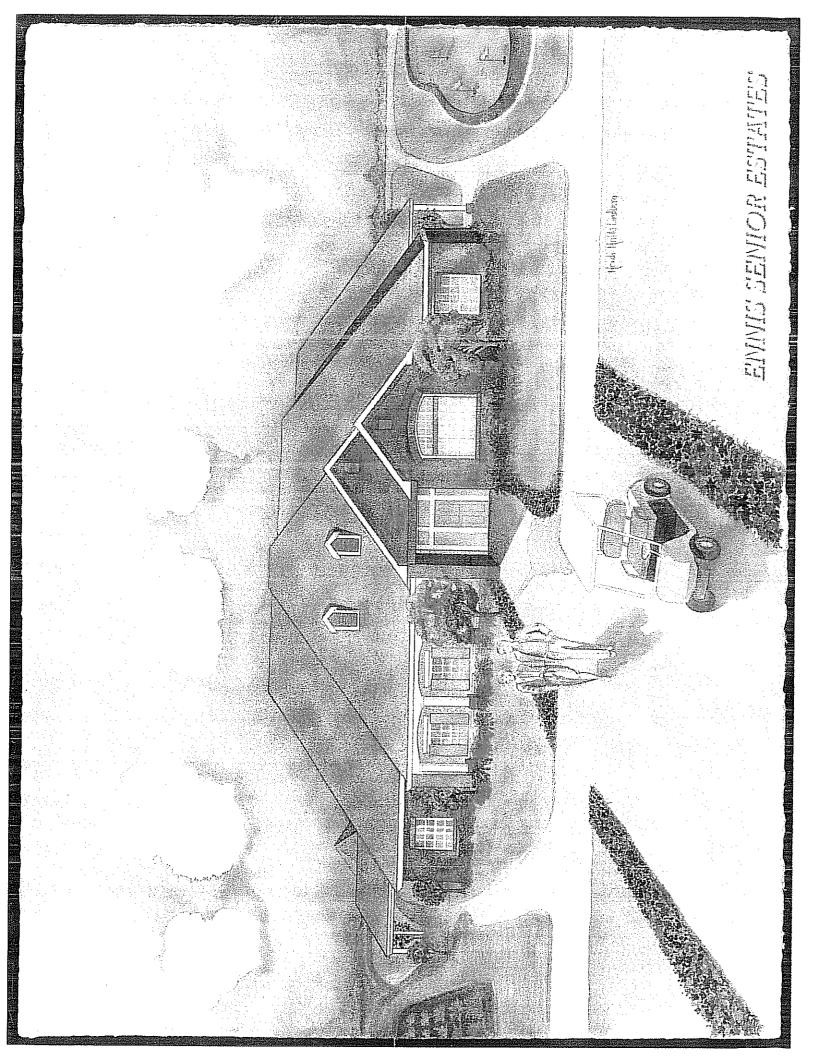
Waking up at 5 a.m. to get to the early bird holiday sales, busy shopping malls, large shopping lists, long lines at the registers ... all the hustle and bustle of the holiday season. Do you get overwhelmed this time of year? Take a few moments to relax and reflect on the true meaning of Christmas in the next few days. For me, the reason for the season is Christ, spending time with family, and sharing old memories and making new traditions. Don't let the rush of the holidays take away from the importance of the season. Enjoy your time with family and friends this holiday and I wish you a very merry Christmas.

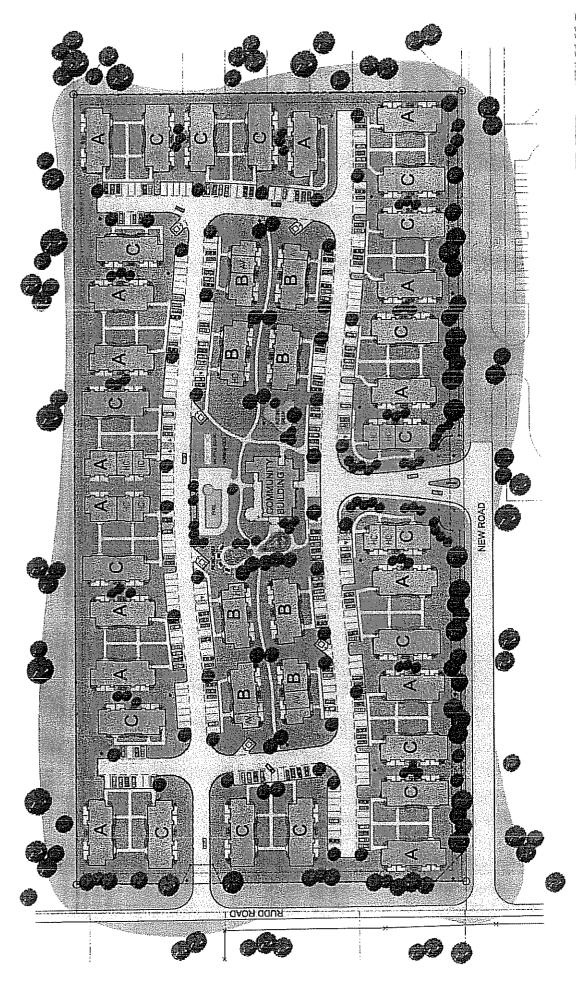
-Kim Rockwell



EXHIBIT "B"

ENNIS SENIOR ESTATES



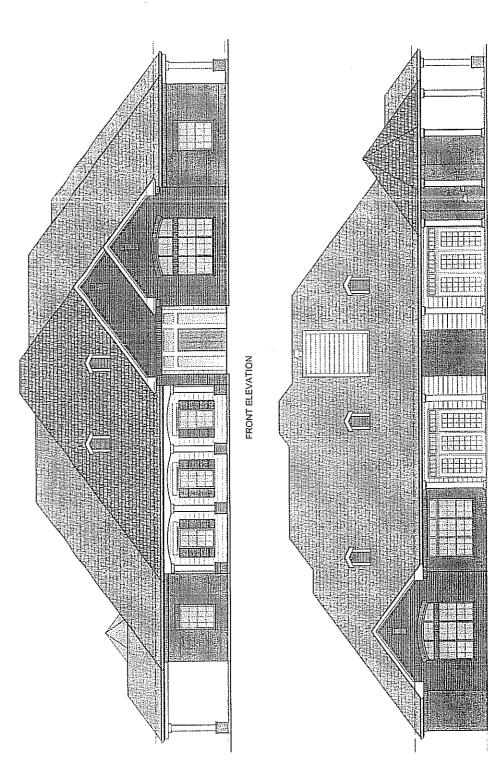




SITE PLAN APRIL 17, 2006 SCALE: 1" = 40.0"

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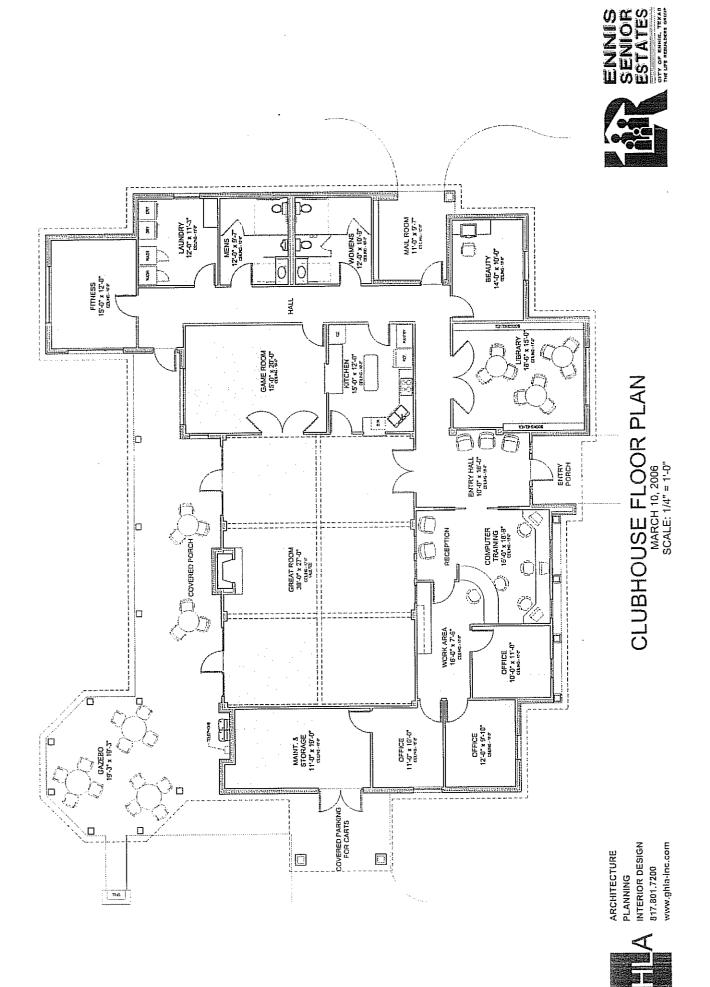














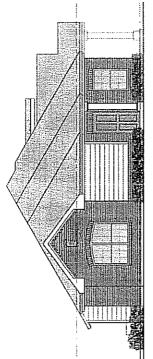


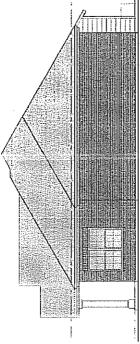




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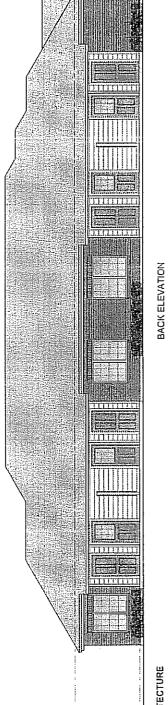
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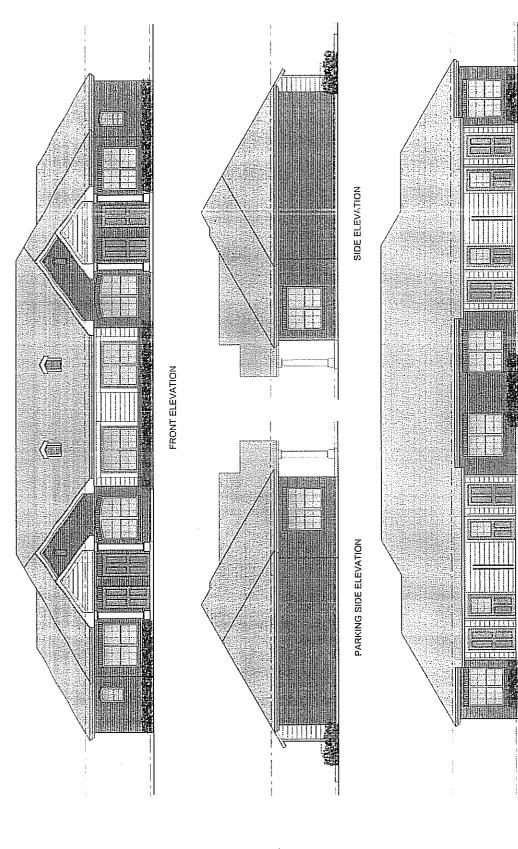






ARCHITECTURE
PLANNING
INTERIOR DESIGN
817.801.7200
www.ghla-inc.com

BUILDING TYPE A ELEVATIONS
MARCH 10, 2006
SCALE: 1/4" = 1'-0"







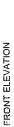
BUILDING TYPE B ELEVATIONS MARCH 10, 2006 SCALE: 1/4" = 1'-0"



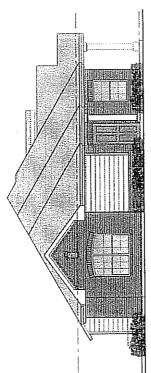




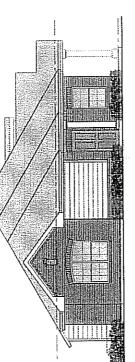




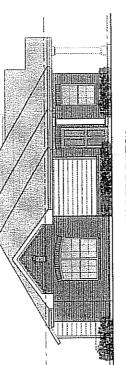
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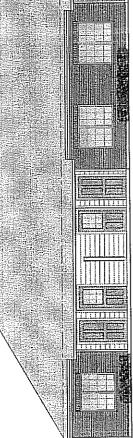












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BUILDING TYPE C ELEVATIONS
MARCH 10, 2006
SCALE: 1/4" = 1'-0"

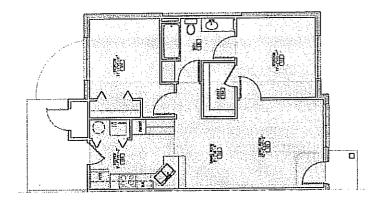
BACK ELEVATION

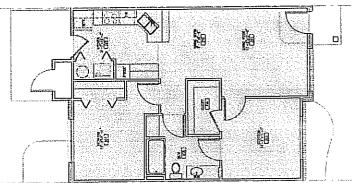


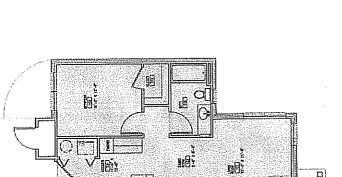












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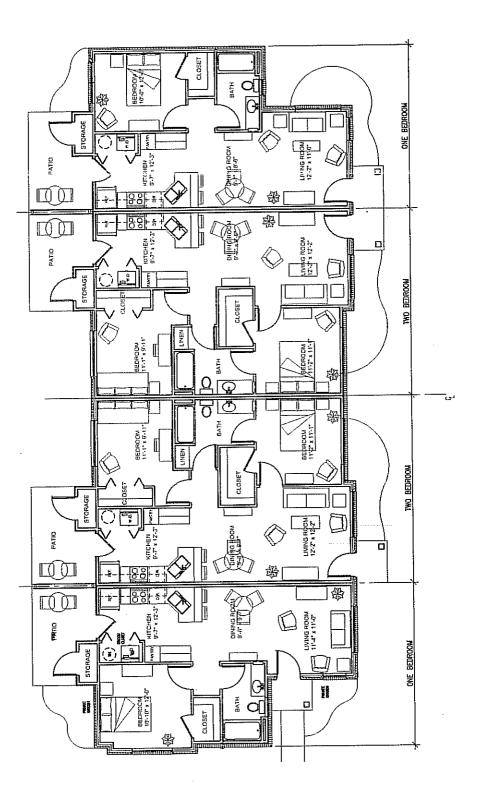
ONE BEDROOM - FRONT ENTRY UNIT 640 S.F.

ONE BEDROOM - SIDE ENTRY UNIT 640 S.F.



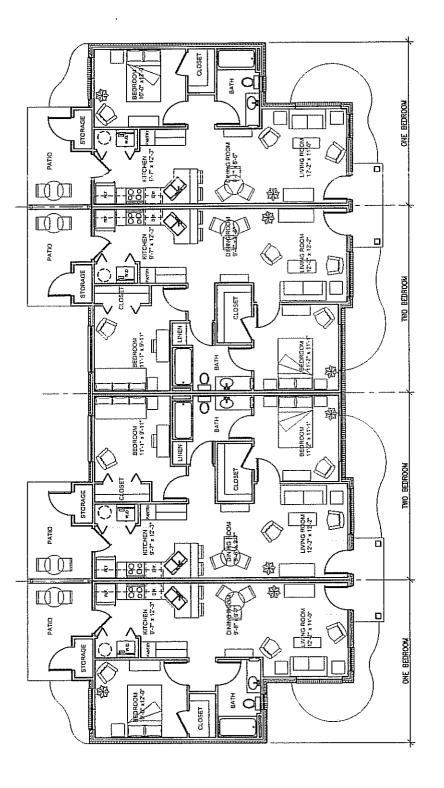






BUILDING TYPE A TOTAL SQFT = 2940 WITHOUT STORAGE UNITS

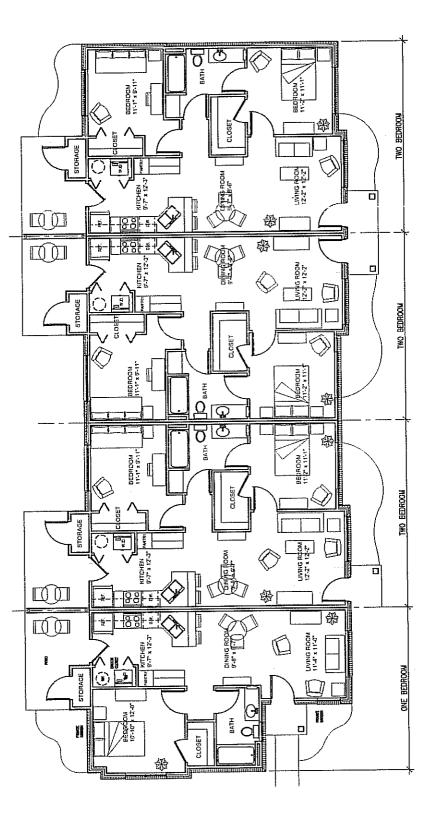






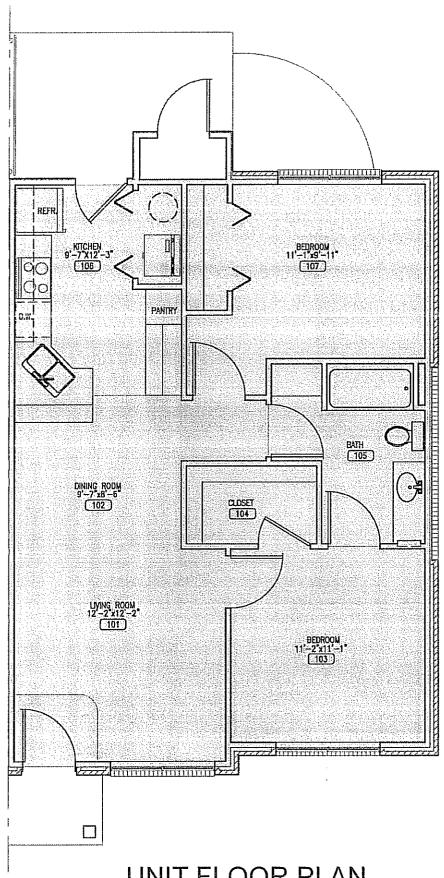
PLANNING IMTERIOR DESIGN 817.801.7200 www.ghla-inc.com

BUILDING TYPE B TOTAL SQFT = 2940 WITHOUT STORAGE UNITS





PLANNING INTERIOR DESIGN www.ghla-inc.com ARCHITECTURE 817.801.7200

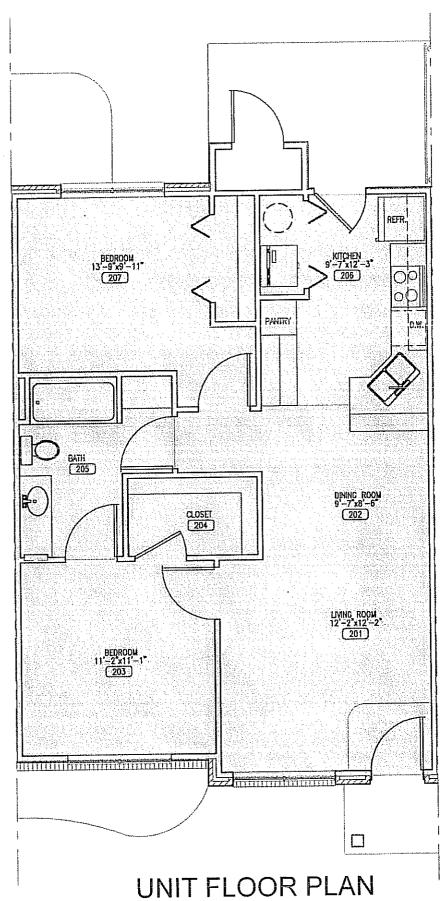


UNIT FLOOR PLAN

TWO BEDROOM, OUTER UNIT - 830 S.F. SCALE 3/16" = 1'-0" APRIL 17, 2006







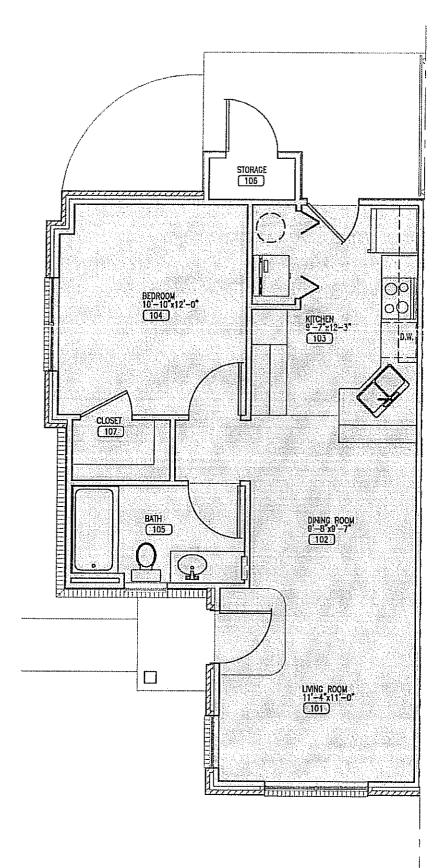
TWO BEDROOM, INNER UNIT - 830 S.F. SCALE 3/16" = 1'-0"

APRIL 17, 2006









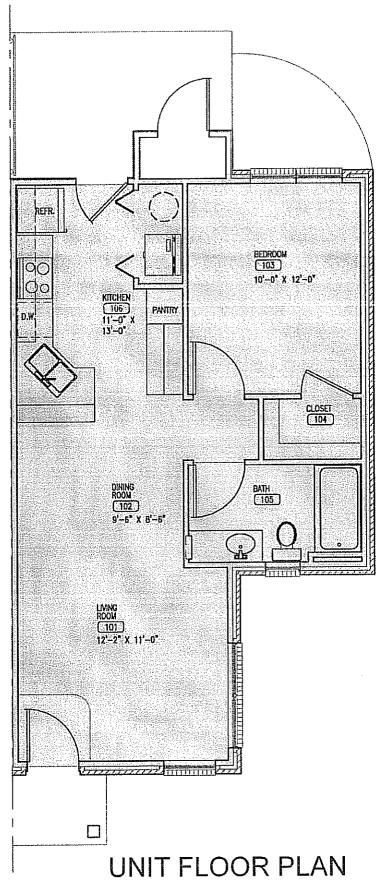
UNIT FLOOR PLAN

ONE BEDROOM, SIDE ENTRY - 640 S.F. SCALE 3/16" = 1'-0" APRIL 17, 2006



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INTERIOR DESIGN
817.801.7200
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ONE BEDROOM, FRONT ENTRY - 640 S.F. SCALE 3/16" = 1'-0" APRIL 17, 2006







EXHIBIT "C"



MYAN MANAGEMENT GROUP

520 Silicon Drive Southlake, Texas 76092 817.442.8200 Fax: 817.442.7802

June 26, 2006

Messer's Tom Gouris & Albert Murray TDHCA 221 E. 11th Street Austin, TX 78701

Re: Ennis Senior Estates

Gentlemen:

I am writing to you to express my confidence in Myan Management Group's ability to lease up the 164 senior apartment homes to be built in Ennis, TX by Life Rebuilders. We are currently the managing agent for Terrell Senior Terraces located in Terrell, Texas, which they recently completed. Myan Management Group completed the lease up of these 252 senior apartment homes. The success of this property is due primarily to the unique design of four-plex, single-story, low-density, buildings that are complimented by a myriad of social service programs and community activities for the residents.

Many of the residents at Terrell Senior Terraces are from locations beyond the primary market area of the property. Rents achieved are maximum HUD rents less the UAs. The Property is currently operating at almost 100% occupancy. The Terrell market, like the Dallas market in general, is experiencing higher occupancy and rents than in previous months. Terrell Senior Terraces' occupancy and rents are higher than many of the family communities in Terrell.

We feel confident that rents of \$595 and \$695 can be achieved at Ennis Senior Estates especially for a Life Rebuilders' type senior development, even though "family" rental rates in the area do not currently justify the proposed 2 br proposed rents. A conservative approach to proposed rents for Ennis Senior Estates would be \$595 and \$640. A fast lease up would be the result. There is very limited senior housing available in Ennis for seniors and virtually no senior housing available that have the amenities proposed for Ennis Senior Estates.

I am confident that with the effort of the staff and the quality of the product the lease up of Ennis Senior Estates will be as successful as Terrell Senior Terraces, with many of its residents coming from outside the immediate market area. If you would like to discuss this matter in detail, please feel free to call me at your convenience by dialing 817-442-8200.

Respectfully,

Bruce P. Woodward, CPM®

EXHIBIT "D"

PROFIT & LOSS VARIANCE WINDSOR SENIOR PARTNERS, LP TERRELL SENIOR TERRACE I As of

PAGE 1 SYSTEM DATE: 11/14/2006 SELECT DATE: 10/20/2006

12:04:38

Cur.	Period:	10/06	OCTOBER 31,	2006	PROJECT SO FT	0
	Period:				PROJECT UNITS	72

		CURREN	T MONTH		YEAR '	ANNUAL		
ACCOUNT	DESCRIPTION	ACTUAL	BUDGET DI	FFERENCE	ACTUAL	BUDGET DI	FFERENCE	BUDGET
999	=== INCOME ===							
001	MARKET RENT	44,880.00	47,628	2,748-	464,311.00	476,280	11,969-	571,536
001-002	GAIN (LOSS) TO RENT	860.00	248-	1,108	1,333.00-	3,561-	2,228	4,007-
001-900	GROSS POTENTIAL RENT	45,740.00	47,380	1,640-	462,978.00	472,719	9,741-	567,529
002	DELINQUENT RENT	0.00	238-	238	0.00	2,381-	2,381	2,858-
004	VACANCY LOSS	2,610.07-	2,369-	241-	23,180.54-	25,050-	1,869	30,738-
008	ABATEMENT LOSS	0.00	0	0	24.00-	0	24 -	0
009	BAD DEBT	0.00	Ð	0	361.00-	. 0	361-	0
010	TOTAL APARTMENT RENT	43,129.93	44,773	1,643-	439,412.46	445,287	5,875-	533,933
090	LATE CHARGES	0.00	25	25-	115.00	256	155-	300
300	VENDING INCOME	0.00	10	10-	0.00	100	100-	120
190	MISCELLANEOUS INCOME	0.00	0	0	100.00	0	100	0
91	NSF CHARGES	0.00	25	25-	0.00	250	250-	300
392	NON-REFUNDABLE PET FEE	20.00	200	180-	582.00	800	218-	B00
193	DAMAGES	0.00	125	125-	1,041.10	1,250	209-	1,500
395	MONTHLY PET CHARGE	0.00	0	0	0.00	1,250	1,250-	1,500
396	APPLICATION FEE	0.00	Ð	0	435.00	375	60	400
398	CANCELLATION FEE	200.00	561	361-	1,987.45	2,244	257-	2,244
901	TELEPHONE INCOME	129.97	0	130	1,337.17	0	1,337	0
910	TOTAL OTHER INCOME	349.97	946	596-	5,597.72	6,519	921-	7,164
951	INTEREST INCOME	2.38	0.	2	15.53	0	16	0
j	TOTAL INCOME	43,482.28	45,719	2,236-	445,025.71	451,806	6,781-	541,097

PROFIT & LOSS VARIANCE
WINDSOR SENIOR PARTNERS, LP
TERRELL SENIOR TERRACE I
As of
OCTOBER 31, 2006

PAGE 2
SYSTEM DATE: 11/14/2006
SELECT DATE: 10/20/2006

12:04:39

PROJECT SQ FT 0 PROJECT UNITS 72

Cur. Period: 10/06 Period: 10/06

			T MONTH	n		TO DATE		LAUNNAL
ACCOUNT	DESCRIPTION	ACTUAL	BUDGET	DIFFERENCE	ACTUAL	BUDGET D	IFFERENCE	BUDGET
000	=== EXPENSES ===							
008	MANAGER	1,977.60	1,978	٥	20,592.00	20,650	58	25,594
	LEASING AGENT	0.00	495	495	1,938.79	5,183	3,244	6,420
013		696.00	960	264	5,610.42	10,080	4,470	12,480
016	MAINTENANCE FOREMAN			275				
100	PAYROLL TAXES	264.60	540		3,307.80	5,715	2,407	7,060
104	EMPLOYEE HOSPITALIZATION	470.85	730	259	4,843.55	7,300	2,456	8,760
801	OTHER BENEFITS	124.85	122	3-	2,210.83	1,738	473-	2,013
112	COMP & LIABILITY INSURANCE	387.00	334	53-	2,955.00	3,539	584	4,372
.16	TEMPORARY HELP	0.00	0	O	833.46	0	833-	0
.50	TOTAL PAYROLL & RELATED	3,920.90	5,158	1,237	42,291.85	54,204	11,913	66,698
:51	GROUNDS CONTRACT	0.00	1,979	1,979	14,606.91	14,750	143	17,448
:58	POOL MAINTENANCE	116.00	102	14-	1,398.50	1,020	379-	1,224
259	TOTAL CONTRACT SERVICES	116.00	2,081	1,965	16,005.41	15,770	235-	10,672
100	ELECTRICITY	544.77	605	60	5,144.62	5,638	493	6,738
808		67.08	200	133	1,145.39	2,000	855	2,400
109	ELECTRICITY - VACANCY			133	96.69-	2,000	97	2,400
10	ELECTRICITY REIMBURSEMENT	0.00	0					
12	GAS	99.61	766	667	940.11	2,289	1,349	2,289
16	WATER	0.00	1,150	1,150	24,342.87	28,520	4,177	34,232
30	TRASH REMOVAL	586.05	512	74-	5,616.99	5,120	497-	6,144
39	TOTAL UTILITIES	1,297.51	3,233	1,936	37,093.29	43,566	6,473	51,802
41	CARPET CLEANING	941.50	100	842-	1,888.00	1,500	388-	1,775
43	GENERAL CLEANING	174.25	145	29-	1,602.50	1,450	153-	1,740
1	PAINTING	517.60	220	298-	2,262.81	2,200	63-	2,640
99	TOTAL REDECORATING	1,633.35	465	1,168-	5,753.31	5,150	603-	6,155
04	PLUMBING MAINTENANCE	231.05	80	151	824.10	800	24-	960
08	ELECTRICAL MAINTENANCE	0.00	100	100	522.61	1,000	477	1,200
12	HEATING & A/C MAINTENANCE	117.52	100	18-	555.55	1,700	1,144	1,900
16	APPLIANCE MAINTENANCE	0.00	75	75	132.22-	750	882	900
	MAINTENANCE & REPAIRS	67.01	250	183	999.70	2,500	1,500	3,000
35		200.00	103	97-	2,520.95	1,030	1,491-	1,236
36	PEST CONTROL							
43	FIRE PROTECTION	0.00	0	0	57.37	50	7-	50
49	TOTAL MAINTENANCE	615.58	708	92	5,348.06	7,830	2,482	9,246
04	INTERNET ADVERTISING	19.57	50	30	326.52	500	173	600
08	NEWSPAPER ADS	103.22	65	38-	851.04	650	201-	780
10	APARTMENT GUIDE/MAGAZINES	0.00	125	125	153.80	1,250	1,096	1,500
16	DUES/MEMBERSHIPS/SUBS	0.00	0	0	159.14	355	196	355
20	COLLATERAL MATERIALS	0.00	0	0	232.83	75	158-	150
30	PARTIES	600.00	0	600-	781.83	700	82-	1,500
49	RESIDENT REFERRAL	0.00	100		0.00	400	400	400
58	SPECIALTY ITEMS	131.37	55		381.84	550	168	660
60	RESIDENT RETENTION	384.11	200		2,664.22	2,000	664-	2,400
199	TOTAL MARKETING	1,238.27	595	643-	5,551.22	6,480	929	8,345
104	TELEBUONE	399.95	400	0	4,314.69	4,000	315-	4,800
04	TELEPHONE		75		858.69	750	109-	900
08	OFFICE SUPPLIES	180.76						
11	CREDIT BUREAU EXPENSE	15.00	30		352.50	300	53-	360
12	POSTAGE	14.65	65		180.96	260	79	260
16	DUES/MEMBERSHIPS/SUBS	0.00	100		0.00	656	656	656
	COPIES/PRINTING	5.51	25	19	91.46	250	159	300
20	EXPRESS MAIL	65.55	50	16-	609.46	500	109-	600
32	BANK CHARGES	68.02	75	7	745.63	750	4	900
32 40	BANK CHARGES		75 0		745.63 4,957.38	750 100	4 4,857-	900 100
720 732 740 14 8		68.02 0.00 127.50		õ				

PROFIT & LOSS VARIANCE
WINDSOR SENIOR PARTNERS, LP
TERRELL SENIOR TERRACE I
As of
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CHY.	Period:	10/06
	Period:	10/06

		CURREN	IT MONTH		YEAR :	TO DATE		ANNUAL
ACCOUNT	DESCRIPTION	ACTUAL		FFERENCE	ACTUAL	BUDGET I)I FFERENCE	BUDGET
755	TRAINING/SEMINARS	0.00	0	0	0.00	75	75	150
7780	UNIFORMS	0.00	0	a	53.56	45	9-	45
782	MILEAGE REIMBURSEMENT	14.42	10	4 -	95.54	100	4	120
7799	MISCELLANEOUS	0.00	0	0	234.37	0	234-	0
7800	TOTAL OFFICE OPERATIONS	891.36	980	89	24,582.08	11,086	13,496-	12,791
806	TAXES, LICENSE, FEES	0.00	0	0	100.00-	0	100	0
850	TOTAL OUTSIDE SERVICES	0.00	0	0	100.00-	O	100	0
100	MANAGEMENT FEE	1,735.22	1,810	75	17,681.28	18,028	346	21,647
1201	INSURANCE	1,593.81	1,500	94~	15,938.10	15,000	938-	18,000
3304	PROPERTY TAXES	5,120.61	4,938	183-	44,395.67	49,378	4,983	59,254
3500	TOTAL OPERATING EXPENSE	18,162.61	21,468	3,306	214,540.27	226,492	11,952	272,610
3599	NET OPERATING INCOME/LOSS	25,319.67	24,251	1,069	230,485.44	225,314	5,171	268,487
1903	MORTGAGE INTEREST	14,308.65	0	14,309-	143,759.49	o	143,759-	0
975	MORTGAGE PRINCIPAL	2,263.89	14,607	12,343	21,965.91	146,070	124,104	175,284
978	LOAN COSTS	20.83	0	21-	208.30	0	208-	0
981	REPLACEMENT RESERVE	0.00	1,200	1,200	0.00	12,000	12,000	14,400
_	TOTAL DEBT SERVICE	16,593.37	15,807	786-	165,933.70	158,070	7,864~	189,684
451	A/C & HEATING	0.00	0	0	0.00	2,000	2,000	2,000
451	CARPETS	1,692.20	500	1,192-	8,422.23	2,000	6,422-	2,000
454	APPLIANCES	405.00	650	245	3,359.00	2,600	759-	2,600
455	WINDOW COVERINGS	61.14	25	36-	196.73	250	53	300
458	INTERIOR REPAIRS	0.00	0	0	166.02	0	166-	0
462	PAVING	0.00	0	0	2,568.50	0	2,569-	0
463	PLUMBING	0.00	0	0	1,414.80	0	1,415-	0
00800	TOTAL CAPITAL REPAIRS	2,158.34	1,175	983-	16,127.28	6,850	9,277-	6,900
9999	NET INCOME (LOSS)	6,567.96	7,269	701-	48,424.46	60,394	11,970-	71,903

EXHIBIT "E"

PROFIT & LOSS VARIANCE LRI X, LTD. TERRELL SENIOR TERRACE II As of OCTOBER 31, 2006

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Period: 10/06 Period: 10/06

		CURRE	T MONTH		YEAR	TO DATE		ANNUAL
ACCOUNT	DESCRIPTION	ACTUAL	BUDGET DI	FFERENCE	ACTUAL	BUDGET D	IFFERENCE	BUDGET
999	=== 1NCOME ===							
	MARKET DENE	102,451.00	102,583	132~	1,025,558.00	1,025,830	272-	1,230,996
001	MARKET RENT GAIN (LOSS) TO RENT	1.064.00-	500-	564-		7,095~		7,954
001-002	GAIN (LOSS) TO KENT						···	
001-900	GROSS POTENTIAL RENT	101,387.00	102,083	696-	1,016,252.00	1,018,735	2,483-	1,223,042
		0.00	1,026-	1,026	0.00	10,258-	10,258	12,310
02	DELINQUENT RENT	0.00	0	O	868.00-	0	868-	0
003	RENTAL CONCESSIONS	3,465.63-	6,125-	2,659	69,837.99-	65,192-	4,646-	77,450
004	VACANCY LOSS	0.00	0	0	102.53-	Q	103-	0
800	ABATEMENT LOSS	419.00-	0	419-	2,464.46-	0	2,464-	0
009	BAD DEBT	117.00		· · · · · · · · · · · · · · · · · · ·				
210	TOTAL APARTMENT RENT	97,502.37	94,932	2,571	942,979.02	943,285	306-	1,133,282
	NOT DEVIN	0.00	o	0	50.00	0	50	0
081	NSF RENT	25.00	100	75-	185.00	1,000	815-	1,200
090	LATE CHARGES	0.00	15	15-	0.00	150	150-	180
800	VENDING INCOME	0.00	10	10-	0.00	100	100-	120
810	LAUNDRY INCOME	0.00	50	50-	1,068.11-	500	1,568-	600
990	MISCELLANEOUS INCOME	0.00	50	50-	75.00	500	425~	600
891	NSF CHARGES NON-REFUNDABLE PET FEE	705.02	200	505	3,991.02	2,000	1,991	2,400
892	= -:	0.04-	200	200-	3,268.20	2,000	1,268	2,400
B93	DAMAGES MONTHLY PET CHARGE	0.00	0	0	5.00	0	5	0
895		100.00	- 75	25	1,255.00	775	480	925
896	APPLICATION FEE CANCELLATION FEE	200.00	485	285~	4,345.21	4.850	505-	5,820
898	TELEPHONE INCOME	129.97	0	130	1,337.19	0	1,337	O
901	TELEPHONE INCOME							
٦	TOTAL OTHER INCOME	1,159.95	1,185	25-	13,443.51	11,875	1,569	14,245
5951	INTEREST INCOME	24.32	o	24	178.36	0	178	0
		***			055 500 00	955,160	1 441	1,147,527
999	TOTAL INCOME	98,686.64	96,117	2,570	956,600.89	233,160	1,441	2,17,121

PROFIT & LOSS VARIANCE LRI X, LTD. TERRELL SENIOR TERRACE II As of OCTOBER 31, 2006

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Period: 10/06 Period: 10/06

		CURRE		YEAR TO DATE ANNUAL					
ACCOUNT	DESCRIPTION	ACTUAL BUDGET DIFFERENCE			ACTUAL BUDGET DIFFERENCE B				
0 D	=== EXPENSES ===					<u></u>			
u u									
ОВ	MANAGER	2,923.09	2,930	7	30,307.85	30,676	368	38,000	
13	LEASING AGENT	0.00	0	0	1,168.01	0	1,168-	(
16	MAINTENANCE FOREMAN	1,704.00	1,600	104-	14,969.58	16,800	1,830	20,800	
45	RECREATION DIRECTOR	0.00	625	825	3,067.20	8,638	5,570	10,700	
00	PAYROLL TAXES	454.82	886	431	6,226.10	9,143	2,917	11,286	
14	EMPLOYEE HOSPITALIZATION	624.15	913	288	6,471.45	9,125	2,654	10,950	
	OTHER BENEFITS	277.86	480	202	3,861.16	4,120	259	4,845	
18	COMP & LIABILITY INSURANCE	682.00	548	134-	5,147.00	5,662	515	6,988	
L2		2,245.00	795	1,450~	12,408.00	7,950	4,458-	9,540	
.4	EMPLOYEE RENT	2,245.00		1,450-	12,408.00		4,450-	2,340	
0	TOTAL PAYROLL & RELATED	8,910.92	8,976	65	83,626.35	92,114	8,488	113,109	
51	GROUNDS CONTRACT	0.00	5,016	5,016	19,475.89	26,160	6,684	30,192	
58	POOL MAINTENANCE	284.00	249	35-	2,967.08	2,490	477-	2,988	
38	FOOD PRINTENANCE	201100			.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			-,	
59	TOTAL CONTRACT SERVICES	284.00	5,265	4,981	22,442.97	28,650	6,207	33,180	
98	ELECTRICITY	2,345.90	2,511	165	29,264.65	31,543	2,278	37,339	
9	ELECTRICITY - VACANCY	361.95	330	32-	4,171.57	3,300	872-	3,960	
10	ELECTRICITY REIMBURSEMENT	0.00	0	0	81.97-	. 0	82	. (
	GAS	243.86	766	522	3,796.23	7,113	3,317	7,879	
12	WATER	6,201.71	7,058	856	64,753.38	61,788	2,965~	72,93	
16		1,465.11	1,300	165-	13,957.84	13,000	958-	15,600	
30	TRASH REMOVAL	1,403.11	1,300		13,357.04		230	13,000	
39	TOTAL UTILITIES	10,618.53	11,965	1,346	115,861.70	116,744	882	137,71	
	CARPET CLEANING	465.00	300	165-	3,788.50	3,400	389-	4,175	
	GENERAL CLEANING	565.75	365	201-	5,184.12	3,710	1,474~	4,44	
14	PAINTING	1,291.50	360	932-	7,686.03	3,720	3,966-	4,440	
99	TOTAL REDECORATING	2,322.25	1,025	1,297-	16,658.65	10,830	5,829-	13,055	
	my 1764 m # 820	402.27	250	152-	1,686.44	2,500	814	3,000	
04	PLUMBING MAINTENANCE		250	116	1,392.88	2,500	1,107	3,000	
98	ELECTRICAL MAINTENANCE	134.08							
12	HEATING & A/C MAINTENANCE	326.79	300	27-	1,744.52	3,200	1,455	3,600	
1.6	APPLIANCE MAINTENANCE	0.00	225	. 225	421.95	2,250	1,828	2,70	
35	MAINTENANCE & REPAIRS	406.04	400	6-	2,862.58	4,000	1,137	4,800	
36	PEST CONTROL	805.94	220	586-	5,550.24	2,200	3,350-	2,64	
43	FIRE PROTECTION	0.00	0	0	0.00	50	50	51	
19	TOTAL MAINTENANCE	2,075.12	1,645	430-	13,658.61	16,700	3,041	19,79	
56 .	ELECTRICAL	90.44	0	90-	90.44	0	90-		
	INTERNET ADVERTISING	164.00	164	0	1,334.05	1,640	306	1,96	
04	NEWSPAPER ADS	300.92	385	84	2,027.B1	3,850	1,822	4,62	
80		430.00	430	0	4,472.62	4,300	173-	5,16	
10	APARTMENT GUIDE/MAGAZINES		430	28-	247.50	4,300	248-	5,10	
12	YELLOW PAGES	27.50		0	286.86	210	77-	21	
16	DUES/MEMBERSHIPS/SUBS	0.00	0						
20	COLLATERAL MATERIALS	0.00	0		568.95	280	289-	56	
30	PARTIES	700.00	0	700-	1,866.05	1,200	666-	2,20	
49	RESIDENT REFERRAL	0.00	100	100	200.00	400	200	40	
50	LOCATOR FEES/FUNCTIONS	0.00	0	0	271.50	0	272-		
58	SPECIALTY ITEMS	321.63	55	267-	946.01	550	396-	66	
50	RESIDENT RETENTION	781.74	375	407-	8,613.14	3,750	4,863-	4,50	
99	TOTAL MARKETING	2,725.79	1,509	1,217-	20,834.49	16,180	4,654-	20,27	
04	TELEPHONE	700.57	665	36-	6,329.83	6,650	320	7,98	
08	OFFICE SUPPLIES	70.61	300	229	2,764.42	3,000	236	3,60	
11	CREDIT BUREAU EXPENSE	75.00	45	30-	1,132.50	570	563-	66	
	POSTAGE	21.52	235	213	547.49	940	393	94	
2		0.00	0	0	269.51	513	243	94	
ن خ	DUES/MEMBERSHIPS/SUBS		50	44	100.27	500	400	60	
20	COPIES/PRINTING	6.11	Þυ	44	400.27	200	100	50	
732	EXPRESS MAIL	189.91	75	115-	1,515.60	750	766-	90	

PROFIT & LOSS VARIANCE LRI X, LTD. TERRELL SENIOR TERRACE II As of OCTOBER 31, 2006 PAGE 3
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PROJECT SQ FT 0 PROJECT UNITS 180

Period: 10/06 Period: 10/06

			HTMOM T			TO DATE		ANNUAL
ACCOUNT	DESCRIPTION	ACTUAL	BUDGET D	I FFERENCE	ACTUAL	BUDGET	DIFFERENCE	BUDGET
744	LEGAL FEES	0.00	0	O	1,296.28	100	1,196-	100
748	AUDIT & ACCOUNTING	127.50	68	60-	1,143.00	5,198	4,055	5,333
751	BANK FEES	50.96	100	49	B55.91	1,000	144	1,200
755	TRAINING/SEMINARS	0.00	O	0	0.00	75	75	150
780	UNIFORMS	25.00	0	25-	62.36	380	318	380
782	MILEAGE REIMBURSEMENT	35.31	10	25~	388.56	100	289-	120
799	MISCELLANEOUS	0.00	0	0	133.13	0	133-	
300	TOTAL OFFICE OPERATIONS	1,302.49	1,549	245	16,538.86	19,776	3,237	22,911
B06	TAXES, LICENSE, FEES	0.00	0	ō	3,600.00	0	3,600~	0
850	TOTAL OUTSIDE SERVICES	0.00	0	0	3,600.00	0	3,600-	0
100	MANAGEMENT FEE	3,692.87	3,812	119	37,242.33	37,828	585	45,456
201	INSURANCE	7,757.81	3,833	3,925-	57,583.60	38,330	19,254-	45,996
304	PROPERTY TAXES	12,229.26	12,000	229-	36,687.78	120,000	83,312	144,000
500	TOTAL OPERATING EXPENSE	52,009.48	51,577	432-	424,825.78	497,151	72,325	595,486
599	NET OPERATING INCOME/LOSS	46,677.16	44,540	2,138	531,775.11	458,009	73,767	552,041
	•							
903	MORTGAGE INTEREST	31,312.62	0	31,313-	94,017.21	0	94,017-	C
	MORTGAGE PRINCIPAL	4,652.26	35,416	30,764	13,877.43	354,160	340,283	424,99
	LOAN COSTS	20.83	0	21-	62.49	0	62-	ι
B1	REPLACEMENT RESERVE	0.00	3,000	3,000	0.00	30,000	30,000	36,000
999	TOTAL DEBT SERVICE	35,985.71	38,416	2,430	107,957.13	384,160	276,203	460,992
151	A/C & HEATING	0.00	0	O	1,002.90	2,000	997	2,00
53	CARPETS	1,918.20	0	1,918-	10,950.88	1,500	9,451-	2,00
54	APPLIANCES	318.00	O	31B-	1,386.00	. 0	1,386-	
155	WINDOW COVERINGS	37.14	100	63	429.46	1,000	571	1,20
157	EXTERIOR REPAIRS	400.00	0	400-	4,841.78	0	4,842-	(
158	INTERIOR REPAIRS	396.00	0	396-	8,147.22	0	8,147-	•
159	LANDSCAPING	0.00	0	0	1,592.36	0	1,592-	(
162	PAVING	0.00	O	Ö	3,574.69	0	•	•
163	PLUMBING	0.00	0	0	3,680.32	0	3,680-	
166	OFFICE/MODEL EXPENSE	1,350.00	0	1,350-	12,995.19	0	•	ı
468	LEGAL	0.00	0	0	4,705.06	0	4,705-	
800	TOTAL CAPITAL REPAIRS	4,419.34	100	4,319-	53,305.86	4,500	48,806-	5,20
999	NET INCOME (LOSS)	6,272.11	6,024	249	370,512.12	69,349	301,164	85,84

EXHIBIT "F"

Volume 1, Tab 2. Populations Served

Part B. Rent Schedule (Required for All Rental Developments)

Unit types should be entered from smallest to largest based on "If of Bedrooms" and "Unit Size", then within the same "If of Bedrooms" and "unit Size" from lowest to highest "Rental Income/Unit".

Type of Unit designation should be one or more of the following based on the unit's rent restrictions:

Tax Credit: (TC30%), (TC40%), (TC50%), (TC60%), Employee Occupied (EO), Market Rate (MR), as allowed by Sec. 42.

501(c)(3) Mortgage Revenue Bond: (MRB), (MRB30%), (MRB40%), (MRB50%), (MRB60%), Markel Rale(MRBMR).

HOME: High (HH), Low (LH), Employee Occupied non LI unit

(MR/EO), Market Rate (MR)

Other: describe any "Other" rental assistance or rent restrictions in the space provided; documentation supporting the rentl assistance or restrictions must be provided

Housing Trust Fund: (HTF30%), (HTF40%), (HTF50%), (HTF60%), (HTF80%), Market Rate (MR)

Units hunded under more than one program, the "Program Rent Limit" should be the most restrictive - for example, a LH and TC60% unit would use the "LH" Program rent limit.

The rent and utility limits available at the time the Application Packet is submitted should be used to complete this form. Gross Rent cannot exceed the HUD maximum rent limits unless documentation of project-based rental assistance is provided. The unit mix and net rentable square footages must be consistent with the site plan and architectural drawings.

HTC Unit Designation	HOME Unit Designation	HTF Unit Designation	MRB Unit Designation	Olher	# of Units	# of Bed- rooms	# of Baths	Unit Size (Net Rentable Sq. Ft.)	Total Net Rentable Sq. Ft.	Program Rent Limit	Tenant Paid Utility Allow.	Rent Callected /Unit	Total Monthly Rent
					(A)			(B)	(A) x (B)		Ì	(E)	(A) x (E)
	LH				6	1	1.00			607	136	477	2,862
	LH			.,	6	2	1.00	830		733	175	558	3,348
	HH				6	1	1.00	640	3,840	607	136	477	2,862
	НН				6	2	1.00	830	4,980	733	175	558	3,348
TC60%					52	1	1.00	640	33,280	748	136	605	31,460
TC60%	***				88	2	1.00	830	73,040	898	175	695	61,160
									0				-
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			TOTAL		164	1			123,960				105,040
			Non Renta	al Income			4 "	/month for:	Vending Inc				353
			Non Renta	al Income			1.	/month for:	Lale Fees,				574
			Non Renta	al Income		4.50	per unit	/month for:	Miscellaneo	us Income (l.e. Pet Fee	s)	738
			+ TOTAL NO			\$10.15		/month					1,665
			= POTENTI				1E						106,705
			- Provision f		y & Collecti	on Loss			% of	Potential Gro	oss Income	7.50%	8,003
			- Rental Cor										
			= EFFECTI	/E GROS	S MONTHL	Y INCOM	E						98,702
			x 12 = EFFE	CTIVE G	ROSS ANN	UAL INC	OME						1,184,421

Volume 1, Tab 2. Populations Served Part B. Rent Schedule (Cont.)

	TC30%	C
	TC40%	0
HOUSING	TC50%	n
	TC60%	140
TAX	HTC LI Total	140
	TCEO	0
CREDITS	MR	0
	MR Total	0
	TC Total	140
	MRB30%	0
	MRB40%	0
MORTGAGE	MRB50%	0
	MRB60%	0
REVENUE	MRB LI Total	0
	MRBMR	0
BOND	MRBMR Total	0
	MRB Total	0

OTHER	Total OT Units	0
	HOME Total	24
	MR Total	0
	MR	0
	MR/EO	0
HOME	HOME LI Total	24
	HOME LH	12
	HOME HH	12
	HTF Total	0
FUND	MR Total	0
	MR ,	0
	HTF LI Total	0
TRUST	HTF80%	0
	HTF60%	0
	HTF50%	0
HOUSING	HTF40%	0
	HTF30%	0

EXHIBIT "G"

Volume 1, Tab 2. Populations Served

Part B. Rent Schedule (Required for All Rental Developments)

Unit types should be entered from smallest to targest based on "It of Bedrooms" and "Unit Size", then within the same "It of Bedrooms" and "unit Size" from lowest to highest "Rental Income/Unit".

Type of Unit designation should be one or more of the following based on the unit's rent restrictions:

Tax Credit: (TC30%), (TC40%), (TC50%), (TC60%), Employee

501(c)(3) Mortgage Revenue Bond: (MRB), (MRB30%), (MRB40%).

Occupied (EO), Market Rate (MR), as allowed by Sec. 42.

(MRB50%), (MRB60%), Market Rate(MRBMR).

HOME: High (HH), Low (LH), Employee Occupied non LI unit (MR/EO), Market Rate (MR)

Other: describe eny 'Other' rental assistance or rent restrictions in the space provided; documentation supporting the rentl assistance or restrictions must be provided.

Housing Trust Fund: (HTF30%), (HTF40%), (HTF50%), (HTF60%), (HTF80%), Market Rale (MR)

Units funded under more than one program, the "Program Rent Limit" should be the most restrictive - for example, a LH and TC60% unit would use the "LH" Program rent limit.

The rent and utility limits available at the time the Application Packet is submitted should be used to complete this form. Gross Rent cannot exceed the HUD maximum rent limits unless documentation of project-based rental assistance is provided. The unit mix and net rentable square footages must be consistent with the site plan and architectural drawings.

HTC Unit Designation	HOME Unit Designation	HTF Unit Designation	MRB Unit Designation	Other	# of Units	# of Bed- rooms	# of Baths	Unit Size (Net Rentable Sq. Ft.)	Total Net Rentable Sq. Ft.	Program Rent Limit	Tenanl Paid Utility Allow.	Rent Collected /Unit	Total Monthly Rent
					(A)			(B)	(A) x (B)			(E)	(A) x (E)
	LH				6	1	1.00	640	3,840	607	136	477	2,862
	LH				6	2	1.00	830	4,980	733	175	558	3,348
	HH				6	1	1.00	640	3,840	607	136	477	2,862
	HH '				6	2	1.00	830	4,980	733	175	558	3,348
TC60%					52	1	1.00	640	33,280	748	136	605	31,460
TC60%				PP-97-11/4-19-	88	2	1.00	830	73,040	898	175	695	61,160
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									0				
									0				-
									0				
			TOTAL		164				123,960				105,040
			Non Rental	Income		\$2.15	per unit/r	nonth for:	Vending Inco		***		353
			Non Rental	Income		3.50	per uniVr	nonth for:	Late Fees, D	amages			574
			Non Rental	Income		4.50	per unit/r	nonth for:	Miscellaneou	s Income (I.	e. Pet Fees,	)	738
+ TOTAL NONRENTAL INCOM = POTENTIAL GROSS MON							per unit/r	nonth					1,665
					MONTHLY								106,705
- Provision for Vacancy & Collec						n Loss			% of P	otential Gros	s Income:	7.50%	8,003
		I	- Rental Concessions										
		Ì	= EFFECTIVE	GROSS	MONTHLY	INCOM	=						98,702
		Ì	x 12 = EFFEC	CTIVE GR	OSS ANNI	AL INCO	OME					-	1,184,421

# Volume 1, Tab 2. Populations Served Part B. Rent Schedule (Cont.)

	TC30%	0
us Margaria	TC40%	. 0
HOUSING	TC50%	0
	TC60%	140
TAX :	HTC LI Total	140
and the strain of the	TCEO	0
CREDITS	MR	0
	MR Total	0
	TC Total	140
NVERTE DE LE LE	MRB30%	0
	MRB40%	0
MORTGAGE	MRB50%	0
	MRB60%	0
REVENUE	MRB LI Total	0
	MRBMR	0
BOND	MRBMR Total	0
	MRB Total	0

	HTF30%	0
HOUSING	HTF40%	0
	HTF50%	0
	HTF60%	0
TRUST	HTF80%	0
	HTF LI Total	0
	MR	0
FUND	MR Total	0
	HTF Total	0
	номе нн	12
	HOME LH	12
HOME	HOME LI Total	24
	MR/EO	0;
	MR	0
	MR Total	Ū.
	HOME Total	24
OTHER	Total OT Units	0

Volume 1, Tab 2, ACTIVITY OVER\	/IEW	
Part D. Annual Operating Expenses		
General & Administrative Expenses		
Accounting \$	7,500.00	
Advertising \$	14,760.00	
Legal fees \$	1,520.00	
Leased equipment \$		
Postage & office supplies \$	11,480.00	
Telephone \$	6,560.00	
Other Describe \$		
Total General & Administrative Expenses:		\$ 41,820.00
Management Fee: Percent of Effective Gross Income:	3.86%	\$ 45,679.00
Payroll, Payroll Tax & Employee Benefits		
Management \$	62,156.00	
Maintenance \$	32,800.00	
Other Describe \$ .	41,781.00	
Total Payroll, Payroll Tax & Employee Benefits:		\$ 136,737.00
Repairs & Maintenance		
Elevator \$	-	
Exterminating \$	2,624.00	
Grounds \$	25,748.00	
Make-ready \$	13,940.00	
Repairs \$	18,000.00	
Pool \$	2,500.00	
Other Describe \$	<del></del>	
Total Repairs & Maintenance:		\$ 62,812.00
Utilities (Enter development owner expense)		
Electric \$	29,520.00	
Natural gas \$	•	
Trash \$	14,432.00	
Water & sewer \$	53,300.00	
Other Describe \$		
Total Utilities:		\$ 97,252.00
Annual Property Insurance: Rate per net rentable square foot: \$	0.33	\$ 41,000.00
Property Taxes:		
Published Capitalization Rate: 10.00% Source: www.hc	ad.com	
Annual Property Taxes: \$	114,800.00	
Payments in Lieu of Taxes: \$	-	
Other Taxes Describe \$	-	
Total Property Taxes:		\$ 114,800.00
Reserve for Replacements: Annual reserves per unit: \$		\$ 32,800.00
Other Expenses		
Cable TV \$	_	
Supportive service contract fees \$	-	
Compliance fees \$	6,560.00	
Security \$	-	
Other Describe \$	-	
Total Other Expenses:		\$ 6,560.00
TOTAL ANNUAL EXPENSES Expense per unit: \$	3533.292683	\$ 579,460.00
NET OPERATING INCOME (before debt service)	1 1 11	\$ 604,961.06
ANNUAL DEBT SERVICE Debt Coverage Ratio:	1.10	\$ 548,643.00
NET CASH FLOW		\$ 56,318.06

# Volume 1, Tab 2, ACTIVITY OVERVIEW

# Part E. 30 Year Rental Housing Operating Proforma

The pro forma should be based on the operating income and expense information for the base year (first year of stabilized occupancy using today's best estimates of rental income and expenses), and principal and interest

debt service. The Department currently considers an annual growth rate of 3% for income and 4% for expenses to be reasonably conservative estimates. Written explanation for any deviations from these growth rates or for assumptions other than straight-line growth made during the proforma period should be attachd to this exhibit.	nual growth rai	te of 3% for inc a period shoufa	ome and 4% for be attachd to	nd 4% for expenses to I achd to this exhibit.	oe reasonably (	onservative es	fimales, Writte	r explanation f	or any deviation	deviations from these growth rates or	rowth rates or
					and the second s						
INCOME	dn-asva1	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 15	YEAR 20	YEAR 25	YEAR 30
POTENTIAL GROSS ANNUAL RENTAL INCOME		\$1,260,480	\$1,298,294	\$1,337,243	\$1,377,361	\$1,418,681	51,644,641	\$1,906,589	\$2,210,259	\$2,562,296	52,970,404
Secondary Income		19,975	20,574	21,192	21,827	22,482	\$26,063	30,214	35,027	40,605	47,073
POTENTIAL GROSS ANNUAL INCOME		\$1,280,455	\$1,318,869	\$1,358,435	\$1,399,188	\$1,441,164	\$1.670,704	\$1,936,803	\$2,245,286	\$2,602,902	\$3,017,477
Provision for Vacancy & Collection Loss		96,034	98,915	101,883	104,939	108,087	125,303	145,260	168,396	195,218	226,311
Rental Conessions											
EFFECTIVE GROSS ANNUAL INCOME		\$1,184,421	\$1,219,954	\$1,256,552	\$1,294,249	\$1,333,076	\$1,545,401	\$1,791,543	\$2,076,889	\$2,407,684	\$2,791,166
EXPENSES											
General & Administrative Expenses		5 41,820.00	\$43,493	\$45,233	\$47,042	\$48,923	\$59,523	\$72,419	\$88,108	\$107,197	\$130,422
Management Fee		45,679	47,506	49,406	51,383	53,438	65,015	79,101	96,239	117,089	142,457
Payroll, Payroll Tax & Employee Benefits		136,737	142,206	147,895	153,811	159,963	194,619	236,784	288,084	350,499	426,435
Repairs & Maintenance		62,812	65,324	67,937	70,655	73,481	89,401	108,770	132,335	161,006	195,889
Electric & Gas Utilities		29,520	30,701	31,929	33,206	34,534	42,016	51,119	62,194	75,669	92,063
Water, Sewer & Trash Utilities		67,732	70,441	73,259	76,189	79,237	95,404	117,290	142,701	173,618	211,233
Annual Property Insurance Premiums		41,000	42,640	44,346	46,119	47,964	58,356	70,999	86,381	105,095	127,865
Property Tax		114,800	119,392	124,168	129,134	134,300	163,396	198,796	241,866	294,267	358,021
Reserve for Replacements		32,800	33,784	33,784	33,784	33,784	33,784	33,784	33,784	33,784	33,784
Other Expenses:		6,560	6,822	7,095	7,379	7,674	9,337	11,360	13,821	16,815	20,458
TOTAL ANNUAL EXPENSES		\$579,460	\$602,310	\$625,051	\$648,702	\$673,299	\$811,852	\$980,422	\$1,185,514	\$1,435,040	\$1,738,626
NET OPERATING INCOME		\$604,961	\$617,643	\$631,501	\$645,547	\$659,777	\$733,549	\$811,121	\$891,375	\$972,644	\$1,052,540
DEBT SERVICE											
First Deed of Trust Annual Loan Payment		\$501,143	\$501,143	\$501,143	\$501,143	\$501,143	\$:501,143	\$501,143	\$501,143	\$501,143	\$501,143
Second Deed of Trust Annual Loan Payment		47,500	47,500	47,500	47,500	47,500	47,500	47,500	47,500	47,500	47,500
Third Deed of Trust Annual Loan Payment											
Other Annual Required Payment: Deferred Dev. Fees											
NET CASH FLOW		\$56,318	\$69,000	\$82,858	\$96,904	\$111,134	\$134,906	\$262,478	\$342,732	\$424,001	\$503,897
Debt Coverage Ratio	IO/AIG#	1,10	113	931	812 ST ST ST	1.20	1.34	1.48	7,62	1771	1.92

#### Volume 1, Tab 4. Funding Request

#### PART A. Summary Sources and Uses of Funds

Describe all sources of funds and total uses of funds. Information must be consistent with the information provided throughout the Application (i.e. Financing Participants and Development Cost Schedule forms). Where funds such as tax credits, loan guarantees, bonds are used, only the proceeds going into the development should be identified so that "sources" match "uses."

Applicants must attach a written narrative to this form that describes the financing plan for the Development. The narrative shall include:

(a) any non-traditional financing arrangements; (b) the use of funds with respect to the Development; (c) the funding sources for the Development including construction, permanent and bridge loans, rents, operating subsidies, and replacement reserves; and (d) the commitment status of the funding sources.

Source #	Funding Description	Priority of Lien	Const	ruction or Rehab. Loan Stage Amt.		ianent Loan Stage Amount	Financing Participants
1	Conventional Loan						
2	Conventional Loan/FHA						
3	Conventional Loan/Letter of Credit						
4	HOME		\$	1,900,000	\$	1,900,000	TDHCA
5	Housing Trust Fund				<u> </u>		TDHCA
6	CDBG						
7	Mortgage Revenue Bonds		\$	7,400,000	\$	7,400,000	National Alliance Securities Corp.
8	HTC Syndication Proceeds		\$	2,859,396	\$	4,023,551	National Development Council
9	Historic Tax Credit Syndication Proceeds						
10	USDA/ TXRD Loan(s)						
11	Other Federal Loan or Grant						
12	Other State Loan or Grant						
13	Local Government Loan or Grant						
14	Earnout		\$		\$	- 1	
15	Cash Equity/ Interest Earnings/Reserves		\$	747,035	\$		LRI IV, Ltd.
16	In-Kind Equity/Deferred Developer Fee		\$	1,295,667	\$		Life Rebuilders
	SOURCES OF FUNDS		\$	14,202,098	\$	14,202,098	<b>通信的</b> 自己的表现。这种自己或类似的变形。
TOTAL	USES OF FUNDS		\$	14,202,098	\$	14,202,098	

⁽¹⁾ Indicate Exclusive Use Financing Paticipant only where funds from that source are dedicated only for a specific purpose, i.e. CDBG infrustructure funds used only for off-site construction

# EXHIBIT "H"

#### Volume 1, Tab 2. Populations Served

#### Part B. Rent Schedule (Required for All Rental Developments)

Unit types should be entered from smallest to largest based on "# of Bedrooms" and "Unit Size", then within the same "# of Bedrooms" and "unit Size" from lowest to highest "Rental Income/Unit".

Type of Unit designation should be one or more of the following based on the unit's rent restrictions:

Tax Credit: (TC30%), (TC40%), (TC50%), (TC60%), Employee Occupied (EO), Market Rate (MR), as allowed by Sec. 42.

501(c)(3) Mortgage Revenue Bond: (MRB), (MRB30%), (MRB40%), (MRB50%), (MRB60%), Market Rate(MRBMR).

HOME: High (HH), Low (LH), Employee Occupied non Li unit (MR/EO), Market Rate (MR)

Other: describe any "Other" rental assistance or rent restrictions in the space provided; documentation supporting the rentl assistance or restrictions must be provided

Housing Trust Fund: (HTF30%), (HTF40%), (HTF50%), (HTF60%), (HTF80%), Market Rate (MR)

Units funded under more than one program, the "Program Rent Limit" should be the most restrictive - for example, a LH and TC60% unit would use the "LH" Program rent limit.

The rent and utility limits available at the time the Application Packet is submitted should be used to complete this form. Gross Rent cannot exceed the HUD maximum rent limits unless documentation of project-based rental assistance is provided. The unit mix and net rentable square footages must be consistent with the site plan and architectural drawings.

HTC Unit Designation	HOME Unit Designation	HTF Unit Designation	MRB Unit Designation	Other	# of Units	# of Bed- rooms	# of Balhs	Unit Size (Net Rentable Sq. Ft.)	Total Net Rentable Sq. Ft.	Program Rent Limit	Tenant Paid Utility Allow.	Rent Collected /Unit	Total Monthly Rent
					(A)			(B)	(A) x (B)			(E)	(A) x (E)
	LH				6	1	1,00	640	3,840	607	136	477	2,862
	LH				6	2	1.00	830	4,980	733	175	558	3,348
	HH		4		6	1	1.00	640	3,840	607	136	477	2,862
***************************************	HH				6	2	1.00	830	4,980	733	175	558	3,348
TC60%					52	1	1.00	640	33,280	748	136	605	31,460
TC60%					88	2	1.00	830	73,040	898	175	651	57,288
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								1	0				
			TOTAL		164		•		123,960				101,168
			Non Renta	l Income		\$2.15	per unit	month for:	Vending Inc	ome			353
			Non Renta	l Income		3.50	per unit	month for:	Late Fees, L	Damages			574
			Non Renta	I Income		4.50	per unit	month for:	Miscellaneo	us Income (l	.e. Pet Fee:	s)	738
			+ TOTAL NOI	NRENTAL	INCOME	\$10.15	per unit	month/					1,665
			= POTENTIA										102,833
			- Provision fo	r Vacanc	/ & Collection	on Loss			% of i	otential Gro	ss Income:	7.50%	7,712
			- Rental Con		ne essentiales electrosis como como como				**************************************				
			= EFFECTIV		MONTHLY	/ INCOM	E	·					95,120
			x 12 = EFFE										1,141,442

# Volume 1, Tab 2. Populations Served Part B. Rent Schedule (Cont.)

	TC30%	0
	TC40%	0
HOUSING	TC50%	0
	TC60%	140
TAX	HTC LI Total	140
	тсео	0
CREDITS	MR	0
Fig. (Sec.)	MR Total	0
	TC Total	140
	MRB30%	0
5 (25) (\$2 (\$2 (\$2 (\$2 (\$2 (\$2 (\$2 (\$2 (\$2 (\$2	MRB40%	0
MORTGAGE	MRB50%	0
	MRB60%	0
REVENUE	MRB LI Total	0
	MRBMR	0
BOND	MRBMR Total	0
CONTRACTOR (CO	MRB Total	O

HTF30%	0
HTF40%	0
HTF50%	0
HTF60%	0
HTF80%	0
HTF LI Total	0
MR	0
MR Total	0
HTF Total	0
HOME HH	12
HOME LH	12
HOME LI Total	24
MR/EO	0
MR	0
MR Total	0
HOME Total	24
Total OT Units	0
	HTF40% HTF50% HTF60% HTF80% HTF LI Total MR MR Total HTF Total HOME HH HOME LH HOME LI Total MR/EO MR MR Total

# Volume 1, Tab 2, ACTIVITY OVERVIEW

# Part E. 30 Year Rental Housing Operating Proforma

The pro forma should be based on the operating income and expense information for the base year of stabilized occupancy using today's best estimates of rental income and expenses), and principal and interest debt service. The Department currently considers an annual growth rate of 3% for income and 4% for expenses to be reasonably conservative estimates. Written explanation for any deviations from these growth rates or for assumptions other than straight-line growth made during the proforma period should be attachd to this exhibit.

1 man 1 may	-			Action of the broken course of the contract of the Artificial of							
INCOME	LEASE-UP	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 15	YEAR 20	YEAR 25	YEAR 30
POTENTIAL GROSS ANNUAL RENTAL INCOME		\$1,214,016	\$1,250,436	\$1,287,950	\$1,326,588	\$1,366,386	\$1.584,016	\$1,836,308	52,128,784	\$2,467,845	\$2,860,908
Secondary Income		19,975	20,574	21,192	21,827	22,482	\$26,063	30,214	35,027	40,605	47,073
POTENTIAL GROSS ANNUAL INCOME		\$1,233,991	\$1,271,011	\$1,309,141	\$1,348,416	\$1,388,868	\$1.610,079	\$1,866,522	1183,163,811	\$2,508,450	\$2,907,981
Provision for Vacancy & Collection Loss		92,549	95,326	98,186	101,131	104,165	120,756	139,989	162,286	188,134	218,099
Rental Conessions											
EFFECTIVE GROSS ANNUAL INCOME		\$1,141,442	\$1,175,685	\$1,210,956	\$1,247,284	\$1,284,703	\$1,489,323	\$1,726,533	\$2,001,525	\$2,320,316	\$2,689,883
EXPENSES											
General & Administrative Expenses		\$ 41,820.00	\$43,493	\$45,233	\$47,042	\$48,923	\$59,523	\$72,419	\$88,108	\$107,197	\$130,422
Management Fee		47,388	49,284	51,255	53,305	55,437	67,448	82,061	99,839	121,470	147,787
Payroll, Payroll Tax & Employee Benefits		136,737	142,206	147,895	153,811	159,963	194,619	236,784	288,084	350,499	426,435
Repairs & Maintenance		62,812	65,324	67,937	70,655	73,481	89,401	108,770	132,335	161,006	195,889
Electric & Gas Utilities		29,520	30,701	31,929	33,206	34,534	42,016	51,119	62,194	75,669	92,063
Water, Sewer & Trash Utilities		67,732	70,441	73,259	76,189	79,237	96,404	117,290	142,701	173,618	211,233
Annual Property Insurance Premiums		41,000	42,640	44,346	46,119	47,964	58,356	70,999	86,381	105,095	127,865
Property Tax		114,800	119,392	124,168	129,134	134,300	163,396	198,796	241,866	294,267	358,021
Reserve for Replacements		32,800	33,784	33,784	33,784	33,784	33,784	33,784	33,784	33,784	33,784
Other Expenses;		4,100	4,264	4,435	4,612	4,796	5,836	7,100	8,638	10,510	12,786
TOTAL ANNUAL EXPENSES		\$578,709	\$601,529	\$624,239	\$647,857	\$672,420	\$810,783	\$979,122	\$1,183,932	\$1,433,115	\$1,736,284
NET OPERATING INCOME		\$562,733	\$574,156	\$586,716	\$599,427	\$612,283	\$678,540	\$747,411	\$817,593	\$887,201	\$953,599
DEBT SERVICE											
First Deed of Trust Annual Loan Payment		\$488,953	\$488,953	\$488,953	\$488,953	\$488,953	\$488,953	\$488,953	\$488,953	\$488,953	\$488,953
Second Deed of Trust Annual Loan Payment		23,500	23,500	23,500	23,500	23,500	23,500	64,167	64,167	64,167	64,167
Third Deed of Trust Annual Loan Payment											
Other Annual Required Payment: Deferred Dev. Fees											
NET CASH FLOW		\$50,280	\$61,703	\$74,263	\$86,974	\$99,830	\$166,087	\$194,291	\$264,473	\$334,081	\$400,479
Debt Coverage Ratio	#DIV/0I	1.10	1.12	111		119	1.32	1,35	1.48	1.60	1,72

#### Volume 1, Tab 4. Funding Request

#### PART A. Summary Sources and Uses of Funds

Describe all sources of funds and total uses of funds. Information must be consistent with the information provided throughout the Application (i.e. Financing Participants and Development Cost Schedule forms). Where funds such as tax credits, loan guarantees, bonds are used, only the proceeds going into the development should be identified so that "sources" match "uses."

Applicants must attach a written narrative to this form that describes the financing plan for the Development. The narrative shall include:

(a) any non-traditional financing arrangements; (b) the use of funds with respect to the Development; (c) the funding sources for the Development including construction, permanent and bridge loans, rents, operating subsidies, and replacement reserves; and (d) the commitment status of the funding sources.

Source #	Funding Description	Priority of Lien	Construction or Rehab Loan Stage Amt	Permanent Loan Stage Amoun	Financing Participants
1	Conventional Loan				
2	Conventional Loan/FHA				
3	Conventional Loan/Letter of Credit			·	
4	HOME		\$ 1,900,000	\$ 1,900,000	TDHCA
5	Housing Trust Fund				TDHCA
6	CDBG				
7	Mortgage Revenue Bonds		\$ 7,220,000	\$ 7,220,000	National Alliance Securities Corp.
8	HTC Syndication Proceeds		\$ 3,039,396	\$ 4,023,551	National Development Council
9	Historic Tax Credit Syndication Proceeds				
10	USDA/ TXRD Loan(s)				
11	Other Federal Loan or Grant				
12	Other State Loan or Grant		·		
13	Local Government Loan or Grant				
14	Earnout		\$ -	\$ -	
	Cash Equity/ Interest Earnings/Reserves		\$ 747,035	\$ 244,859	LR1 IV, Ltd.
16	In-Kind Equity/Deferred Developer Fee		\$ 1,295,667	\$ 813,688	Life Rebuilders
TOTAL	SOURCES OF FUNDS		\$ 14,202,098	\$ 14,202,098	
TOTAL	USES OF FUNDS		\$ 14,202,098	\$ 14,202,098	

⁽¹⁾ Indicate Exclusive Use Financing Paticipant only where funds from that source are dedicated only for a specific purpose, i.e. CDBG infrustructure funds used only for off-site construction

**DATE:** December 7, 2006 **PROGRAM:** 4% HTC, Bond, HOME **FILE NUMBER:** 060612

				DEVE	LOPMEN	IT NA	ME			
				Enni	s Senior	Esta	ites			
					APPLICA	NIT				
Name:	LRI IV	, LTD.		·		1111	Contact:	John Barr	aclough	
Address:	800 W.	Airport Freewa	y, Suite 11	00						
City	Irving						State:	TX	Zip:	
Phone:	(972)	445-4139	Fax:	(972)	445-413	38	Email:	john@life	erebuilders.c	org
				KEY	PARTICI	PANT	S			
Name:	LRI Ennis Senior Estates, LLC Title: 1% Managing General Partner of Applicant									
Name:	Life Re	ebuilders, Inc.			Title:	100%	6 Owner and	Sole Member	of General Par	tner
Name:	John B	arraclough			Title:	Princ	eipal			
				PROP	ERTY LO	CATI	ON			
Location:	600' No	orth of the North	neast Corne	er Of Ruc	ld Road a	nd Bl	azek Rd.			
City:	Ennis								Zip: 7	75119
County:	Ellis				Regio	n:	3		QCT	☐ DDA

		REQUEST		
<b>Program</b>	<b>Amount</b>	<b>Interest Rate</b>	<b>Amortization</b>	<u>Term</u>
Tax Exempt Bonds	\$7,685,000	6.25%	40 yrs	40 yrs
HOME	\$1,900,000	1%	35 yrs ¹	35 yrs
HTC	\$426,191	N/A	N/A	N/A
Proposed Use of Funds:	New construction	Type:	Multifamily	
Target Population:	Elderly	Other:	Urban/Exurban, Nonprofit, CHDO	

#### **RECOMMENDATION**

#### NOT RECOMMENDED DUE TO THE FOLLOWING:

- The Development would require 100% of the HOME funds to be in the form of a grant based upon Title 10 of the Texas Administrative Code ("TAC") 1.32(d)(4)(D)
- Without the HOME funds structured as a 100% grant or deferred forgivable loan, the Development is not financially feasible based upon the Department's standards for repayment of deferred fees in less than 15 years (10 TAC Section 1.32(d)(5)(D)).
- The Development's net income is likely to be insufficient to support tax exempt bonds amounting to at least 50% of the cost making the Development ineligible for Housing Tax Credits (Internal Revenue Code Section 42 (h) (4)).

¹ The Applicant initially requested a fully amortized HOME loan at AFR; the amended application for home funds reflected 1% over 35 years; but, subsequently it has been determined that the Applicant's request would be interest only for the first 10 years at 0.5% and fully amortizing over the last 25 years.

SHOULD THE BOARD APPROVE AWARDS FOR THIS DEVELOPMENT, THE BOARD MUST WAIVE ITS RULES FOR THE ISSUES LISTED ABOVE AND ANY AWARDS SHOULD BE CONDITIONED UPON THE FOLLOWING:

#### CONDITIONS

- 1. A tax credit amount not to exceed \$423,574 annually for ten years;
- 2. A HOME award not to exceed \$1,675,000 (unless additional HOME units are pledged) and Board recognition that repayment of the award will likely need to be based upon cash that may not materialize flow and/or a exit strategy sale price may not be sufficient to fund repayment;
- 3. A private activity tax exempt bond amount not to exceed \$7,685,000 of which up to \$1,440,000 may need to be included in a earn out account and may not ultimately be achievable and therefore would have to be funded out of deferred developer and contractor fee;
- 4. Receipt, review and acceptance, prior to closing of a third party CPA or Attorney letter of opinion stating that the proposed transaction with the amended debt amount meets the 50% test requirements of the Internal Revenue Code Section 42 (h) (4)
- 5. Receipt, review and acceptance, prior to closing, of an updated ESA addressing issues related to noise, floodplain, asbestos-containing materials, lead-based paint, lead in the drinking water, and radon.
- 6. Receipt, review, and acceptance by closing of resolution of the Tax Suit, filed on November 21, 2005, between Ellis County vs. Life Rebuilders;
- 7. Receipt, review and acceptance by closing of documentation including, but not limited to, a new permanent loan commitment supporting a debt coverage ratio at a minimum of 1.10 based upon by the repayable position of the HOME funds as determined by the TDHCA Board (cash flow or hard repayable debt).
- 8. Should the proposed number of HOME units or the proposed terms and rate of the HOME loan change, the transaction should be re-evaluated and an adjustment to the allocation amount may be warranted.
- 9. Should the terms and rates of the proposed debt or syndication change, the transaction should be reevaluated and an adjustment to the allocation amount may be warranted.

#### REVIEW of PREVIOUS UNDERWRITING REPORTS

Previous report in 2005 #05620 but was not presented to the Board due the lack of an affirmative recommendation and Applicant's choice to continue to work on the transaction to find an acceptable structure that would be feasible. This bond reservation was a carry forward from 2005.

DEVELOPMENT SPECIFICATIONS							
IMPROVEMENTS							
Total Units: 164	# Res Bldgs $\underline{41}$ # Non-Res Bldgs $\underline{1}$ Age: $\underline{N/A}$ yrs Vacant: $\underline{N/A}$ at //						
Net Rentable SF: 123,960 Av Un SF: 756 Common Area SF: 4,300 Gross Bldg SF: 123,960							
ARCHITECTURAL REVIEW							

#### 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 25% plywood/hardboard, 75% masonry veneer. 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 fax 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 with washer and dryer included, a ceiling fixture in each room, an individual heating and air conditioning unit, individual water heater.

#### ONSITE AMENITIES

In order to meet threshold criteria for total units of between 150 and 199, the Applicant has elected to provide a barbecue or picnic table for every 50 units, community dining room with kitchen, community gardens, community laundry room, a covered pavilion that includes barbecue grills and tables, 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 gazebo with sitting area, horseshoes, lawn bowling court, croquet court, bocce ball court, putting green, shuffleboard, a library separate from the community room, public telephone(s) available to tenants 24 hours a day, an activity room, a service coordinators office in addition to the leasing offices, a swimming pool.

Uncovered Parking: 300 spaces Carports: 0 spaces Garages: 0 spaces

#### PROPOSAL and DEVELOPMENT PLAN DESCRIPTION

**<u>Description</u>**: Ennis Senior Estates is a 164 unit per acre new construction development located in southeast Ennis, Texas. The development is comprised of 41 evenly distributed one story fourplex residential buildings as follows:

No. of Buildings	<u>No. of Floors</u>	<u>1BR</u>	<u> 2BR</u>
15	1	2	2
8	1	2	2
18	1	1	3

The development includes a 4,300 square foot community building with a laundry area, mail room, maintenance office, computer work area, game room, beauty salon and fitness area.

SITE ISSUES						
		SITE DESCRIPTION				
Total Size:	14.37 acres	Scattered sites?	☐ Yes ☒ No			
Flood Zone:	Zone X	Within 100-year floodplain?	☐ Yes ☒ No			
Current Zoning:	A-3 PD	Needs to be re-zoned?	☐ Yes ☒ No ☐ N/A			
SITE and NEIGHBORHOOD CHARACTERISTICS						

**Location:** The proposed development is 600 feet north of the northeast corner of Rudd Road and Blazek Road in Ennis, Ellis County. Ennis is located in Region 3, approximately 30 miles south of Dallas.

#### **Adjacent Land Uses:**

- North: Undeveloped land immediately adjacent and undeveloped land beyond;
- **South:** Undeveloped land immediately adjacent and Blazek Road beyond;
- East: Undeveloped land immediately adjacent and beyond; and
- West: Rudd Road immediately adjacent and some residential houses, and undeveloped land beyond.

<u>Site Access</u>: The Subject is located on the east side of Rudd Road, just North of Blazek Road. The main entrance will be off a new road from Rudd Road and a secondary access ingress and egress will be located on Rudd Road.

<u>Public Transportation</u>: The availability of public transportation was not identified in the application materials.

**Shopping & Services:** According to the Applicant, convenience store shopping is within a mile of the subject and residents will be afforded on-site van transportation free of charge to shopping in downtown Ennis, where other retail is available. In addition residents will be afforded on-site transportation free of charge to medical facilities, recreational facilities and other facilities in Ennis and surrounding communities.

#### **Adverse Site Characteristics:**

• Title: A Tax Suit was filed on November 21, 2005 styled Ellis County vs. Life Rebuilders in the 40th

HIGHLIGHTS of SOILS & HAZARDOUS MATERIALS REPORT(S)

A Phase I Environmental Site Assessment report dated September 22, 2005 was prepared by Giles Engineering Assoc. and contained the following findings and recommendations:

#### Findings:

- **Noise:** Not addressed in the report.
- **Floodplain:** Not addressed in the report.
- Asbestos-Containing Materials (ACM): Not addressed in the report.
- Lead-Based Paint (LBP): Not addressed in the report.
- Lead in Drinking Water: Not addressed in the report.
- **Radon:** Not addressed in the report.
- Recognized Environmental Conditions: The subject property is a 20-acre parcel of undeveloped land. The property is relatively level with a slope downwards towards the east. The subject property has historically been undeveloped land. No indications of hazardous substances or petroleum products were observed during the current visual assessment of the subject property. No recognized environmental conditions are associated with the current or former usage of the subject property.

The adjacent properties are currently undeveloped land. Additionally the subject property and adjacent properties are not included with the reviewed State and Federal environmental listings. Considering the above, no recognized environmental conditions in connection with the subject property are associated with the adjacent properties.

<u>Conclusions:</u> This assessment has revealed no evidence of recognized environmental conditions in connection with the property.

**Recommendations:** Based on the findings and conclusions of this assessment, further environmental investigation of the subject property is not recommended at this time.

The submitted environmental site assessment did not address several issues required in the 2006 Real Estate Analysis Rules and Guidelines, Section 1.35(b) including: state if a noise study is recommended for a property; provide a copy of the current FEMA Flood Insurance Rate Map and provide a narrative determination of the flood risk; state if testing for asbestos containing materials (ACMs) would be required pursuant to local, state, and federal laws, or recommended due to any other consideration; state if testing for Lead Based Paint would be required; state if testing for lead in the drinking water would be required; and assess the potential for the presence of Radon on the property. Receipt, review and acceptance, prior to closing, of an updated ESA addressing issues related to noise, floodplain, asbestos-containing materials, lead-based paint, lead in the drinking water, and radon is a condition of this report.

#### **INCOME SET-ASIDE**

The Applicant has elected the 40% at 60% or less of area median gross income (AMGI) set-aside. The Subject qualifies as a Priority 3 Private Activity Bond allocation (§ 1372.0321). The Subject is also a HOME assisted rental development. The Applicant has indicated that are a total of 20 HOME assisted units (12.2% of the total) with 10 or 50% that have rent and income restrictions at 50% or less of area median family income and all remaining units with High HOME rent and long term income restrictions at 80% or less of area median family income. These 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. All of the units will be tax credit units that 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	\$27,960	\$31,920	\$35,940	\$39,900	\$43,080	\$46,260	

#### **MARKET HIGHLIGHTS**

A market feasibility study dated January 11, 2006 and updated November 10, 2006 was prepared by Apartment Market Data, LLC ("Market Analyst") and included the following findings:

**Definition of Primary Market Area (PMA):** "For this analysis, we utilized a Primary Market Area encompassing 1,387.95 square miles. This Trade Area includes the City of Corsicana and much of the City of Waxahachie. Approximately 3/8 of the Trade Area is located in Navarro County and approximately 3/8 in Ellis County. The trade area also includes portions of Kaufman and Henderson Counties" (p. 37). This area is equivalent to a circle with a radius of 21 miles. The PMA is quite large for a typical bond transaction but given that the property is targeting elderly and located in a rural area a larger than normal market area could be expected. The PMA includes Country Lane Seniors, #060042, a 9% HTC development approved in July 2006, however it does not include Gardens of Mabank, #060206, a 36-unit senior development located approximately 35 miles east in Mabank that was also approved in July 2006.

**Population:** The estimated 2005 population of the primary market area was 145,332 and is expected to increase by 13.2% to approximately 164,846 by 2010. Within the primary market area there were estimated to be 16,764 elderly households in 2005.

Total Market Demand: The Market Analyst utilized a target household adjustment rate of 35.4% (p. 48) and a household size-appropriate adjustment rate of 9.3%. The Analyst's income band of \$18,690 to \$35,940 (p. 49) results in an income eligible adjustment rate of 20.2% (p. 49). The income eligible renter adjustment rate of 2.3% is specific to the income-eligible population (p. 55). The Market Analyst indicates a turnover rate of 63.8% applies based on IREM Income and Expense publication (p. 54).

MARKET DEMAND SUMMARY						
	Marke	t Analyst	Underwriter			
Type of Demand	Units of Demand	% of Total Demand	Units of Demand	% of Total Demand		
Household Growth	22	5.4%	36	10%		
Resident Turnover	384	94.6%	260	70%		
Other Sources			73	20%		
TOTAL DEMAND	406	100%	369	100%		

p. 64, updated

Inclusive Capture Rate: The Market Analyst calculated an inclusive capture rate of 36.21% based upon 406 units of demand and 251 unstabilized affordable housing in the PMA (including the subject and Country Lane Seniors, #060042). The Market Analyst adjusted the total number of unstabilized housing by 54 units for 33% of demand from homeowners and 50 units for 30% of demand from outside the PMA for a total of 147 unstabilized affordable housing units in the PMA (p. 63-64, updated). The Underwriter calculated an inclusive capture rate of 68% based upon a supply of 251 unstabilized comparable affordable units divided by a demand estimated at 369 affordable units. The Underwriter included demand from senior homeowners transitioning to rental based on demographic information included in the market study. The Underwriter did not include demand from outside of the primary market area as demographic information was not included in the market study.

<u>Unit Mix Conclusion</u>: "The design and layout of the subject would be of equal or better quality compared to other affordable projects in the area. The project is well suited for new apartment construction. The unit mix and amenities provide an excellent selection for prospective residents" (p. 34).

Market Rent Comparables: The Market Analyst surveyed 5 comparable apartment projects totaling 368 units

in the market area. "This analysis is based on the most comparable market rate projects within the PMA" (p. 107-108).

RENT ANALYSIS (net tenant-paid rents)									
Unit Type (% AMI) Proposed Program Max Differential Est. Market Differential									
1-Bedroom (LH - 50%)	\$477	\$477	\$0	\$675	-\$198				
1-Bedroom (HH - 80%)	\$477	\$477	\$0	\$675	-\$198				
1-Bedroom (60%)	\$595	\$618	-\$23	\$675	-\$80				
2-Bedroom (LH - 50%)	\$558	\$564	-\$6	\$750	-\$192				
2-Bedroom (HH - 80%)	\$558	\$564	-\$6	\$750	-\$192				
2-Bedroom (60%)	\$695	\$729	-\$34	\$750	-\$55				

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

The Market Analyst's market rents were questioned by both the Underwriter based on rents currently being achieved by the other tax credit funded developments in Ennis. The comparable developments utilized by the Market Analyst to conclude market rent include developments in Waxahachie, a large, urbanized area located closer to Dallas than Ennis, the smaller city where the Subject development is to be located. The market in Waxahachie is not as comparable to the subject as the market in Ennis. The Underwriter also looked upon the rental rate information from Terrell, a more comparable city similar in size and located east of Dallas where the Applicant has other seniors only developments. It is also worth noting that three of the five comparable developments utilized by the Market Analyst to conclude the two-bedroom market rent do not have two-bedroom units. Rent information as of July 2006 from Terrell Senior Terraces I and II, an HTC development targeting seniors, with 72 and 180 units respectively, is summarized below.

	<u> 1 Bed</u>	SF	2 Bed	SF
50% of AMI	\$543	\$0.76	\$651	\$0.65
60% of AMI	\$646	\$0.90	\$760	\$0.75
Market	\$675	\$0.95	\$790	\$0.78

The one-bedroom units at Terrell Senior Terraces are 714 square feet and the two-bedroom units are 1,007 square feet. Applying the per square foot cost for the market rate units to the Subject's proposed, smaller units results in estimated rents of \$605 for the one-bedroom units and \$651 for the two-bedroom units. The Underwriter ultimately was persuaded by the Terrell comparison and utilized \$651 for the current max rent for the two bedroom units.

Primary Market Occupancy Rates: "Apartment MarketData conducted an analysis of some 368 conventional (Market Rate) units within the Primary Trade. These projects were all built between 1982 and 2004. The occupancy rate for the market rate one bedrooms is 97.0%, for market rate two bedrooms it is 95.5%, the occupancy for the market rate three bedroom units is 100%, and the overall average occupancy for market rate units is 96.7%. The apartment MarketData Report reflects an average rental rate of \$1.008/sf for one bedroom units, \$.914/sf for two bedrooms, \$.960/sf for three bedroom units, and \$.967/sf overall. There are no market rate four bedroom units within the PMA" (p. 107).

Absorption Projections: "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. The developer has estimated a conservative 15 leases per month (9%). An 8% monthly lease-up rate (13 units) would allow 13 units to be leased for months 7 through 17 with ten units leased in the 18th month for a total of 153 leased units or a 93% occupancy rate" (p. 95). The Underwriter believes these are very aggressive lease-up assumptions given the current occupancy rate of other TDHCA funded developments in Ennis (mid 80%) and given the fact that developments targeting elderly households draw demand form longer distances and lease considerably slower than other developments. There are approximately 90 vacant affordable units in Ennis between the last four developments TDHCA funded in Ennis.

<u>Unstabilized, Under Construction, and Planned Developments:</u> The Market Analyst identified Country Lane Seniors with 164 total units as the only unstabilized comparable within the PMA. It should be noted that this

development in Waxahachie is of particular concern as it will have several significant advantages over the subject (timing, location, and larger income band). While it is questionable to consider Waxahachie as an appropriate part of the PMA for the subject doing so suggests that the subject will compete directly with the Country Lane Development.

<u>Market Impact:</u> "An apartment development would also help with labor support for retail and industrial development in the immediate area, and would not significantly impact neighborhood single-family housing. In fact, an apartment development would have less of an impact on the existing housing than most other development types present in the sub-market" (p. 104).

<u>Market Study Analysis/Conclusions</u>: While the Underwriter has concerns about the defined PMA, market rents, capture rate and absorption conclusions of the Market Analyst the information drawn from the study places the subject within the constraints of an approvable funding recommendation.

#### **OPERATING PROFORMA ANALYSIS**

<u>Income</u>: The Applicant's projected HOME rents were calculated by subtracting tenant-paid utility allowances as of 12-1-2005, maintained by the City of Ennis, from the 2006 program gross rent limits. The Applicant estimated the rents for the one- and two-bedroom 60% of AMI HTC units at \$595 and \$695, respectively. The Underwriter projected the rents for the two bedroom 60% HTC units at \$651 based on per square-foot market rents for comparable units (see the Market Highlights section above). Tenants will be required to pay electric and natural gas. The Applicant's estimated vacancy and collection loss and secondary income are comparable to the Department's estimated figures. Despite the difference in rent assumptions, the Applicant's effective gross income is within 5% of the Underwriter's estimates.

Expenses: The Applicant's total annual operating expense projection at \$3,529 per unit is 7% higher than the Underwriter's estimate of \$3,818, derived from the TDHCA database, experience at other properties in Ennis, and experience with the General Partner's properties in Terrell. The largest variances were in general and administrative (\$14K lower than the Underwriter's estimate), utilities (\$20K lower) and property taxes (\$15K lower). It should be noted that the Applicant emphasized their experience in Terrell as documentation for their lower operating expense estimate. While it appears that Terrell Seniors I and II actual year end 2005 overall expense performance is between the Applicant's estimate and the Underwriter's estimate on a per unit basis; performance in the three areas of difference identified above appear to have been higher than the Underwriter's estimates. General and administrative were \$391 per unit for Terrell Seniors I & II, \$337 per unit for the Underwriter's estimate of the subject and \$255 per unit for the Applicant. Utilities including water sewer and trash were \$750 per unit for Terrell Seniors I & II, \$677 for the Underwriter and \$593 for the Applicant. Property taxes were \$802 per unit for Terrell Seniors I & II, \$790 for the Underwriter and \$700 for the Applicant. The Applicant is a CHDO however; the Underwriter has confirmed that they do NOT intend to apply for the 50% tax exemption from the Ellis County Appraisal District. Finally, the Applicant has understated TDHCA compliance fees by \$15 per unit.

Conclusion: The total expenses and net operating income are not within 5% of Underwriter's estimates; therefore the Underwriter's proforma will be utilized, resulting in an unacceptable debt coverage ratio of 0.82. As a result, the original first lien loan amount has been adjusted from \$7,685,000 to \$6,245,000, based on proposed permanent financing terms and reducing the HOME loan to zero percent but fully amortizing it over 35 years and resulting in an acceptable DCR of 1.10 for both portions of permanent debt. Adjusting the HOME debt by this method is detailed in the Real Estate Analysis Rules 10 TAC 1.32(d)(4)(D). As will be discussed in more detail in the financing section below, since this level of debt provides insufficient funds to repay the anticipated deferred developer fee, the HOME funds must be provided on a cash flow basis in the form of a deferred forgivable loan. If no debt service is attributable to the HOME funds, the maximum bond debt could rise to \$6,950,000 based upon the Underwriter's income and expense projections.

**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 2006 TDHCA guidelines. If the initial loan amount is adjusted to a minimum 1.10 DCR in the first year of stabilized occupancy, using the Underwriter's base year effective gross income, expense and net operating income results in a debt coverage ratio that remains above 1.10 and continues as a positive cash flow for the 30 year term.

ASSESSED VALUE						
Land: 57.648 acres	\$280,170	Assessme	nt for the	e Year of: 2005		
Building:	\$	Valuati	on by:	Ellis County Appraisal	District	
<b>Total Assessed Value:</b>	\$280,170	Tax Ra	te:	2.6319		
	EVIDEN	CE of SITE or PROPI	RTY CO	NTROL		
Type of Site Control:	Contract of Sale (14.3	379 acres)				
Contract Expiration:	12/15/2006 and one 3	65 day extension	Valid t	hrough Board Date?	⊠ Yes □ No	
Acquisition Cost:	\$355,000		Other:			
Seller: Life Rebuil	ders, Inc.		Relate	d to Development Team?	⊠ Yes □ No	

#### **CONSTRUCTION COST ESTIMATE EVALUATION**

Acquisition Value: The Parent of the Applicant, Life Rebuilders, Inc. originally purchased 161.61 acres on January 31, 2001 for a total cost of \$422,767 or \$2,616 per acre. The Subject 14.379 acre tract is part of the original 161.61 acre tract. The Applicant significantly overstated the 14.379 acre site acquisition cost by using a price of \$355,000 or \$24,688 per acre. During the past five years the developer has paid holding costs, engineering costs, and site development and infrastructure costs for a total (including original acquisition cost) of \$961,499 for the entire 161.61 acre tract or \$5,950 per acre. The Applicant has not claimed that the additional holding costs were attributed only to the subject site but in fact plans to develop the entire site primarily with single family housing and thus the entire tract has benefited from the work done thus far. The Underwriter calculated the land cost by multiplying \$5,950 times the actual site acreage of 14.379 acres to achieve a prorated land value of \$85,548. An adjustment to the total source of funds needed will be made to the recommended sources if the Applicant's total cost estimate is used in order to account for this overstatement of acquisition cost.

<u>Off-Site Costs</u>: The Applicant claimed off-site costs of \$395,100 for a road, water lines and sanitary sewer and provided sufficient third party certification through a cost breakdown signed by Ms. Joyce Stanton a registered Professional Engineer to justify these costs.

<u>Sitework Cost</u>: The Applicant's claimed sitework costs of \$7,500 per unit are at the maximum of the 2006 Department safe harbor guidelines, therefore, further third party substantiation is not required.

<u>Direct Construction Cost</u>: The Applicant's direct construction cost estimate is \$160,626 or 3% lower 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. The Applicant exceeded the Department's 5% maximum guideline for contingency by \$73,515. Consequently the Applicant's eligible basis has been reduced by the same amount with the overage effectively moved to ineligible costs.

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 costs, will be used to determine the development's need for permanent funds and to calculate eligible basis. An eligible basis of \$11,898,137 supports annual tax credits of \$423,574. 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

	IN	IERIM IO PERMANENI	BOND FINANCING	
Source:	National Alliance Securit	ties Corp.	Contact:	Stephen Lipkin
Principal:	\$7,685,000 Into	erest Rate: 6.15%, fi	xed, lender's estimate	Amort: 480 months
Documentation	Signed Term Sl	heet 🛛 LOI 🔲 Firm C	ommitment Condition	onal Commitment
Comments:				
		HOME Fu	nds	
Source:	TDHCA		Contact:	David Danenfelzer
Principal:	\$1,900,000 Con	nditions: 1%, 35 y	ear term and amortizat	tion
Documentation	Signed Term Sl	heet LOI Firm C	ommitment Condition	onal Commitment 🛛 Application
Comments:	The actual amount is	restricted based on the	prorata amount of HO	ME units, 20 units or \$1,675,000
		TAX CREDIT SYN	IDICATION	
Source:	NDC Corporate Equity F	und VII, LP	Contact:	Robert Davenport
Proceeds:	\$4,048,815 Net	Syndication Rate: \$	60.95 Anticipate	ed HTC: \$426,191/year
Documentation	Signed Term SI	heet 🛛 LOI 🔲 Firm C	ommitment Condition	onal Commitment  Application
Comments:				
		OTHER	₹	
Amount: \$3	81,047	Source: Deferr	red Developer Fee and	Cash Equity
		FINANCING STRUCT	URE ANALYSIS	

Interim to Permanent Bond Financing: Based on information provided by the Applicant the subject property will be financed with approximately \$7,685,000 in Private Activity Bonds issued by TDHCA. These bonds will be sold to National Alliance Securities Corp. and carry a fixed 6.15% interest rate for a term of 40 years. As discussed above the Underwriter believes that a significant portion of these bonds will be part of an earn-out account which will only be accessed if the development performs better than expected by the Underwriter. The Underwriter believes that the bonds would necessarily be reduced further by up to \$1.44M if the HOME loan described below is required to be repaid in a full amortization and both debt instruments are considered in the 1.10 DCR calculation.

**HOME Funds:** The Applicant is requesting HOME funds in the amount of \$1,900,000 for 20 units however the proportionate amount of HOME units would suggest that the HOME award should be limited to \$1,675,000 or \$83,750 per unit. In order to obtain the full requested \$1,900,000 in HOME funds a minimum of 4 additional HOME units should be required. The analysis herein was performed based on the requested 20 HOME units and some modifications to this analysis would be required to consider 24 HOME units or the full amount of the requested HOME award. The current application reflects requested a 1% interest rate with a term and amortization of 35 years. The original request was for a fully amortized loan at AFR. Since the original application was made the Applicant has modified the structure of the HOME loan several times. According to the lender and syndicator's commitments the current request appears to be a structure that calls for interest only payments at ½ of 1% for the first 10 years to allow the deferred developer fee to be repaid and after the 10th year the loan will be serviced based on an amortization over the remaining 25 or 30 years. The lender has indicated that he believes that the interest only payment in the first 10 years would be outside of the debt coverage ratio calculation and it is unclear if the structure for the last 25 years is similarly considered soft debt. The Department's Real Estate Analysis rules at 10 TAC 1.32(d)(4)(D) require staff to analyze and recommend debt that appears not to be repayable by first reducing the interest rate on department debt down to zero or extend the amortization rate and second reclassify unrepayable debt as a grant. Step interest rate or staggered amortization plans based on future proforma expectations are considered higher risk and avoided. In this case the Applicant has requested that we allow the deferred developer fee to be paid out of the limited available cash

flow for ten years before stepping up the debt service for repayment of the HOME. The predictability of cash flow ten years out is in serious doubt. The fact that the development can not be predicted to be able to service the HOME debt today in year one at 0% with a 35 year amortization is a much better predictor of the development's ability to service the debt ten years form now than a ten year projection of that same year one projection. Therefore, the HOME funds, if awarded must be recognized as very likely to never be repaid, i.e. deferred forgivable or grant funds. It is the Underwriter's understanding that consideration of a grant or deferred forgivable loan for this development is not being considered. Moreover, such a use of HOME funds in the past has generally been tied to the targeting of 30% and 40% income and rent levels which are not being considered in the subject development. The Underwriter's conclusion is that the transaction is infeasible utilizing a repayable HOME loan in the amount of \$1,675,000 repayable over a fully amortizing 35 year term at zero percent interest.

**HTC Syndication:** The tax credit syndication commitment is consistent with the terms reflected in the sources and uses of funds listed in the application.

<u>Deferred Developer's Fees</u>: The Applicant's proposed deferred developer's fees of \$381,047 amount to 30% of the total fees.

Financing Conclusions: The HOME award amount is below the 221(d)(3) limit for this project. However, the requested HOME loan exceeds the prorata share of development cost based on the number HOME units to total units. The Underwriter adjusted the HOME loan to \$1,675,000 to correspond with the proposed number of HOME units. In order to be eligible for the requested amount of \$1,900,000, the Applicant would need to propose additional HOME units. The Applicant's request for a 1% HOME loan with payment deferred for 10 years is not recommended. This type of structure is usually reserved for developments with deep income targeting. For the purposes of this analysis, the Underwriter is assuming a 35-year HOME loan at zero percent interest. Should the proposed number of HOME units or the proposed terms and rate of the HOME loan change, the transaction should be re-evaluated and an adjustment to the allocation amount may be warranted.

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 clarification of the permanent loan commitment supporting a debt coverage ratio at a minimum of 1.10, inclusive of the HOME debt is a condition of this report. The current underwriting analysis assumes a decrease in the permanent loan amount to \$6,245,000 based on the terms reflected in the application materials. This could result in a possible mandatory redemption of bonds in the amount of \$1,444,000. As a result, the development's gap in financing will increase. In addition, the total adjusted tax exempt bond amount is less than 50% of the total cost and may be in violation of Internal Revenue Code Section 42 (h)(4) and therefore may render the development ineligible for housing tax credits. While this is a concern that must be verified once the final financial structuring is completed, this analysis reflects a structure with tax credits because no further analysis would be required to show that the transaction is feasible (i.e. the transaction is infeasible with out the credits).

The Underwriter's total development cost estimate less the permanent loans (\$6.245M in bonds and \$1.675M in HOME) indicates the need for \$5,825,410 in gap funds. Based on the submitted syndication terms, a tax credit allocation of \$613,201 annually would be required to fill this gap in financing. Of the three possible tax credit allocations, Applicant's request (\$426,191), the gap-driven amount (\$613,201), and eligible basis-derived estimate (\$423,574), the eligible basis-derived amount of \$423,574 would be recommended resulting in proceeds of \$4,023,950 based on a syndication rate of 95%.

This results in the need for \$1,801,459 in additional permanent funds (after excluding the excess acquisition cost of \$269,452 discussed in the acquisition section above). Deferred developer and contractor fees in this amount do not appear to be repayable from development cashflow within 15 years of stabilized operation. Therefore, the development must be characterized as infeasible and cannot be recommended for funding (10 TAC 1.32(d)(5)(D). Any proposed change to the financing structure or proposed number of HOME units must be re-evaluated and an adjustment to the recommended credit amount may be necessary. If the HOME funds were delivered in the form of a deferred forgivable loan with no expectation of repayment or grant, the primary tax exempt bond debt could be predicted to increase to \$6,950,000 and the resulting deferred developer fee of \$1,096,459 would still not be repayable in 10 years but would be repayable in 15 years. If the Board were to award the HOME funds as a deferred forgivable loan or grant therefore, the transaction would be viable.

A return on asset calculation on the HOME funds is difficult to calculate in a tax credit transaction given the

limited true developer equity making the ROA unrealistically high. Conversely, if all of the equity and anticipated deferred developer fee is considered the ROA is very low and generally acceptable. Further complicating the ROA analysis is the disposition of repayment for the HOME funds and this should be reevaluated if an award is ultimately granted by the Board.

# DEVELOPMENT TEAM IDENTITIES of INTEREST

- The Applicant, Developer, General Contractor, and supportive services provider are related entities. These are common relationships for HTC-funded developments.
- Life Rebuilders, Developer, is the owner of the subject property and is selling it to LRI IV, LTD who is the Applicant.

#### APPLICANT'S/PRINCIPALS' FINANCIAL HIGHLIGHTS, BACKGROUND, and EXPERIENCE

<u>Financial Highlights</u>: 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 Developer/100% Sole member of the General Partner and CHDO, submitted an audited financial statement as of December 31, 2004 reporting total assets of \$5,442,190 and consisting of \$14,255 in cash, \$3,070,636 in receivables, \$2,325,567 in real property, and \$2,023 in Investments in Limited Partnerships. Liabilities totaled \$2,913,160, resulting in a net worth of \$2,529,030.

**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. The General Partner is know to have been a General Partner in a prior tax credit transaction, Grace Townhomes, also in Ennis. Grace Townhomes continues to operate significantly below the original expectation. Disagreements between the General Partner and the syndicator have lead to their departure as the General Partner.

#### **SUMMARY OF SALIENT RISKS AND ISSUES**

- The Applicant's income and operating proforma is more than 5% outside of the Underwriter's verifiable range(s).
- Unknown environmental/locational risks may exist regarding the areas not addressed in the environmental study
- The seller of the property has an identity of interest with the Applicant.
- The development would need to capture a majority of the projected market area demand (i.e., capture rate exceeds 50%).
- The Development is not financially feasible based upon this analysis and the Department's standards for repayment of deferred fees in less than 15 years (10 TAC Section 1.32).
- The projects net income may be insufficient to support tax exempt bonds amounting to at least 50% of the cost making the development ineligible for Housing Tax Credits (Internal Revenue Code Section 42 (h) (4)).
- 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:		Date:	December 7, 2006
	Bert Murray		
Underwriter:		Date:	December 7, 2006
	Brenda Hull		
Director of Real Estate Analysis:		Date:	December 7, 2006
	Tom Gouris		

#### **MULTIFAMILY COMPARATIVE ANALYSIS**

#### Ennis Senior Estates, Ennis, Tx, 4%, 060612

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
LH	5	1	1	640	\$607	\$477 \$477	\$2,385	\$0.75	\$130.00	\$68.00
HH	5	1	1	640	607	\$477	2,385	0.75	130.00	68.00
TC 60% LH	54 5	2	1	640 830	748 733	\$595 \$564	32,130	0.93	130.00	68.00 71.00
HH	5	2	1	830	733	\$564 \$564	2,820 2,820	0.68	169.00 169.00	71.00
TC 60%	90	2	1	830	898	\$651	58,590	0.78	169.00	71.00
10 0070	- 00	_	·	000	000	φοστ	00,000	0.70	100.00	7 1.00
TOTAL:	164		AVERAGE:	756	\$821	\$617	\$101,130	\$0.82	\$153.78	\$69.83
INCOME		Total Net Re	entable Sq Ft:	123,960		TDHCA	APPLICANT	Com	ptroller's Region	3
POTENTIA	L GROSS	RENT				\$1,213,560	\$1,260,360		IREM Region	Dallas
Secondary	Income		P	er Unit Per Month:	\$10.15	19,980	19,980	\$10.15	Per Unit Per Monti	1
Other Supp	ort Income:	(describe)				0		\$0.00	Per Unit Per Monti	1
POTENTIA						\$1,233,540	\$1,280,340			
•	Collection L			tial Gross Income:	-7.50%	(92,516)	(96,024)	-7.50%	of Potential Gross	Income
EFFECTIV			its or Conces	ssions		\$1,141,025	\$1,184,316			
EXPENSE		INCOME	% OF EGI	PER UNIT	PER SQ FT	\$1,141,025	\$1,104,310	PER SQ FT	PER UNIT	% OF EGI
	_	10				¢55 325	\$41.820			
Manageme	Administrativ	v <del>c</del>	4.85% 4.00%	\$337 278	0.45 0.37	\$55,325 45.641	\$41,820 47,388	\$0.34 0.38	\$255 289	3.53% 4.00%
_				278 856		140,367	136.737		834	
Payroll & P	ayroli rax Maintenance		12.30%		1.13	61,698	62.812	1.10		11.55%
•	viairiteriarice	;	5.41%	376	0.50	49,193	29,520	0.51	383	5.30%
Utilities	uar 0 Traab		4.31%	300	0.40	61,858	67.732	0.24	180	2.49%
	ver, & Trash		5.42%	377	0.50		- , -	0.55	413	5.72%
Property In		0.0040	3.78%	263	0.35	43,178 129,489	41,000	0.33	250	3.46%
Property Ta	ax r Replaceme	2.6319	11.35% 2.87%	790 200	1.04 0.26	32,800	114,800 32,800	0.93 0.26	700 200	9.69% 2.77%
Other: com	•	51113	0.57%	40	0.20	6,560	4,100	0.20	25	0.35%
TOTAL EX			54.87%	\$3,818	\$5.05	\$626,109	\$578,709	\$4.67	\$3,529	48.86%
NET OPER		С	45.13%	\$3,140	\$4.15	\$514,916	\$605,607	\$4.89	\$3,693	51.14%
DEBT SER		Ü	40.1070	ψ0,140	ψ4.10	ψοτι,στο	φοσο,σστ	ψ4.00	ψ0,000	01.1470
National Allia		ties	45.32%	\$3,153	\$4.17	\$517,083	\$526,952	\$4.25	\$3,213	44.49%
HOME Fund			9.82%	\$683	\$0.90	112,033	0	\$0.00	\$0	0.00%
			0.00%	\$0	\$0.00	0		\$0.00	\$0	0.00%
NET CASH	I FLOW		-10.01%	(\$696)	(\$0.92)	(\$114,201)	\$78,655	\$0.63	\$480	6.64%
AGGREGAT	E DEBT CO	VERAGE F	RATIO			0.82	1.15			
RECOMMEN	NDED DEBT	COVERAC	GE RATIO			1.10				
CONSTRU	ICTION CO	<u>OST</u>						_		
Descr	<u>iption</u>	Factor	% of TOTAL	PER UNIT	PER SQ FT	TDHCA	APPLICANT	PER SQ FT	PER UNIT	% of TOTAL
Acquisition	Cost (site o	or bldg)	0.64%	\$522	\$0.69	\$85,548	\$355,000	\$2.86	\$2,165	2.53%
Off-Sites			2.94%	2,409	3.19	395,100	395,100	3.19	2,409	2.82%
Sitework			9.17%	7,500	9.92	1,230,000	1,230,000	9.92	7,500	8.78%
Direct Con	struction		46.88%	38,350	50.74	6,289,374	6,450,000	52.03	39,329	46.02%
Contingend	су	5.00%	2.80%	2,292	3.03	375,969	457,515	3.69	2,790	3.26%
General Re	•	6.00%	3.36%	2,751	3.64	451,162	460,800	3.72	2,810	3.29%
Contractor'	's G & A	2.00%	1.12%	917	1.21	150,387	153,600	1.24	937	1.10%
Contractor'		6.00%	3.36%	2,751	3.64	451,162	460,800	3.72	2,810	3.29%
Indirect Co	nstruction		5.08%	4,154	5.50	681,229	681,229	5.50	4,154	4.86%
Ineligible C			4.80%	3,923	5.19	643,353	643,353	5.19	3,923	4.59%
Developer's		2.46%	1.91%	1,564	2.07	256,535	256,535	2.07	1,564	1.83%
Developer's	s Profit	9.84%	7.65%	6,257	8.28	1,026,142	1,026,142	8.28	6,257	7.32%
Interim Fin			5.93%	4,848	6.41	795,031	795,031	6.41	4,848	5.67%
Reserves	·		4.36%	3,568	4.72	585,112	649,757	5.24	3,962	4.64%
TOTAL CO	ST		100.00%	\$81,806	\$108.23	\$13,416,105	\$14,014,862	\$113.06	\$85,456	100.00%
Construction	n Cost Rec	ар	66.70%	\$54,561	\$72.19	\$8,948,055	\$9,212,715	\$74.32	\$56,175	65.74%
SOURCES	OF FUND	os.						RECOMMENDED		
National Allia			57.28%	\$46,860	\$62.00	\$7,685,000	\$7,685,000	\$6,245,000	Developer F	ee Available
HOME Loan			14.16%	\$11,585	\$15.33	1,900,000	1,900,000	1,675,000		2,677
HTC Syndica		eds	30.18%	\$24,688	\$32.66	4,048,815	4,048,815	4,023,950		ee Deferred
Deferred De			2.84%	\$2,323	\$3.07	381,047	381,047		1	%
Cash Equity			-4.46%	(\$3,651)	(\$4.83)	(598,757)	0	1,801,459		tive Cash Flow
TOTAL SO						\$13,416,105	\$14,014,862	\$13,745,410	\$1,67	9,692
	-					, ., .,	. , ,	, -, -	,	*

#### MULTIFAMILY COMPARATIVE ANALYSIS(continued)

Ennis Senior Estates, Ennis, Tx, 4%, 060612

#### DIRECT CONSTRUCTION COST ESTIMATE

Residential Cost Handbook

Average Quality Multiple Residence Basis

CATEGORY	FACTOR	UNITS/SQ FT	PER SF	AMOUNT
Base Cost			\$53.01	\$6,571,229
Adjustments				
Exterior Wall Finish	6.00%		\$3.18	\$394,274
Elderly	3.00%		1.59	197,137
Roofing			0.00	0
Subfloor			(2.24)	(277,670)
Floor Cover			2.22	275,191
Porches	\$5.02	16,400	0.66	82,328
Plumbing	\$680	82	0.45	55,760
Built-In Appliances	\$1,675	164	2.22	274,700
Stairs/Fireplaces			0.00	0
Enclosed Corridors	\$43.09		0.00	0
Heating/Cooling			1.73	214,451
Garages/Carports		0	0.00	0
Comm &/or Aux Bldgs	\$64.74	4,300	2.25	278,382
Other:			0.00	0
SUBTOTAL			65.07	8,065,782
Current Cost Multiplier	1.07		4.55	564,605
Local Multiplier	0.89		(7.16)	(887,236)
TOTAL DIRECT CONSTRU	TS	\$62.46	\$7,743,150	
Plans, specs, survy, bld prm	3.90%		(\$2.44)	(\$301,983)
Interim Construction Interes	3.38%		(2.11)	(261,331)
Contractor's OH & Profit	11.50%		(7.18)	(890,462)
NET DIRECT CONSTRUCT	ION COSTS		\$50.74	\$6,289,374

#### PAYMENT COMPUTATION

Primary	\$7,685,000	Amort	480	
Int Rate	6.15% DCR		1.00	
Secondary	\$1,900,000	Amort	420	
Int Rate	4.79%	Subtotal DCR	0.82	
Additional		Amort		
Int Rate		Aggregate DCR	0.82	

#### RECOMMENDED FINANCING STRUCTURE:

Primary Debt Service	\$420,193
Secondary Debt Service	47,857
Additional Debt Service	0
NET CASH FLOW	\$46,866

Primary	\$6,245,000	Amort	480
Int Rate	6.15%	DCR	1.23

Secondary	\$1,675,000	Amort	420	
Int Rate	0.00%	Subtotal DCR	1.10	

Additional	Additional \$0 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
POTENTIA	AL GROSS RENT	\$1,213,560	\$1,249,967	\$1,287,466	\$1,326,090	\$1,365,872	\$1,583,421	\$1,835,618	\$2,127,985	\$2,859,834
Seconda	ry Income	19,980	20,579	21,197	21,833	22,488	26,069	30,222	35,035	47,084
Other Su	pport Income: (describ	0	0	0	0	0	0	0	0	0
POTENTIA	AL GROSS INCOME	1,233,540	1,270,546	1,308,663	1,347,922	1,388,360	1,609,490	1,865,840	2,163,020	2,906,918
Vacancy	& Collection Loss	(92,516)	(95,291)	(98,150)	(101,094)	(104,127)	(120,712)	(139,938)	(162,226)	(218,019)
Employe	e or Other Non-Rental	0	0	0	0	0	0	0	0	0
EFFECTIV	/E GROSS INCOME	\$1,141,025	\$1,175,255	\$1,210,513	\$1,246,828	\$1,284,233	\$1,488,778	\$1,725,902	\$2,000,793	\$2,688,899
EXPENSE	S at 4.00%									
General	& Administrative	\$55,325	\$57,538	\$59,839	\$62,233	\$64,722	\$78,744	\$95,805	\$116,561	\$172,539
Manager	ment	45,641	47,010	48,421	49,873	51,369	59,551	69,036	80,032	107,556
Payroll &	Payroll Tax	140,367	145,981	151,821	157,894	164,209	199,786	243,070	295,732	437,755
Repairs 8	& Maintenance	61,698	64,166	66,732	69,402	72,178	87,815	106,841	129,988	192,414
Utilities		49,193	51,160	53,207	55,335	57,548	70,016	85,186	103,641	153,415
Water, S	ewer & Trash	61,858	64,333	66,906	69,582	72,365	88,044	107,118	130,326	192,914
Insurance	e	43,178	44,905	46,702	48,570	50,512	61,456	74,771	90,970	134,658
Property	Тах	129,489	134,669	140,056	145,658	151,484	184,304	224,234	272,815	403,833
Reserve	for Replacements	32,800	34,112	35,476	36,896	38,371	46,685	56,799	69,105	102,292
Other		6,560	6,822	7,095	7,379	7,674	9,337	11,360	13,821	20,458
TOTAL EX	KPENSES	\$626,109	\$650,697	\$676,255	\$702,821	\$730,435	\$885,738	\$1,074,219	\$1,302,990	\$1,917,833
NET OPE	RATING INCOME	\$514,916	\$524,558	\$534,258	\$544,008	\$553,798	\$603,040	\$651,683	\$697,803	\$771,066
DE	EBT SERVICE									
First Lien	Financing	\$420,193	\$420,193	\$420,193	\$420,193	\$420,193	\$420,193	\$420,193	\$420,193	\$420,193
Second Li	en	47,857	47,857	47,857	47,857	47,857	47,857	47,857	47,857	47,857
Other Fina	ancing	0	0	0	0	0	0	0	0	0
NET CASI	H FLOW	\$46,866	\$56,508	\$66,208	\$75,958	\$85,748	\$134,990	\$183,633	\$229,753	\$303,016
DEBT CO	VERAGE RATIO	1.10	1.12	1.14	1.16	1.18	1.29	1.39	1.49	1.65

#### HTC ALLOCATION ANALYSIS - Ennis Senior Estates, Ennis, Tx, 4%, 060612

	APPLICANT'S	TDHCA	APPLICANT'S	TDHCA
	TOTAL	TOTAL	REHAB/NEW	REHAB/NEW
CATEGORY	AMOUNTS	AMOUNTS	ELIGIBLE BASIS	ELIGIBLE BASIS
(1) Acquisition Cost				
Purchase of land	\$355,000	\$85,548		
Purchase of buildings				
(2) Rehabilitation/New Construction Cost				
On-site work	\$1,230,000	\$1,230,000	\$1,230,000	\$1,230,000
Off-site improvements	\$395,100	\$395,100		
(3) Construction Hard Costs				
New structures/rehabilitation hard costs	\$6,450,000	\$6,289,374	\$6,450,000	\$6,289,374
(4) Contractor Fees & General Requirements				
Contractor overhead	\$153,600	\$150,387	\$153,600	\$150,387
Contractor profit	\$460,800	\$451,162	\$460,800	\$451,162
General requirements	\$460,800	\$451,162	\$460,800	\$451,162
(5) Contingencies	\$457,515	\$375,969	\$384,000	\$375,969
(6) Eligible Indirect Fees	\$681,229	\$681,229	\$681,229	\$681,229
(7) Eligible Financing Fees	\$795,031	\$795,031	\$795,031	\$795,031
(8) All Ineligible Costs	\$643,353	\$643,353		
(9) Developer Fees				
Developer overhead	\$256,535	\$256,535	\$256,535	\$256,535
Developer fee	\$1,026,142	\$1,026,142	\$1,026,142	\$1,026,142
(10) Development Reserves	\$649,757	\$585,112		
TOTAL DEVELOPMENT COSTS	\$14,014,862	\$13,416,105	\$11,898,137	\$11,706,992
				· · · · · · · · · · · · · · · · · · ·
Deduct from Basis:				
All grant proceeds used to finance costs in eligible	e basis			
B.M.R. loans used to finance cost in eligible basis	3			
Non-avalified non-account financias				

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	\$11,898,137	\$11,706,992
High Cost Area Adjustment	100%	100%
TOTAL ADJUSTED BASIS	\$11,898,137	\$11,706,992
Applicable Fraction	100.00%	100.00%
TOTAL QUALIFIED BASIS	\$11,898,137	\$11,706,992
Applicable Percentage	3.56%	3.56%
TOTAL AMOUNT OF TAX CREDITS	\$423,574	\$416,769

Syndication Proceeds 0.9500 \$4,023,950 \$3,959,305

Total Tax Credits (Eligible Basis Method) \$423,574 \$416,769

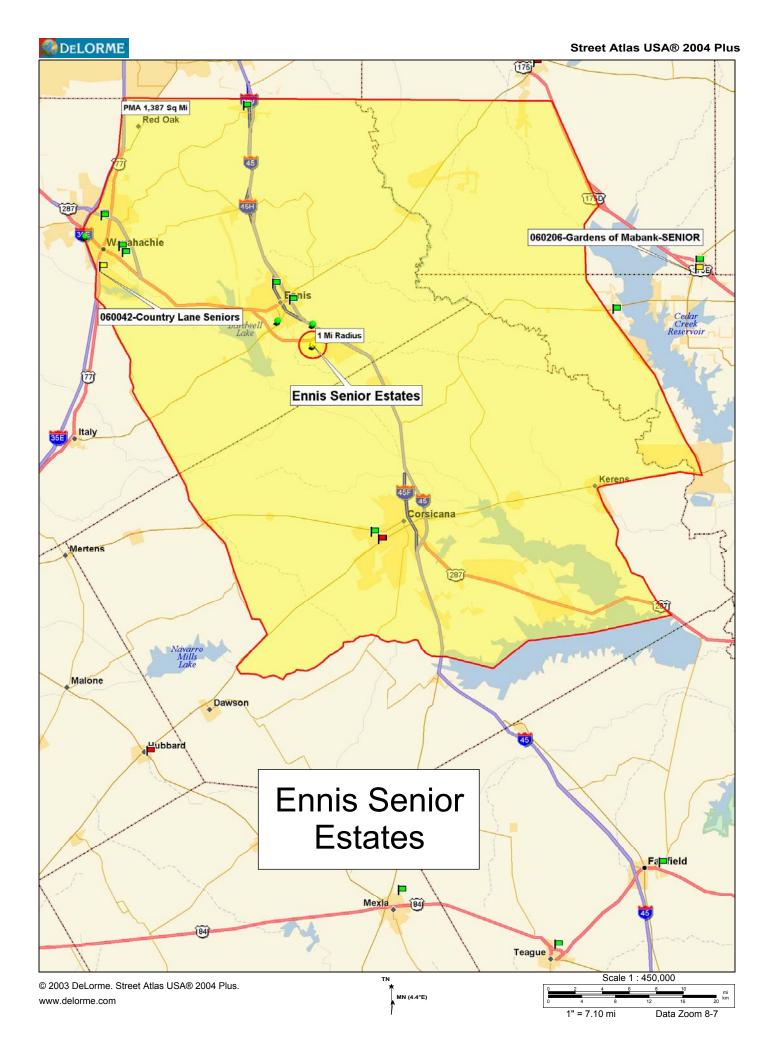
Syndication Proceeds \$4,023,950 \$3,959,305

Requested Tax Credits \$426,191

Syndication Proceeds \$4,048,815

Gap of Syndication Proceeds Needed \$5,825,410

Total Tax Credits (Gap Method) \$613,201



# LEGAL DIVISION BOARD ACTION REQUEST

February 1, 2007

# **Action Items**

Presentation, Discussion, and Possible Approval for publication in the *Texas Register* of a Draft Deobligation Policy to be codified at 10 Texas Administrative Code §1.19 for public comment and public comment on the repeal of 10 Texas Administrative Code §53.62(c)

#### Required Action

Approve the Draft Deobligation Policy and repeal of 10 TAC 53.62(c) for public comment with or without amendments.

#### **Background**

In January 2002, the Department created a deobligation policy that provided guidelines for when a contract could be deobligated and provided prioritized eligible uses for the deobligated funds. This policy was subsequently integrated into the Department's HOME Rules and currently codified under 10 Texas Administrative Code §53.62(c).

Staff is now recommending that the deobligation policy be codified as a Department administrative rule that will indicate the deobligation policy for all applicable program funds, including, but not limited to, the HOME program. Under the Department's policy to encourage more timely commitment of funds to intended beneficiaries, the Department's deobligated fund balance for the HOME Program has increased. The Department believes that we should continue to reserve funds for disasters as they arise, but that we should also encourage the use of all but a minimum amount of the deobligated funds to efficiently manage Department programs and assist Texans find decent, safe and affordable housing.

To that end, in two separate agenda items, staff has recommended that the Board provide per house cost increases associated with the 2005 and 2006 single family HOME awards for a total amount of approximately \$3.1 million, and disaster awards in the amount of approximately \$630,000. Assuming those requests are approved, and maintaining a 5% disaster reserve (proposed at 5% of the current annual HOME allocation which is approximately \$2.1 million), the current non-reserved deobligated fund balance is approximately \$8.6 million. Attached is a current report reflecting balances, obligations and uncommitted funds.

Staff recommends instituting a published policy that provides stricter guidelines on the timely reprogramming and obligation of funds while also ensuring availability of funds for disasters. Further, the existing policy has been a challenge because it listed eligible uses of Deobligated funds in a specific prioritized order. Because the events that prompt a need for a specific eligible use of deobligated funds do not necessarily occur in the same neatly prioritized order as the existing list, it has been challenging to ensure adherence to the priorities listed.

The purpose of this new deobligation policy is to:

- Provide clear guidance for when a contract may be deobligated
- Describe how deobligated funds will be maintained including the creation of a reserve account for disaster relief
- Create a clear benchmark for when funds must be reprogrammed to minimize the time that deobligated funds remain unspent
- Provide a list of high priority non-ranked items eligible for the reprogrammed and reassigned funds.
- Repealing any conflicting language including 10 TAC 53.62 (c)

# Recommendation

Staff recommends approving the attached Deobligation Policy and the attached amendment to repeal 10 TAC 53.62 (c) to be released for public comment in the *Texas Register*.

# TITLE 10. COMMUNITY DEVELOPMENT PART 1. TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS CHAPTER 1. ADMINISTRATION SUBCHAPTER A. GENERAL POLICIES AND PROCEDURES

# 10 TAC §1.19 Policy Regarding Deobligated Funds

- (a) Purpose. The Governing Board and the Department seek to facilitate the use of public funds to provide for safe decent and affordable housing for Texans in a timely manner. From time-to-time, it becomes necessary to make changes to previously awarded funds to either expedite the delivery of the funds, meet state or federal guidelines or statutes, or to meet unexpected needs like disaster relief or leveraging of additional funds. To best achieve these goals, the Department has determined that a policy is necessary to provide the public with clear and consistent rules as to how Deobligated funds occur, the reporting of Deobligated funds and how the Department will treat Deobligated funds after an initial award has been made. The funds covered by this section are previously awarded funds under a program administered by the Department, or funds that become available to the Department through program income. The purposes of this section are:
- (1) to establish procedures and Board policy on the events creating Deobligated funds for applicable Department programs,
- (2) to identify standards for reporting and maintaining Deobligated fund balances, and
- (3) to provide guidance for the reprogramming and reobligation of Deobligated or otherwise unexpended funds and program income.

# (b) Definitions.

- (1) Administrator--A unit of government, non-profit entity or other party who has a written signed Agreement with the Department committing the Department to provide funds upon the completion of certain actions called for in the Agreement.
- (2) Agreement—A written executed agreement between the Department and an Administrator or Contractor outlining the obligations of all parties involved in the related transaction.
- (3) Contract--A written executed contract between the Department and Administrator of Contractor outlining the obligations of all parties involved in the related transaction.
- (4) Contractor--A party who has a Contract with the Department to administer a program using funds provided under explicit terms and conditions in a written Contract with the Department.
- (5) Deobligated Funds--The funds released by an administrator or awarded contractor or recovered by the Department canceling a contract or award where some or all of a contractual financial obligation between the Department and an Administrator or Contractor.
- (6) Department--The Texas Department of Housing and Community Affairs as authorized in Subchapter 2306 of the Texas Government Code.
- (7) Expenditure--Approved expense evidenced by documentation submitted by the Administrator or Contractor to the Department for purposes of drawing funds from HUD's Integrated Disbursement and Information System (IDIS) for work completed, inspected and certified as complete, and as otherwise required by the Department.

- (8) Executive Director--The person hired by the Governing Board with administrative duties to manage the affairs of the Department as provided under Texas Government Code §2306.036.
- (9) Governing Board--The Governing Board of the Department
- (10) HOME--The HOME Investment Partnership Program at 42 United States Code §§12701-12839 and the regulations promulgated thereafter at 24 CFR Part 92 and governed by the Rules in 10 Texas Administrative Code §53.50 et seq.
- (11) Housing Trust Fund--The fund created under Texas Government Code §2306.--- and governed by the Rules found at Texas Administrative Code §51.1 et seq.
- (12) HUD--United States Department of Housing and Urban Development.
- (13) Program Income--Funds generated through the activities related to a program that are made available to the Department for use in funding authorized actions of the Department.
- (c) Events Creating Deobligated Funds.
- (1) The Department reserves the right to release their commitment to any Administrator or Contractor resulting in Deobligated funds in the event of any one of the following circumstances:
- (A) Department has notified Administrator or Contractor of any outstanding compliance issues and the Administrator or Contractor has failed to either resolve the issue or take sufficient action to correct the compliance matter;
- (B) Department has notified Administrator or Contractor that they have failed to meet the required timelines and/or commitment deadlines, including Expenditure of funds, per the Agreement or Contract and Administrator or Contractor has not sufficiently corrected the deficiency;
- (C) The Department provides notice of default to Administrator or Contractor on any Agreement or Contract by and between Administrator and Contractor and the default has not been cured within the required time frame;
- (D) Applicant materially misrepresents facts to the Department during an application process, award of contract, request for amendment, or administration of any contract;
- (E) Department has notified Administrator or Contractor of their inability to provide adequate financial support to administer the contract as called for in the Agreement or Contract or meet any other material conditions and the Administrator or Contractor has failed to sufficiently correct the matter;
- (F) Department has notified Administrator or Contractor of their inadequate or insufficient management controls and the Administrator or Contractor has failed to sufficiently correct the matter;
- (G) Administrator or Contractor declines funds;
- (H) Administrator or Contractor fails to expend all funds awarded and voluntarily releases the funds;
- (I) Program income received by the Department that is used in lieu of awarded contract funds; or
- (J) Any other circumstance approved by the Board as warranting Deobligation.
- (2) The Department shall have the sole discretion to determine whether sufficient progress or cure has been made under (c)(1)(A-C) and the sole discretion to determine

what constitutes materiality in (c)(1)(D), subject to appeal under 10 Texas Administrative Code §1.7.

- (3) During the pendency of a challenge of an event described under (c)(1) by Administrator or Contractor, the Department shall not take any action resulting in Deobligated funds until an appeal as provided for under 10 TAC §1.7 has been completed. The Department may suspend reimbursement of funds during the appeal. If an appeal has not been requested, the Department may take action as allowed under this policy.
- (d) Maintenance of Deobligated funds.
- (1) The Department will produce a report for the Executive Director and the Board related to Deobligated funds separate from original balances and program income, including fees earned and loan repayments, as part of the accounting of program funds at both the program and Department level.
- (2) The Department will ensure that HOME Deobligated fund balances are reconciled at least monthly against the unexpended fund balances maintained by HUD. The Department shall confirm balances with HUD prior to recommendation to the Board for the use of any Deobligated funds.
- (3) Housing Trust Fund Deobligated funds, or any other Deobligated funds deriving from a state general revenue source, will be included in the report in (d)(1), but shall not be used to establish reserve balances. The Department will initiate efforts to reprogram and reassign Deobligated funds from the Housing Trust Fund or any other state general revenue source within three months of Deobligation upon reaching a cumulative amount of Deobligated funds that facilitates reprogramming.
- (4) The Department shall not retain Deobligated funds from any program in any amount that exceeds 15% of the most current annual allocation for three consecutive months and must initiate efforts to reprogram or reassign funds in excess of that standard within 90 days of the figure reaching the 15% threshold. For purposes of determining the 15% threshold, funds that are subject to disbursement under a NOFA, but are not yet committed are not included in the 15% threshold. Submitting a proposal for reprogramming or reassigning funds to the Board for approval shall constitute an initiation of efforts.
- (e) Reassignment of Funds. Under this policy, the Governing Board and the Department, intend to create a policy to direct staff and the public on the uses of funds that are either characterized as Deobligated funds under this policy or Program funds.
- (1) The Department shall not recommend to reprogram or reassign Deobligated funds from the HOME Program or other programs with Deobligated funds other than state general revenue funds described in paragraph (d)(3) for purposes other than disaster relief unless the remaining Deobligated fund balance after reprogramming of funds is an amount equivalent to or greater than 5% of the most current annual allocation of such funds, for example the annual allocation of HOME funds from HUD.
- (2) It is the policy of the Department that funds not reserved for disaster relief may be used for any of the activities listed below as needed in the Department's discretion subject to the approval of the Governing Board:

- (A) Successful appeals related directly to the program funds available as allowable under program rules and regulations;
- (B) Leveraging of funds with other local, state or federal resources for applications made to the Department for any one or more of the programs operated by the Department;
- (C) Funding of projects identified as beneficial by the Department and identified in a Notice of Funding Availability approved by the Board;
- (D) Disaster relief including but not limited to disaster declarations or documented extenuating circumstances such as imminent threat to health and safety;
- (E) Funding of applications for program funds on existing Department waiting lists or reservation systems;
- (F) Funding to existing previously awarded eligible contracts in need of additional resources for circumstances considered unique or extenuating by the Department's Board:
- (G) Funding of applications or programs that serve individuals with special needs;
- (H) Settlement of litigation or HUD compliance matters;
- (I) Use in Asset Resolution / Enforcement activities;
- (J) Funding applications or programs that serve Colonias; or
- (K) Other projects/uses as determined by the Executive Director and/or Board including the next year's funding cycle for each respective program.
- (f) After adoption in final form and publication in the *Texas Register*, this policy shall supercede any other rule or policy governing the use of Deobligated funds for the Department regardless of where published, unless any portion of this rule conflicts with statutory language or Federal rules, in which case those shall be controlling.
- (g) Any portion of this rule may be waived for good cause by the Governing Board of the Department.

TITLE 10. COMMUNITY DEVELOPMENT

PART 1. TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

CHAPTER 53 HOME INVESTMENT PARTNERSHIP PROGRAM

RULE §53.62 Program Administration

- (a) Agreement. Upon approval by the Board, Applicants receiving HOME funds shall enter into, execute, and deliver to the Department all written agreements between the Department and Recipient, including land use restriction agreements and compliance agreements as required by the Department.
- (b) Amendments. The Department, acting by and through its Executive Director or his/her designee, may authorize, execute, and deliver modifications and/or amendments to any HOME written agreement provided that:
- (1) in the case of a modification or amendment to the dollar amount of the award, such modification or amendment does not increase the dollar amount by more than 25% of the original award or \$50,000, whichever is greater; and
- (2) in the case of all other modifications or amendments, such modification or amendment does not, in the estimation of the Executive Director, significantly decrease the benefits to be received by the Department as a result of the award.
- (3) 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.
- (c) Deobligation.
- (1) The Department reserves the right to deobligate funds in the following situations:
- (A) Recipient has any unresolved compliance issues on existing or prior contracts with the Department;
- (B) Recipient fails to set-up programs/projects or expend funds in a timely manner;
- (C) Recipient defaults on any agreement by and between Recipient and the Department;
- (D) Recipient misrepresents any facts to the Department during the HOME application process, award of contracts, or administration of any HOME contract;
- (E) Recipient's inability to provide adequate financial support to administer the HOME contract or withdrawal of significant financial support;
- (F) Recipient is not in compliance with 24 CFR Part 92, or these rules;
- (G) Recipient declines funds; or
- (H) Recipient fails to expend all funds awarded.
- (2) The Department, with approval of the Board, may elect to reassign funds following the Deobligation Policy, adopted by the Board on January 17, 2002, in the order prioritized as follows:
- (A) Successful appeals (as allowable under program rules and regulations);
- (B) Disaster Relief (disaster declarations or documented extenuating circumstances such as imminent threat to health and safety);
- -(C) Special Needs:
- (D) Colonias; or
- (E) Other projects/uses as determined by the Executive Director and/or Board including the next-year's funding cycle for each respective program. Repealed.

- (d) Waiver. The Board, in its discretion and within the limits of federal and state law, may waive any one or more of these Rules if the Board finds that waiver is appropriate to fulfill the purposes or policies of Chapter 2306, Texas Government Code, or for good cause, as determined by the Board.
- (e) Additional Funds. In the event the Department receives additional funds from HUD, the Department, with Board approval, may elect to distribute funds to other Recipients.
- (f) Accounting Requirements. Within 60 days following the conclusion of a contract issued by the Department the recipient shall provide a full accounting of funds expended under the terms of the contract. Failure of a recipient to provide full accounting of funds expended under the terms of a contract shall be sufficient reason to terminate the contract and for the Department to deny any future contract to the recipient.
- (g) Department may terminate a contract in whole or in part. If Applicant has not achieved substantial progress in performance of a contract within six (6) months of the effective date of this contract, the contract will terminate. The Department will track substantial progress during the initial six (6) month period and throughout the contract term. Substantial progress in contract performance must be satisfactorily completed during the term of the contract as follows:
- (1) Owner-Occupied Housing Assistance:
- (A) 6 months, Contract Environmental Clearance must be complete;
- (B) 12 months, 50% of funds must be committed, 25% of funds drawn, and 25% of match supplied;
- (C) 18 months, 100% of funds must be committed, 50% of funds drawn, and 50% of matched supplied;
- (D) 24 months, 100% of funds must be committed, 100% of funds drawn, and 100% of matched supplied;
- (2) Homebuyer Assistance Activities:
  - (A) 6 months, Environmental Clearance must be complete;
- (B) 12 months, 50% of funds must be committed, 25% of funds drawn, and 25% of match supplied;
- (C) 18 months, 75% of funds must be committed, 50% of funds drawn, and 50% of matched supplied;
- (D) 24 months, 100% of funds must be committed, 100% of funds drawn, and 100% of matched supplied;
- (3) Tenant-Based Rental Assistance:
  - (A) 6 months, Contract Environmental Clearance must be complete;
- (B) 12 months, 50% of funds must be committed, 25% of funds drawn, and 25% of match supplied;
- (C) 18 months, 75% of funds must be committed, 50% of funds drawn, and 50% of matched supplied;
- (D) 24 months, 100% of funds must be committed, 75% of funds drawn, and 75% of matched supplied;
- (E) 30 months, 100% of funds must be committed, 100% of funds drawn, and 100% of matched supplied;
- (4) Lower percentages, due to extenuating circumstances, may be allowed as approved by the Executive Director.
- (5) Definitions and Terms. The following words and terms, when used in the subsection, shall have the following meanings, unless the context clearly indicates otherwise.

- (A) Extenuating Circumstances--An event or set of incidents beyond the control of the Applicant.
- (B) Committed--Funds budgeted to a household in the Department's central database and approved by the Department.
  - (C) Drawn--Funds approved by the Department for reimbursement

# LEGAL SERVICES DIVISION BOARD ACTION REQUEST February 1, 2007

#### **Action Item**

Presentation, Discussion and Possible Approval of the Draft Asset Resolution and Enforcement Rule for publication in the *Texas Register* to receive public comment.

# Requested Action

Approve, reject, or approve with modifications the Draft Asset Resolution and Enforcement for publication and public comment in the *Texas Register*.

#### **Background and Recommendations**

TDHCA discussed compliance performance, asset management, loan portfolio performance and land use restriction agreements currently in place to determine the effectiveness of existing efforts by the Department in managing the assets and programs entrusted to the Department.

Generally, the staff believes that in most cases, the current policies and rules provide an ability to appropriately assure the public that the programs are delivering the intended benefits to the appropriate recipients. The staff also believes that most people who are administering programs or have received benefits under those programs are meeting the requirements as outlined in their specific agreements with the Department.

There are however, a small number of beneficiaries, awardees, contractors, administrators, or companies with whom the Department has a legal relationship that either elect not to, or are simply unable to comply with the agreements they made with TDHCA.

Currently, any agreements that require additional scrutiny are looked at independently, or through the relevant internally established committee to review the circumstances and recommend a course of action. The recommendations can vary, but in some cases, the actual need for resolution is beyond the Department's current allowable rules. In addition, many actions require the Office of the Attorney General to assist the Department and due to limited resources the action may not be addressed as quickly as the Department would prefer. Given the current policies and rules, this can lead to a form of holding pattern where no additional action can be taken and the community is not receiving the benefits expected when funding was made and the Department does not have any ability to further compel action.

Staff has developed the attached rules to streamline and centralize the asset resolution and enforcement process and to fill in where gaps were determined to exists in our ability to protect the interests of the public served and the meeting the requirements set forth by rule, policy and statute.

In addition to relevant administrative and definitions sections, the rules can be classified into four general areas:

- 1. Actions related to Homeownership where the Department holds a mortgage for a single family home through one of our loan programs. Potential actions would be workouts, restructurings and if no other course of action could correct the problem, deed in lieu of foreclosure, involvement in bankruptcy, debt forgiveness, or foreclosure.
- 2. Actions related to Multi-family properties where the Department has either a loan that is not being repaid or a Land Use Restriction Agreement that is not in compliance. Here the Department is requesting the authority to perform a workout, foreclose, provide administrative penalties for non-compliance, and/or obtain a legal resolution through the courts. In this case, persons responsible for creating the issue may be debarred from receiving future funds from the Department. A debarment for a related third party could also be the result of this process. A chart of potential actions begins on page 6 of 12 of the attached rules.
- 3. Actions related to failure to adequately administer a contract awarded by the Department. Here the Department has identified key areas where failure to adequately perform could lead to administrative penalties, loss of administrative funds, a rescission or reduction in contracts or debarment from future participation. A chart of potential actions begins on page 9 of 12 of the attached rules.
- 4. Debarment procedures. The rule provides a mechanism to limit future participation in awards from the Department by those whose actions have been judged by the Department to have been performed in an egregious manner.

The rule also contains provisions outlining the right to notice and appeal.

**Staff Recommendation:** 

Staff recommends approval of the Draft Asset Resolution and Enforcement Rule to be published in the *Texas Register* for public comment.

TITLE 10. COMMUNITY DEVELOPMENT
PART 1. TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
CHAPTER 1. ADMINISTRATION
SUBCHAPTER A. GENERAL POLICIES AND PROCEDURES

- 10 TAC §1.20 Asset Resolution and Enforcement
- (a) Purpose. The purposes of this section are:
- (i) to provide guidance to interested parties on potential actions available to the Department when a party that has obligated itself to carry out a contract or construct or operate an asset is not performing or operating according to the agreed upon terms and
- (ii) to establish appropriate procedures to implement the general policy of requiring compliance with all contractual undertakings made in connection with the receipt of funds or other support provided by the Department pursuant to the various state and federal programs that it administers.
- (b) Definitions
- (1) Administrator—The Person responsible for performing under a Contract with the Department.
- (2) Affiliated Party--A Person in a relationship with the Administrator on a Contract with the Department. Does not apply to an Affiliated Party for Application purposes.
- (3) Asset--A property covered by a LURA, Contract, grant agreement, or Commitment or any other property acquired, improved, or subsidized, directly or indirectly, in whole or in part with funds provided by any program(s) administered by the Department.
- (4) Audit--An audit required to be performed by a third party or performed by the Department relating to a Contract.
- (5) Board--The Governing Board of the Department.
- (6) Commitment--A legally binding agreement between the Department and another party providing for funds, tax credits, or other financial support.
- (7) Compliance Monitoring Fees--The fees identified in a LURA or other Contract payable by Project Owner related to an Asset
- (8) Compliance Rules--The rules found in 10 Texas Administrative Code Chapter 60
- (9) Contract--Any executed written agreement between the Department and an Administrator, Home Owner, Mortgagor, Project Owner, Subrecipient, Subrecipient Organization, or other beneficiary of a Department program.
- (10) Deed-in-lieu of Foreclosure--A deed to a lender given by an owner/borrower conveying mortgaged property to prevent a lender from bringing Foreclosure proceedings or to eliminate the need for Foreclosure.

- (11) Deed of Trust--An instrument used to create a lien or mortgage by which the Mortgagor transfers his or her title to a trustee who holds it as security for the benefit of a lender.
- (12) Default--As defined in a LURA or Contract
- (13) Delinquent Loan--Any mortgage loan in which the scheduled payment has not been received by the due date.
- (14) Department--The Texas Department of Housing and Community Affairs.
- (15) Development--Any Project that has a construction component, either in the form of new construction or the rehabilitation of residential housing.
- (16) Eligible Household--A household that meets the requirements associated with a Department Contract or LURA and applicable law, as in effect from time to time.
- (17) Event of Default--As defined in a LURA or Contract
- (18) Executive Director--As defined under Texas Government Code §2306.036 and/or §2306.038.
- (19) Finding--A report or other communication for the Department indicating a need for corrective action by an Administrator, Project Owner, Recipient, Subrecipient or other beneficiary of a Department program.
- (20) Forbearance--The act of agreeing, either conditionally or unconditionally, in reliance upon express representations, to refrain from enforcing one or more legal obligations, such as making scheduled payments on a debt or complying with one or more non-monetary provisions of a Contract. A relief provision that provides for a period of reduced or suspended payments to enable the Mortgagor to cure a delinquency is an example of a forbearance.
- (21) Foreclosure--A legal proceeding, in or out of court, to gain title or to force a sale of a mortgaged property in order to satisfy unpaid amounts due under the debt secured by such mortgaged property on the property.
- (22) Loan Modification--A written agreement to a change in one or more terms of the Contract or contractual documents relating to an existing loan between the Department and Mortgagor.
- (23) LURA--A Land Use Restriction Agreement that has been executed by the Department and a Person related to be a specific property or properties and filed with required recording authorities.
- (24) Mortgagor--The party (a "borrower") who borrows the money and uses his or her real property as collateral and security for the payment of the debt.
- (25) Person--Any individual, partnership, corporation, association, trust, unit of government, community action agency, or public or private organization of any character, however organized.
- (26) Real Estate Owned--Property acquired by the Department as the lender, usually through foreclosure or acceptance of a deed-in-lieu.
- (27) Receivership--Legal action as defined in Contract or LURA

- (28) Responsible Party--The Administrator, Home Owner, Mortgagor, Project Owner, Subrecipient, Subrecipient Organization, or other beneficiary of a Department program subject to this rule for purposes of asset resolution or enforcement.
- (29) Review Committee--The committee, Chaired by the Executive Director and comprised of the Deputy Executive Director for Programs, the Deputy Executive Director for Administration, the Director of PMC, the Director of Real Estate Analysis and two additional rotating members appointed by the Chair. The Review Committee will determine asset resolutions or enforcement recommendations.
- (30) Workout Program--A written agreement as an alternative to foreclosure that the Department may offer to the Mortgagor of a defaulted mortgage.
- (c) Potential Actions Related to Home Ownership.
- (1) Early Delinquency Intervention. According to the terms of a Contract between the Department and a Mortgagor the Department will provide a loan billing statement to the Mortgagor or Home Owner as payments are due. A Contract will be identified as delinquent unless the mortgage payment is made on the 16th day of after the due date. A late fee will be assessed on all identified delinquent loans. A computer generated "Friendly Reminder" notice of default is mailed to the Mortgagor on any loan for which payment has not been received by the 16th day of the month payment was due. A "Late Payment" notice of default is mailed to the Mortgagor on any loan that is past due more than forty-five (45) days. An "Urgent" notice of default is mailed to the Mortgagor on all loans that are more than sixty (60) days past due. The status of all mortgage loans serviced in-house by the Loan Servicing section will be reported monthly to the Credit Bureau through the Department's credit reporting processes, including delinquencies.
- (2) Workout program. The Department supports delinquent Mortgagors' efforts to meet their mortgage obligations so they can avoid Foreclosure and remain in their homes when feasible. That means, among other things, using available tools that are appropriate under the circumstances to avoid Foreclosure; being judicious in approaching loss mitigation efforts and promoting open and effective communication with Mortgagors, including giving reasonable opportunity to resolve legitimate disputes. The Department after consultation with the Review Committee may, but is not required to, perform one or more of the following alternatives to cure the delinquency:
- (A) Phone contact. Delinquent Mortgagors identified as more than forty-five (45) days past due may be contacted by phone to determine why the Mortgagor has not made the required payment(s). The Mortgagor is encouraged to contact the Department prior to this call to notify the Department of circumstances for the delinquencies.
- (B) Face-to-face Interviews. Face-to-face interviews may be conducted when phone contact is not possible with the Mortgagor, and/or the Mortgagor is unresponsive to various attempts by the Department to establish communication and discuss the delinquency. Face-to-face interviews are done to determine the condition of the Department's collateral and discuss workout options available to the Mortgagor. If the Mortgagor is unavailable at the time a face-to-face interview is attempted, the Department will leave a "Collection Flyer" notice of default, marked "confidential," addressed to the Mortgagor at the property location.

- (C) Written Repayment Agreement. Once a Mortgagor's ability to pay has been assessed, if the period necessary to cure the delinquency will exceed forty-five (45) days from the time contact is made, the Department will require the Mortgagor to enter into a formal written repayment agreement specifying the terms of repayment for the delinquent amount. Only in exceptional cases will a repayment period exceed twelve (12) months. If the Mortgagor abides by the terms of the written repayment agreement, the Department may suspend accrual of late fees for the duration of the agreement.
- (D) Forbearance. The Review Committee may recommend a Forbearance agreement if the Mortgagor is temporarily unable to make any amount of payment due because of documented evidence of illness, death of a co-mortgagor, or loss of employment. Forbearance agreements will not exceed three (3) months. Any suspended payments will be made up as an additional single payment upon maturity. All accrued unpaid principal and interest amounts will be added to the end of the loan as a balloon payment. This will not result in a change of terms, and no recording fees or T-38 Endorsement will be necessary.
- (E) Loan Modification. The Review Committee may recommend a loan modification to alter the terms of the note including, but are not limited to, (i) the interest rate, (ii) principal balance, (iii) payment amount, and (iv) the maturity date. This is a formal change in the original terms of the note. Any principal, escrow shortages, and fees such as recording fees, title policy fees, and pre-foreclosure fees will be included in the new terms.
- (F) Pre-foreclosure sale. If the Mortgagor is unable to cure its delinquency, and the Mortgagor's desire is to avoid Foreclosure by the Department, the Department may consent to the sale of the property by the Mortgagor to a third (3rd) party buyer within a reasonable time as determined by the Department. If the proceeds from the Pre-foreclosure Sale are insufficient to extinguish the Mortgage Lien, the remaining outstanding balance under the Note secured by the Mortgage Lien will be converted to an Unsecured Note executed by the original Mortgagor payable to the Department unless other provisions are stated in the Note and/or Deed of Trust.
- (G) Deed-in-lieu of Foreclosure. On a seriously delinquent mortgage where other options have been unsuccessful and/or the Mortgagor intends to abandon the property, the Department may consent to a Deed-in-lieu of Foreclosure. As a condition of the Department accepting a Deed-in-lieu of Foreclosure, the property must be free and clear of all encumbrances and liens other than liens of the Department.
- (3) Final Resolution. In the event that a workout as described in subsection (2) above is unsuccessful, the Department upon recommendation of the Review Committee may take one of more of the following actions:
- (A) Creditor claim in Bankruptcy. When a Mortgagor files for bankruptcy, the Department will take all actions that are necessary to protect its interests. All collection efforts outside the bankruptcy courts by the Department will cease during the bankruptcy period. The Department will file a proof of claim when appropriate. In a bankruptcy case that has been dismissed, all normal collection efforts will resume. In a bankruptcy case that has been Discharged in Bankruptcy, the Mortgagor will either reaffirm the debt in accordance with the bankruptcy or the Department may proceed to foreclose on the mortgage lien.

- (B) Foreclosure. After all workout options have been exhausted, the Review Committee will review the loan for possible recommendation to foreclose on the property used as collateral to secure the Mortgage Lien. If the Department is in an inferior lien position, and the value of the property warrants it, the Department may elect to purchase a superior lien loan in order to proceed with Foreclosure and protect its interest.
- (C) Debt forgiveness. In exceptional circumstances, the Review Committee may recommend the forgiveness based on hardship conditions. The Committee shall consider the following conditions as hardships: documented long term disability resulting in a permanent inability to pay, and a permanent inability to pay where it would not be in the best interest of the Department to foreclose based on economic conditions of the property and/or continued expenses which are incurred due to escrow responsibilities. The ability to forgive will also be contingent upon the method of funding. All hardship cases will be considered on a case by case basis. In cases where program guidelines allow for forgiveness based on death of borrower(s), the Department will take the appropriate steps to forgive these loans.
- (D) Charge-offs. When the Department determines that all collection efforts have been exhausted on delinquent loans and there is no economic value in foreclosure the loan may be charged off. A charge-off will be reported to the credit bureau through the Department's normal credit reporting processes and to any appropriate agencies including the IRS. When a debt has been charged off, the Mortgagor will be placed on the Department's Debarment list and will not be eligible to apply for future programs.
- (d) Potential Actions Related to Multi-family Properties
- (1) Financial Delinquency issues. Owner/managers who fail to perform under the terms of the loan documents leading to an event of default will be provided timely notice of the default. For purposes of this rule a financial delinquency occurs when the responsible party fails to pay loan payments or fees due in a timely manner, fails to maintain adequate insurance and/or fails to pay taxes on a timely basis. When an event of default occurs, the Department will:
- (A) Notice. The Department will provide notice according to terms of the Loan Documents and or LURA to the obligor that a potential event of default has occurred. For events of default that are curable, the notice will provide a reasonable time period for correction, not to exceed sixty (60) days from the date notice or such longer period as may be required by the Contract.
- (B) Workout. In the event the Responsible Party contacts the Department within the corrective period and provides sufficient evidence of the cause for a failure to pay, the Department may enter into a workout plan that may include: Forbearance of the payment of loans or fees; Loan modification; a payment of taxes or a placement of insurance at additional cost to the Responsible Party.

Workouts must address those factors which the Department, in its sole discretion, deems appropriate to address the cause of the problems that required the workout, such as a requirement of a change of management for a property where multiple events of default occur or a repeated pattern of defaults occur. Only in exceptional cases, approved by the Board on the recommendation of the Review Committee, will a Forbearance period exceed twelve (12) months. Not more than one year of taxes or one year of insurance premium shall be added to the principal amount of the note during the workout period without further corrective action being taken. If a loan modification is recommended by staff, the extension of the note or reduction of the interest to be paid will be consistent with then existing

policies of the Department. The Review Committee will approve any modifications to Contract or LURAs.

- (C) Final Resolution. In the event the Responsible Party and the Department cannot agree upon terms of a workout within six (6) months, the Department will consider all legal action available to it at the end of the six months. All legal action includes litigation up to and including placing the property in Receivership or Foreclosure on the property.
- (D) Waiver and actions consistent with other law. Any failure to act by the Department does not constitute a waiver of this rule. Where applicable, the Department will seek to protect the interests of the Department on behalf of the State of Texas. Nothing in this rule is intended to conflict with the laws of the United States and the State of Texas and where any conflicts arise, the rule will defer to the existing laws.
- (2) Monitoring during compliance period (tax credit properties). During the compliance period, any tax credit property found to be in violation of 10 Texas Administrative Code Chapter 60 will be covered by this Rule in addition to the Internal Revenue Service Code, Code of Federal Regulations and related revenue rulings and any other official guidance provided by the Internal Revenue Service.
- (3) Monitored properties (tax credit properties after original compliance period, HTF or HOME properties subject to a LURA). Properties failing to comply with the rules of the Department and/or the terms of the related LURAs are subject to the following actions:
- (A) Because of the additional staff time and additional record keeping requirements associated with non-compliance with the agreed upon terms the following table is established as a compliance penalty structure as indicated:

Compliance action or Report required	Required action to regain Compliance**	Potential Penalty for continued Non-compliance*
Units leased to households that are not eligible because their income exceeds the allowable limit; occupied by non-eligible full time students; or noncompliance with senior age restrictions	Lease labeled "Do not renew lease—as soon as possible lease the unit to eligible household:" Lease to eligible household	Compliance penalty up to \$500 for violation of do not renew restriction; Compliance penalty of up to \$500 for repeated violation.
Rents charged exceed allowable limits or improperly calculated utility allowance	Owner/manager demonstrates reduction in rent and/or recalculation of utility allowance and refund difference to tenants	Compliance penalty up to the amount of uncorrected overcharge.
Property Condition Violations	Appropriate repairs completed and provide evidence	Compliance penalty based on severity of violation up to \$500 per violation.
Failure to Submit Reports Timely and or failure to execute and record program documents	After written notice of failure to receive report owner must provide corrective action support within 30 days	Compliance penalty of up to \$250 per additional notice sent for every 30 days of no response.

Change in eligible basis	Owner to cease charging for	Compliance penalty up to amount
Change in engine basis	facilities and refund amounts	not refunded or wrongly
	collected and/or convert	collected.
	commercial space back to	Consciou.
	residential space as applicable	
Failure to meet minimum set aside,	Units should be rented to the	Compliance penalty of up to
violation of Available Unit Rule, or	appropriate income and rent	\$200 per unit and potential
comply with rent and occupancy	restrictions for eligible	listing as not participating in
restrictions	households	
Failure to follow Fair Housing or	Owner must to enter into a	program.  Report for possible fair housing
federal laws providing access by the	corrective action agreement and	violation, Compliance penalty
general public or failure to comply with	amend leasing requirements if	of up to \$250 per violation.
Section 8 minimum income to rent	appropriate	or up to \$250 per violation.
standard	<u>appropriate</u>	-
Failure to maintain adequate	Owner to recertify accordingly	Compliance penalty of up to
documentation or certification for	and provide documentation	\$100 per request per 30 day
compliance	upon completion	period of failure to provide
	The second secon	documentation
Low income units used on transient	Owner should execute at least	Compliance penalty of up to
basis	six month lease and provide	\$100 per request per 30 day
	evidence	period of failure to provide
		documented lease
Violation of the Unit Vacancy Rule	Property must advertise	Compliance penalty of up to
	availability of units within 30	\$250 per 30 day period not
	days and provide evidence	advertised
No evidence of material participation by	Owner to correct issue and	Compliance penalty of up to
a qualified nonprofit	certify compliance within 60	\$500 per 30 days after 60 day
	days	corrective period.
Failure to provide agreed to supportive	Corrective action within 30	Compliance penalty of up to
services	<u>days</u>	\$500 per listed service not
		provided per month
Failure to pay compliance fees or	After notice of fees due and	Begin collection proceedings.
compliance penalties timely	payable within 30 days of	Add state allowable maximum
	notice	interest rate and additional
		penalty of up to \$250 per 30
		day period of nonpayment.
Failure to meet prescribed special needs	Property must develop and	Compliance penalty of up to
set aside	follow adequate marketing plan	\$250 per day for failure to
	utilizing organizations that	develop and follow marketing
	work with special needs for	plan per 30 day period.
	corrective action within 60 days	Additional penalties may exist
		for leasing to ineligible
E-II	TC 1'	households.
Failure to meet Department minimum	If discovered during	Failure to correct will lead to
standards for rehabilitation act	development, potential	limitation of future participation
compliance	correction of building. If	in Department programs up to
	discovered after building,	and including Debarment for a
	establish an account to fund	period of time.
	necessary modifications	

Continued non-compliance resulting in declaration of no longer participating in program	After written notice owner should provide a corrective action memo	Maximum compliance penalties allowed under LURA plus penalties for specific non- compliant items. Collection of penalties up to and including filing of liens and all legal actions including foreclosure. If property remains out of compliance for 12 months inclusion in Debarment list.
Determination of material Non- compliance for more than six months	After notice of violation corrective action plan developed with Department	Declaration that the property is "No longer participating in the program" and associated penalties and legal actions.
*Compliance penalties are in addition to point scoring for material non-compliance determination	**The Department may require additional training for persons who receive repeated noncompliance findings. The Department may include replacement of management or addition of a consultant as a component of corrective action for repeated non-compliance	

- (B) Compliance penalty enforcement. In determining the compliance penalty, the Department will use a list of published factors to assess the amount of the penalty. Compliance penalties will continue to be assessed until such time as the corrective action has been taken. In the event that corrective action is not taken, the Department will take the following actions:
- (i) Provide notice to the last known address of the party against whom the penalty has been assessed;
- (ii) A description of the violations and the governing authority for application of the compliance penalty;
- (iii) The procedures for appealing the compliance penalty assessed including the provisions under 10 Texas Administrative Code Sections 1.7, 1.6 and 1.17.
- (iv) If the party either does not respond or fails to take corrective action, the Department will refer the matter to the Attorney General for determination of the legal remedies available and action to be taken.
- (e) Potential Actions related to Contract Administration on awarded funds.
- (1) Contracts involving Department Awards. The Department is responsible for numerous awards of funds intended to benefit Texans who qualify for programs administered by the Department.

  Frequently these programs are administered by Subrecipients--some of whom directly perform the work and other who hire others to assist them in service delivery. These rules either repeat, or supplement the language included in individual contracts. When a contractor fails to perform adequately, the Department may take any of the following actions:

Non-performance contract action	Required action to adequately perform	Potential penalties for non-performance
Failure to correct audit finding	Satisfactorily answer audit finding during timeline provided	Request repayment of funds; limitation of future payments; reduction in administrative fees allowed; implementation of 10 TAC 1.3; termination of current contract; bar of future contracts; added to debarment list
Failure to File required audit report	File audit report prior to deadline	Loss of contract; withholding of payments, implementation of 10 TAC 1.3; bar of future contracts
Failure to meet contract milestones	Development of corrective action and contract amendment	Reduction in administrative fees; termination of contract; withholding of funds requested
Failure to submit necessary  Documentation	Submit required documents within 30 days of notification	Department will return faulty submission documents; reduction of administrative fees; withholding of payments; termination of contract; if not submitted bar of future contracts
Failure to timely request amendment	Request amendment prior to contract expiration in writing and signed by contract signatory authority made at least 90 days before contract end	Termination of contract; withholding of funds requested; reduction in administrative fees; audit finding; repayment of funds paid for work not under contract
Misappropriation of funds	Repayment of funds	Withholding of funds; criminal referral to District attorney; referral to Attorney General for legal action; termination of contract; inclusion in debarment list;
Loss or removal of Federal Programs from subrecipient	Explanation of reason for loss of program and clearance to continue to receive other funds	Termination of contract; withholding of funds requested; inclusion in debarment list
Failure to execute contract	Execution of contract with 30 days of notice	Removal from contract administration system; termination of contract; withholding of any requested funds
Disallowed costs	Clearance of costs prior to deadline provided	Request of repayment of funds; withholding of funds; audit finding; implementation of 10 TAC 1.3
Failure to provide services contracted	Design corrective action plan and submit for approval	Request repayment of funds; withholding of requested funds; disallowed costs; audit findings; legal action to enforce contract under specific performance; termination of contract; reduction in administrative fees.
Match not submitted in time or in a pro-rata share or insufficient documentation	Submit according to requirements or request amendment	Withholding of request funds; reduction of points on future applications; bar placed on contract monitoring system; limiting payments until pro-rata match is achieved; reduce administrative fees
Failure to request draw within required time	Must submit within the sixty day time frame or request an extension with sufficient justification as to the delay	Allow contract to expire in contract system without issuing payment; close out contract as completed; withholding of requested funds; reduction of administrative fees

Criminal charges filed	Report and explanation of	Audit of program related to charged staff;
against key staff	charges and duties of charged	termination of contract; request for
	staff	development of action plan for correction
Failure to respond to	Respond with appropriate	Termination of contract; request for
<u>Department</u>	response prior to deadline	repayment of fees; withholding of
Correspondence	provided not to exceed 30 days	requested funds; referral to Attorney
		General for enforcement; inclusion in
		debarment list.

(2) Special Conditions for Contract involving construction awards. In addition to the contract actions found in section (1) above, the following are potential actions specifically related to construction related awards:

Non-performance	Required action to	Potential penalties for non-performance
contract action	adequately perform	
Failure to follow	Request waiver; submit	Non-issuance of IRS Form 8609 if appropriate;
federal laws regarding	plan for alternatives to	request for repayment of all funds provided;
construction	reconstruction	compliance penalty equal to 5% of total award
		received; included on debarment list; referred to
		Attorney General for collection; termination of
		contract
Poor Construction	Correct non-compliant	Request repayment of all funds; Non issuance of IRS
Quality	construction; Develop a	Form 8609 if appropriate; refer to Attorney General
	plan for corrective action	for collection of funds; termination of contract;
		include all parties on debarment list
Failure to build units	Alter construction to meet	Non-issuance of IRS Form 8609 if appropriate;
according to submitted	plans; prepare alternatives	request for repayment of all funds provided;
application	for consideration	compliance penalty equal to 5% of total award
		received; included on debarment list; referred to
		Attorney General for collection; termination of
		contract
Agreement between	Submit copy of agreement	Verify that the Department's required clauses
consultants and	for review prior to	involving audit provisions, debarment list penalties,
<u>Administrators</u>	beginning work	and conflicts of interests are included; limit draws or
		submission of documents until such contracts are
		provided; reduction of administrative fees

# (f) Administration of Section.

- (1) Program and Compliance staff will be the first line reviewers for performance with Department policies and procedures related to Contracts and/or LURA's. After providing initial notice to the Responsible Party and time for response, the involved staff will refer non-resolved matters to identified asset resolution and enforcement staff. The asset resolution and enforcement staff will review and develop a recommended action plan and timeline to the Review Committee, including final resolution if other efforts are not successful. The Review Committee will approve, approve with modifications or reject the submitted plan. The Executive Director will evaluate to determine if Board action is required.
- (2) The asset resolution and enforcement staff will implement the approved plan including any required referrals to the Office of the Attorney General or other parties.

- (3) Unless otherwise indicated, Responsible Parties will have access to Department procedures for appealing actions taken under this rule including the provisions under 10 Texas Administrative Code section 1.7, 1.6 and 1.17.
- (4) If the Department has determined that a provision of this rule must be expedited to protect the assets of the State of Texas, any non-statutory timeline may be reduced by the Department.
- (5) Any section of this rule may be waived for just cause by the Executive Director or the Governing Board except for notice provisions and federal and state statutory provisions.
- (g) Debarment for failure to perform
- (1) Any Administrator, Affiliated Party, Person or Responsible Party receiving funds (including Housing Tax Credits) directly or indirectly may be subject to debarment under this Section.
- (2) Procedures for Placement in Debarment
- (A) Recommendation for inclusion on the debarment list is done by referral from Department Division Directors. An Administrator, Affiliated Party, Person or Responsible Party may also submit a referral to a Department Division Director for consideration.
- (B) Once referred the Administrator, Affiliated Party, Person or Responsible Party will be placed in Suspension status. While in Suspension the entity can continue to be reviewed for participation in the application or allocation cycle, but a review by the Review Committee must be completed prior to the award of Department funds (or allocation of Housing Tax Credits). A determination of inclusion on the debarment list will preclude the entity from participation for the term determined by the Review Committee, beginning with any current application or allocation award request. The following actions will be taken by the referring Department Division Director:
- (i) Notice will be provided to the Administrator, Affiliated Party, Person or Responsible Party of the referral to the Department's Review Committee for inclusion on the debarment list.
- (ii) The Administrator, Affiliated Party, Person or Responsible Party will be given an opportunity to provide information for consideration by the Review Committee. This information must be submitted within 14 working days from the date of notice.
- (C) The Department Division Director will present the Review Committee with the following for consideration of the referral:
- (i) Documentation to support the action that the Administrator, Affiliated Party, Person or Responsible Party has taken to warrant referral for placement on the debarment list.
- (ii) A copy of the notice provided to Administrator, Affiliated Party, Person or Responsible Party.
- (iii) A copy of any information provided in response by the Administrator, Affiliated Party, Person or Responsible Party to the notice.
- (D) The Review Committee may determine based on the information provided that the entity does not warrant being placed on the debarment list. The Review Committee may recommend placement on the debarment list and will recommend a term for debarment based on the following structure:

Action	Potential Debarment Term
Failure to meet Department minimum accessibility standards for	1-10 years
rehabilitation act compliance	
Continued non-compliance resulting in declaration of no longer	1-10 Years
participating in program	
Determination of uncorrected material Non-compliance for	1-5 Years
more than six months	
Failure to correct audit finding	1-5 Years
Failure to File required audit report	1-5 Years
Failure to meet HOME contract milestones	1-5 Years
Failure to submit necessary Documentation	1-5 Years
Misappropriation of funds	<u>In Perpetuity</u>
Loss or removal of Federal Programs from subrecipient	Duration determined by Federal
•	Agency for that Issue
Disallowed costs	Until Cured
Failure to provide services contracted	<u>1-5 Years</u>
Match not submitted in time or in a pro-rata share or insufficient	<u>1-5 Years</u>
documentation	·
Charged with committing criminal actions	In Perpetuity
Failure to respond to Department Correspondence	Until Resolution
Failure to follow federal laws regarding construction	1-5 years
Poor Construction Quality	In Perpetuity
Failure to build units according to submitted application	1-10 Years

# (E) Agreement of Appeal

- (i) 10 days appeal or invoke the Alternative Dispute Resolution Rule, §1.17
- (F) The Board of Directors will provide final approval for placement on the Debarment list. The board will review the Review Committees' determination and recommended term of debarment. The Administrator, Affiliated Party, Person or Responsible Party will be given opportunity to appeal during the Board Meeting.
- (G) Once approved by the Department's Board of Directors the entity will be placed on the Debarment List for the determined term.

#### OFFICE OF COLONIA INITIATIVES

#### BOARD ACTION REQUEST

February 1, 2007

#### **Action Items**

Presentation, Discussion and Possible Approval for publication in the *Texas Register* of the Final Texas Bootstrap Loan Program Rules, to be codified at 10 Texas Administrative Code, Chapter 2, Part 1.

# Required Action

Department staff recommends that the Board review and approve the Texas Bootstrap Loan Program Final Rules, Title 10 of the Texas Administrative Code, Part 1, Chapter 2.

# **Background**

On October 27, 2006 the Texas Bootstrap Loan Program Draft Rules, Title 10 Texas Administrative Code were published in the *Texas Register*. Upon publication a public comment period commenced, ending on November 26, 2006. In addition to publishing the document in the *Texas Register*, a copy was published on the Department's web site and made available to the public upon request. The Department also held public hearings in Dallas, San Antonio, McAllen and El Paso. In addition to comments received at the public hearing, the Department received written comments. A summary of the comments received and a Department's response to each comment is attached.

### Recommendation

Staff is recommending the proposed repeal of Title 10 of the Texas Administrative Code Part 1, Chapter 2 the current rules for the Texas Bootstrap Loan Program also know as the Owner-Builder Loan Program and the approval of the proposed adoption to the rules governing the Texas Bootstrap Loan Program.

# Reasoned Response to Public Comment on the Texas Bootstrap Loan Program Draft Rules

This document provides the Department's response to all comments received. Comments and responses are presented in the order they appear in the Texas Bootstrap Loan Program Draft Rules.

Language deleted from the Texas Bootstrap Loan Program Draft Rules is shown with single strikethrough and new language proposed for the Texas Bootstrap Loan Program Rules is show with a single underline.

# §2.1 (a)-Purpose (5, 7, 10, 11 & 12)

#### **Comment:**

The commentators requested that the Department increase the maximum amount of repayable loans from \$60,000 to an amount set by the Texas Legislature.

# **Department Response:**

Staff recommends no change. This rule is pursuant to Section 2306.754(b) of the Texas Government Code which states "The total amount of loans made by the Department and other entities to an Owner-Builder under the Program may not exceed \$60,000." Therefore, the Department has no authority to make this change.

# §2.2 (21) – Definitions – Open Application Cycle (5)

#### Comment:

The commentator requested that the Department release a NOFA every year instead of every two years.

#### **Department Response:**

Staff recommends no change. The Department would like to reserve the right to release funds in a two year funding cycle or less.

#### $\S 2.3$ (a) (3) – Allocation of Funds (5)

#### Comment:

The commentator requested that the Department increase the amount of funds allocated for nonprofit organizations.

#### Department Response:

Staff recommends no change. This rule is pursuant to Section 2306.758 (c) of the Texas Government Code, which states that "In a state fiscal year, the Department may use not more than 10 percent of the revenue available for purposes of this subchapter to enhance the ability of tax-exempt organizations described by Section 2306.755 (a) to implement the purposes of this chapter." The Department has no authority to make this change.

# §2.4 (b) – Applicant Requirements (10)

#### Comment:

The commentator requested that the Department amend the proposed rules regarding deobligated funds from 24 months to 6 months of the application deadline and to also take into consideration any extenuating circumstances that may have prevented the applicant from achieving its goals.

# **Department Response:**

It is the Department's intent to expend funds in a timely and efficient manner; therefore we recommend no changes to the 24 month requirement. The Department will deobligate funds for non-performance or non-compliance. However the staff recommends the following change due to extenuating circumstances that are beyond the applicant's control.

### §2.4 (b) – Applicant Requirements

(b) Ineligible Applicant: The following violations will may cause an Applicant, and any Applications they have submitted, to be ineligible:

# §2.4 (b) (3) – Applicant Requirements (5 & 10)

#### Comment:

The commentators requested that the Department not charge any type of fees on any loans made to an applicant and also for the Department to clarify the proposed rule.

#### **Department Response:**

Staff recommends the following changes in order to clarify when the proposed rule will apply.

(3) Applicants that have failed to make timely payments on <u>debt instruments held by the Department and for which the Department has initiated formal collections actions or fee commitments due to the Department.</u> make timely payment on any loans or fee commitments made with the Department;

# §2.4 (f) – Applicant Requirements (5 & 10)

#### Comment:

The commentator requested that the Department not require an applicant that is awarded a contract to enter information via the Department's Contract System through the internet.

#### **Department Response:**

Staff recommends no change. It is the goal of the Department to utilize the TDHCA's contract system in order to better track and manage Department Contracts. In the future awardees may be required to enter data onto the Contract System in order to draw funds for any Texas Bootstrap Loan Program projects. However, Department is willing to offer technical assistance, as needed, to help build capacity for nonprofits for this purpose.

# §2.5 (b) – Application Limitations (1, 7, 9, 11 & 12)

# Comment:

The commentators requested that the Department increase the administrative fee from 4% to 10% on the Texas Bootstrap Loan Program.

Staff agrees with increasing the administrative fee under this program. The nonprofit organization must market the program in order to identify and qualify families to participate. In most cases for every five applications received only one will qualify to participate in this program; however, the same amount of work and time is being spent on the applications that do not meet program guidelines. In addition the awardees must gather, review and submit to the Department all the appropriate documents for approval. The nonprofit organization must also teach the owner-builder the basic concepts of construction such as tool safety, reading a measuring tape, etc. and teaching how to build or rehabilitate their home. The cost involved in implementing this program supersedes the current four percent administrative fee. Staff does not recommend increasing the administrative fee to 10%, but does suggest a 50% increase from 4% to 6%.

Staff recommends the following:

### $\S 2.5$ (b) – Application Limitations

(b) An award amount for the Texas Bootstrap Loan Program shall not exceed \$600,000 plus administrative fees not to exceed 4½ six percent of award amount, except as may be otherwise authorized by the Board or as otherwise stated in the NOFA.

# §2.5 (b) – Applicant Limitations (10)

#### Comment:

The commentator requested that the Department consider increasing the maximum amount of an award from \$600,000 to a maximum of 25 homes at the maximum allowable per household, as set by the Texas Legislature.

#### **Department Response:**

Staff recommends no changes. The Department desires to select a diverse group of Applicants that will serve various populations throughout the state. By allowing the maximum amount of an award to remain at \$600,000 staff feels that the Department will be able to award the funds in a fair an equitable manner throughout the state.

### §2.5 (c) – Applicant Limitations (10)

#### Comment:

The commentator requested that the Department increase the term of a contract from 24 months to 36 months.

#### **Department Response:**

Staff recommends no changes to this rule. It is the Department's intent to expend funds in a timely and efficient manner. Currently the Department allows a one six month extension over and above the 24 month contract if necessary.

# §2.5 (d) – Application Limitations (1, 2, 5, 7, 10, 11 & 12) Comment:

#### Comment:

The commentators requested that the Department increase the maximum loan amount of \$30,000 to an amount set by the Texas Legislature.

Staff recommends no change. This rule is pursuant to Section 2306.754 (a) and (b) of the Texas Government Code which states "The Department may establish the minimum amount of a loan under this subchapter, but a loan may not exceed \$30,000. If it is not possible for an owner-builder to purchase necessary real property and build adequate housing for \$30,000, the owner-builder must obtain the amount necessary that exceeds \$30,000 from one or more local governmental entities, nonprofit organizations, or private lenders. The total amount of loans made by the Department and other entities to an Owner-Builder under the Program may not exceed \$60,000." Therefore, the Department has no authority to make this change.

# §2.5 (e) – Applicant Limitations (5 & 10)

#### Comment:

The commentators requested that the Department not set a higher maximum award amount due to disasters under this program and to treat all awards equal.

### **Department Response:**

Staff recommends no changes. Due to the circumstances surrounding disasters additional funds may be needed to assist the affected areas and the Department does not want to limit flexibility that may be needed in these types of extenuating situations.

#### §2.7 – Prohibited Activities (10)

#### Comment:

The commentator requested that the Department limit the prohibited charges only to the Bootstrap Loan not to any other loan used in conjunction with the Texas Bootstrap Loan Program.

#### **Department Response:**

Staff agrees with the recommendation and proposes the following changes:

#### §2.7 – Prohibited Activities

The following activities are prohibited and-are-not-eligible-costs under the <u>Program in relation to the origination of a Texas Bootstrap Loan Program Loan, but may be charged as an allowable cost by a third party lender for the origination of all other loans originated in connection with a <u>Texas Bootstrap Loan Program Loan</u>.</u>

- (a) Payment of delinquent property taxes or related fees or charges on properties to be assisted with Texas Bootstrap Loan Program funds;
- (b) Loan Origination Fees;
- (c) Application fee;
- (d) Discount fees;
- (e) Underwriter fee;
- (f) Loan Processing fees; and
- (g) Other fees not approved by the Department.

# §2.9 – Application & Award Process (4, 6 & 8)

#### Comment:

The commentator requested that the Department modify the scoring for an application received from an applicant with co-applicants. The organizations feels that the current scoring criteria penalizes applications received from an applicant with co-applicants. The current process gives the same weight to one applicant with good internal systems and capacity building one house as it does to another applicant with sophisticated internal systems and capacities building ten houses. A recommendation was made to change the scoring criteria on an application received from an applicant with co-applicants.

### **Department Response:**

Staff agrees with the comments and recommends the following changes:

§2.9 – Application & Award Process

- (d) An Application received from an Applicant with Co-Applicants will be scored accordingly:
  - (1) Each Applicant and Co-Applicant from an organization must meet the General Threshold Criteria as outlined in §2.10 and Selection Criteria outlined in §2.11. Each Applicant and Co-Applicant must achieve a minimum threshold score of 70 points based on the Department's review in order to be consider eligible to receive a funding recommendation. If an Applicant and/or Co-Applicant does not achieve the minimum threshold score that particular Applicant and/or Co-Applicant will be disqualified.
  - (2) The number of houses each Applicant and/or Co-Applicant plans to build or rehabilitate will be determined by Department Staff based on the data provided by the Applicant and Co-Applicant.
  - (3) The score determined for each Applicant and Co-Applicant will apply as a score to each house the Applicant and Co-Applicant plans to build or rehabilitate.
  - (4) The final score applied to the application will be the average of all scores weighted by the number of houses per Applicant and Co-Applicant.

# §2.10 – General Threshold Criteria (10)

#### **Comment:**

The commentator made a recommendation to the Department in order to clarify the proposed rule.

Staff agrees with the recommendation and proposes the following change:

(3) Financial Design. Applications for funding will be reviewed for written evidence of the capacity to maintain financial systems, including the responsibility of accounting staff. The Application must adequately describe the lead Applicants and co-Applicants financial standing for the last three years. The review will be based on the supporting financial data provided by Applicants and third party reports such as financial statements and audits submitted with the Application. Submission of "Independent Auditor's Report" dated within 12 months of application deadline date, describing the financial standing of the applicant within the last three years expressing an unqualified opinion. Report must show evidence of Applicant's capacity to maintain an effective financial system, and the extent to which Applicant has the capability to manage financial resources, as evidenced by previous experience, documentation of the Applicant or key staff, and existing financial control procedures.

### §2.10 – General Threshold Criteria (10)

#### Comment:

A commentator requested that the Department increase the contract term from 24 months to 36 months.

# **Department Response:**

Staff recommends no changes to this rule. It is the Department's intent to expend funds in a timely and efficient manner. Currently the Department allows a one six month extension over and above the 24 month contract if necessary.

# §2.11 (1) – Selection Criteria – Income Targeting (3, 5, 6, 8, 9 & 10)

The commentators requested that the Department delete this criteria. The comments submitted expressed that this is double weighted scoring since we are already awarding points for applicants giving priority to families earning less than \$17,500.

#### **Department Response:**

Staff agrees with comments and recommends deleting this criteria. The Department is required under Section 2306.753 (a) of the Texas Government Code to give priority to families earning less than \$17,500. Therefore points will only be awarded to this statutory requirement under Section 2.11(8) (c) of the Texas Bootstrap Loan Program Draft Rules.

The 13 points will be distributed to Program Design under Section 2.11 (8) of the Texas Bootstrap Loan Program Draft Rules. Ten points will be added to Section 2.11 (8)(a) and the remaining three points will be added to Section 2.11 (8)(c)

#### **§2.11**

- (1) Income Targeting: (Maximum Points: 13) Points will be awarded based on the percentage of total households targeted to specific income levels as defined by HUD's Area Median Family Income.
- (i)10% to 19.99% of units at 30% AMFI, 4 points;
- (ii)20% to 39.99% of units at 30% AMFI, 6 points;
- (iii)40% to 59.99% of units at 30% AMFI, 8 points:
- (iv)60% to 79.99% of units at 30% AMFI. 10 points:
- (v)80% to 100.00% of units at 30% AMFI, 13 points.

# §2.11 (2) — Selection Criteria — Previous Awards, Past Performance and First Time Applicants (5 & 10)

#### Comment:

The commentators requested that the Department not award points to first time applicants. The commentators are concern that an inexperienced applicant will be awarded points without demonstrating the capability of administering the Program.

### Department Response:

Staff recommends revising the section as follows to ensure that first time applicants have experience in self-help construction.

§2.11(2) Previous Award, Past Performance and First Time Applicants. (Maximum Points: 10) Applicants will receive 10 points for having received an award from the Bootstrap Program and performed in accordance with their contracts and Department rules. If performance benchmarks as outlined in contract have not been met or funds have been deobligated or if Applicant has been found in noncompliance on any prior award described in Section 2.12 of this chapter, a score of zero points will result. Unsatisfactory past performance on any contract will be forgiven for funding purposes if three years from the Application deadline date has elapsed and the Department in its sole discretion, is satisfied that the conditions of such performance have been rectified. In an effort to encourage participation in the Texas Bootstrap Loan Program first time Applicants will be awarded 10 points if the Applicant demonstrates at least three years of experience by providing details of previous projects and/or resumes of persons involved in self-help housing construction projects. Projects and resumes will be reviewed and verified by the Department staff.

# §2.11 (3) – Selection Criteria – Letters of Support (3, 4 & 10) Comment:

The commentators requested that the Department accept letters of support to be dated within 12 months of the application deadline. In most cases sponsors are obtained at least 10 to 12 months prior to start of a project.

Staff agrees and recommends increasing the requirement from three months to twelve months.

(3) Letters of support. (Maximum Points: 10) Points will be awarded based on a review of the letters (up to five letters; 2 points per letter up to a maximum of 10 points.) submitted from community and/or neighborhood organizations, local businesses and commercial lenders or private individuals as well as units of local government who indicate support to the Texas Bootstrap Loan Program project. To be considered for scoring, the letters must, include the company's name, contact person (full name), address, city, state, and zip code; signed and dated within three 12 months of the application deadline.

# §2.11 (4) – Selection Criteria – Readiness to Proceed (3, 4, 5 & 10) Comment:

The commentators requested that the Department accept commitment letters or letters of interest to be dated within 12 months of the application deadline. In most cases potential homebuyers are pre-qualified at least 10 to 12 months prior to start of a project.

Another commentator expressed concern in awarding points to applicants that have families identified and ready to go. The commentator felt that the applicant cannot risk its reputation and may be liable for "false advertising", risking legal action if it has any proposed owner-builders sign any type of form, such as letter of interest, letter of intent or option of any kind without first having secured all the financing for the proposed project.

### **Department Response:**

Staff agrees with first comments received and recommends increasing the requirement from three months to 12 months.

Staff does not agree with second comment received. An applicant may issue letters of intent, letters of interest or letters of commitment subject to certain conditions such as a Department Award. Due to the time needed to qualify and build or rehabilitate a house through self-help construction time is of the essence; therefore, staff recommends no additional changes to this rule.

# §2.11 (4) – Selection Criteria –

Readiness to Proceed. (Maximum Points: 10) Points will be awarded based on a review of the commitment letters provided to Owner-Builders interested in participating in the Texas Bootstrap Loan Program. To be considered for scoring, the letters must be on applicant's letterhead, including: Owner-Builder's name, address, city, state, zip code and phone number. Letters must be signed by both Owner-Builder and nonprofit organization and dated within three12 months of application deadline. 2 points per letter for a maximum of 10 points.

# §2.11 (5) – Selection Criteria – Level of Homebuyer Counseling for Homebuyer Assistance (5 & 10)

#### **Comment:**

The commentators asked how the Department can award points for something that is going to take place after the award is granted to the nonprofit.

The Department currently awards contracts based on applications submitted by third parties for projects to be delivered in the future. Homebuyer counseling is an important component to support successful homeownership.

# §2.11 (6) – Lien Position (5, 7, 10, 11 & 12)

#### Comment:

The commentators requested that the Department delete the word parity from this proposed rule. The commentators also proposed that TDHCA accept a second lien position to another lender's first lien position.

# Department Response:

Staff believes that by accepting a parity lien it protects the Department's investment and recommends no changes to this section of the rule. However, staff agrees with comments in accepting a second lien to another lender's first lien position and recommends awarding points to an Applicant which first lien amount is greater than the Department's second lien amount. Staff recommends the following change:

§2.11 (6) Lien Position. (Maximum Points: 10) To encourage participation, the Department may subordinate its lien position if the leveraged loan is greater or equal than the Department's loan. However, liens related to other subsidized funds provided in the form of grants and nonamortizing loans, such as deferred payment or forgivable loan, must be subordinated to the Department's loan. If the Department is in a first lien or in a parity lien position based on this standard, the Applicant will be awarded 10 points. If the Department subordinates its lien and the leveraged loan is greater than the Department's loan, the Applicant will be awarded 5 points.

# §2.12 (c) – Program Administration – Sanctions/Deobligation (5, 7, 11 & 12) Comment:

The commentators requested that the Sanction/Deobligation clause be waived for older contracts already in place and apply the Sanction/Deobligation clause to new contracts after the effective date of the Rules as adopted.

#### **Staff Response:**

Staff will work with each respective Technical Assistance Provider who has an executed contract with the Department and evaluate its contract performance in order for the Department to be able to apply the appropriate rule(s) and assist the Technical Assistance Provider with any program issues in order to avoid taking any Sanction/Deobligation measures against the Technical Assistance Provider.

# §2.12 (f) (1) (A-G) – Program Administration (10)

#### Comment:

The commentator requested that the Department increase the contract term from 24 months to 36 months.

#### **Department Response:**

Staff recommends no changes to this rule. It is the Department's intent to expend funds in a timely and efficient manner. Currently the Department allows a one six month extension over and above the 24 month contract if necessary.

# §2.12 (j) – Program Administration – First Year Consultation Agreement (5 & 10) Comment:

The commentator requested that the Department not require the Technical Assistance Providers to purchase or repurchase the Bootstrap loan in full. Most nonprofits that participate in this program cannot afford or agree to this type of recourse.

# **Department Response:**

Staff agrees with comments. Technical Assistance Provider is being required to assist and provide post purchase counseling. In addition the Department is also requiring the Technical Assistance Provider to work with the applicant in bringing the account current. Therefore staff recommends the following changes:

§2.12 (j) First year consultation agreement. The Technical Assistance Provider agrees that if notified by the Department that Owner-Builder (Mortgagee) has failed to make a scheduled payment due under the Program Loan, or other payments due under the Program Loan documents issued under the Contract, within the first twelve (12) months of funding, the Technical Assistance Provider will be required to meet with the Owner-Builder and provide counseling and assistance until the payments are made current. After consultation and in the event that the Department and Technical Assistance Provider are not able to reach a consensus about Technical Assistance Provider's effort to bring the Program Loan current as required under this chapter, the Department may require Technical Assistance Provider to purchase or repurchase the Program Loan in question in full in accordance with its Administrative Rules may apply appropriate graduated sanctions leading up to, but not limited to deobligation of funds and future debarment from participation in the program.

# §2.15 (a) – Leverage Loans (5 & 10)

#### Comment:

The commentators requested that the Department not require third party lenders to limit the amount of interest they may charge. The commentators stated that this requirement may discourage participation in the Texas Bootstrap Loan Program from private lenders.

#### **Department Response:**

Since the Texas Bootstrap Loan Program loans are non-interest bearing there is no need to offer longer loan terms. Our non-interest bearing loan applies as long as the owner-builder household income does not exceed the 60% of the AMFI so there is no sliding scale such as the one USDA/RD utilizes. In addition TDHCA does not recertify the owner-builder's income in future years; USDA does and if necessary will adjust the interest rate accordingly. It is the intent of the Department to protect the owner-builder by limiting the interest rate a lender may charge. If an owner-builder had "A" credit they should qualify for market rate not above market rate. While most would like to call this a high risk loan due to the owner-builder's credit the private lender's loan is an asset based loan versus a credit based loan due to the TDHCA's investment and the sweat equity provided by the owner-builder. The private lender loan has limited exposure. Since participants in this Program may not qualify for a conventional mortgage loan due to credit and not discourage participation from third party lenders staff recommends the following changes:

§2.15. Leveraged Loans. (a) The leverage loan interest rate must be the rate the lender typically charges to its best mortgage applicant customer. An extra amount may not be charged because of low income or other high risk factors. The interest rate may be no more than 23.5% (200 basis points) above the FHA rate at the time of closing. Also, the lender may not include "points" to buy down or pre-pay the interest.

# §2.16 (2) – Property guidelines and related issues (5 & 10) Comment:

The commentators requested that the Department clarify the proposed rules regarding property insurance.

# **Department Response:**

Staff agrees with comments and in order to clarify the proposed rule recommends the following changes:

- §2.16 (2) Property Insurance.
- (A) <u>Builder's Risk Insurance Interim-construction binders are is</u> required where construction of the residence is being financed by the Department. At the end of the construction period, the binder must be endorsed to remove the "pending disbursements" clause.
- (B) Hazard Insurance. The Department requires property insurance for protection against loss or damage from the following perils: fire, windstorm, hail, explosion, riot, and civil commotion, damage by aircraft, vehicles or smoke. Homeowner's policies or package policies that provide property and liability coverage are acceptable. All risk policies are acceptable. The amount of hazard insurance coverage at the time the loan is funded must be no less than 100% of the current insurable value of improvements. The Department will require that the premium for the 12 month homeowner's policy be collected at closing and name the Department as mortgagee. In the case of a construction/permanent loan, builder's risk coverage is required for the construction period, provided that the premium for a 12 month homeowner's policy is collected at closing for the purchase of a homeowner's policy at the end of construction. A builder's risk policy is acceptable while the dwelling is under construction as long as it meets the Department's requirements. An acceptable policy either: (1) names the borrower as the insured; or (2) contains a builder's risk endorsement for a policy issued to the borrower. A policy issued only to a contractor is not an acceptable substitute for the property insurance a borrower is required to provide. A builder's risk policy should automatically convert to full coverage when the dwelling is completed. Otherwise, acceptable insurance must be obtained to coincide with the expiration of the builder's risk provisions of the policy.

# Comment Source Reference

Tab#	Organization
1	Val Verde County Self-Help Center - Herberto Falcon
2	Dallas Area Habitat for Humanity - Stephanie Scribner
3	Trinity Habitat for Humanity - Jennifer Hawthorne
4	Trinity Habitat for Humanity - Angela Bliss
5	Lower Valley Housing Corporation - Nancy Hanson
6	Rio Grande Habitat for Humanity - Jack Tierney
7	Alianza - Daniel Solis
8	Habitat for Humanity, Texas - Carlos Hernandez,
9	Proyecto Azetca - Ann William Cass
10	Community Development Corporation Brownsville - Don Currie
11	El Paso Collaborative - Delia Chavez
12	El Paso County Self-Help Center - Guadalupe Ibarra



# Texas Bootstrap Loan Program Draft Rules Title 10, Part 1, Chapter 2 Texas Administrative Code

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# Texas Bootstrap Loan Program Draft Rules

## §2.1. Purpose

(a) This chapter clarifies the administration of the Texas Department of Housing and Community Affairs Texas Bootstrap Loan Program also known as the Owner-Builder Loan Program. The Texas Bootstrap Loan Program provides assistance to income-eligible individuals, families and households to finance, acquire, rehabilitate and develop decent, safe and sanitary housing. The Program is administered in accordance with Subchapter FF, Chapter 2306 of the Texas Government Code.

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

# §2.2. Definitions

The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise.

- (1) Activity--A form of assistance by which Texas Bootstrap Loan Program funds are used to provide incentives to develop and support affordable housing and homeownership through acquisition, new construction, reconstruction, and rehabilitation of residential housing.
- (2) Administrative Deficiencies--The absence of information or a document from the Application as required by these rules.
- (3) Applicant--An eligible entity which is preparing to submit or has submitted an Application for Texas Bootstrap Loan Program funds and is designated in the Application to assume contractual liability and legal responsibility to execute the written agreement with the Department.
- (4) Application--A written request for Texas Bootstrap Loan Program funds in the format required by the Department.
- (5) AMFI--HUD's Area Median Family Income.
- (6) Board--The governing board of the Texas Department of Housing and Community Affairs.
- (7) Colonia--A geographic area located in a county some part of which is within 150 miles of the international border of this state that:
  - (A) has a majority population composed of individuals and families of low income and very low income, based on the federal Office of Management and Budget poverty index, and meets the qualifications of an economically distressed area under §17.921, Water Code; or
  - (B) has the physical and economic characteristics of a Colonia, as determined by the Department.
- (8) Committed--Funds budgeted to a household and approved by the Department.
- (9) Competitive Application Cycle--A defined period during which applications may be submitted according to a published Notice of Funding Availability (NOFA). Applications will be

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reviewed in accordance with the rules for Application review published in the NOFA, and Application guidelines. The Department may release funds in a two year funding cycle or less than two years.

- (10) Contract--A written agreement, including all amendments thereto; executed by the Department and Technical Assistance Provider.
- (11) Department--The Texas Department of Housing and Community Affairs.
- (12) Development--Projects that have a construction component, either in the form of new construction or the rehabilitation of single family residential housing that meet the Texas Bootstrap Loan Program requirements.
- (13) Drawn--Funds approved by the Department and disbursed to the Technical Assistance Provider.
- (14) Household--One or more persons occupying a housing unit.
- (15) HUD--United States Department of Housing and Urban Development.
- (16) Low-Income Families--Owner-Builders may not have an annual income that exceeds 60 percent, as determined by the Department, of the greater of the state or local median family income, when combined with the income of any person who resides with the Owner-Builder.
- (17) New Construction--Any single-family structure not meeting the definition of Rehabilitation or Reconstruction.
- (18) NOFA--Notice of Funding Availability, published in the Texas Register.
- (19) NOHP--Nonprofit Owner-Builder Housing Program.
- (20) Nonprofit Organization--A public or private organization that:
  - (A) is organized under state or local laws;
  - (B) has no part of its net earnings benefiting any member, founder, contributor, or individual:
  - (C) has a current tax exemption ruling from the Internal Revenue Service (IRS) under Section 501(c)(3), a charitable, nonprofit corporation, of the Internal Revenue Code of 1986, as evidenced by a certificate from the IRS that is dated 1986 or later. The exemption ruling must be effective on the date of the Application and must continue to be effective throughout the length of any contract agreements; or classification as a subordinate of a central organization nonprofit under 501(c)(3) of the Internal Revenue Code, as evidenced by a current group exemption letter, that is dated 1986 or later, from the IRS that includes the Applicant. The group exemption letter must specifically list the Applicant.
  - (D) A private nonprofit organization's pending application for 501(c)(3) status cannot be used to comply with the tax status requirement.
- (21) Open Application Cycle--A defined period during which applications may be submitted according to a published NOFA and which will be reviewed on a first come-first served basis until all funds available are committed, or until the NOFA is closed. Applications will be reviewed in accordance with the rules for Application review published in the NOFA, and/or Application guidelines. The Department may release funds in a two year funding cycle or less than two years.
- (22) Owner-Builder--A person or household who owns or purchases a piece of real property through a warranty deed; or is purchasing a piece of real property under a contract for deed;

# Texas Bootstrap Loan Program Draft Rules

and who undertakes to make improvements to that property and as further described in Section 2.16 of this chapter.

- (23) Program--Texas Bootstrap Loan Program also know as the Owner-Builder Loan Program.
- (24) Reconstruction--The rebuilding of a new single-family structure on the same lot where housing exists at the time of Owner-Builder loan application. Texas Bootstrap Loan Program funds may also be used to build a new foundation or repair an existing foundation.
- (25) Rehabilitation--Includes the alteration, improvement or modification of an existing single family structure. It may also include moving an existing single family structure to a foundation constructed with Texas Bootstrap Loan Program funds.
- (26) Related Party--As defined in Section 2306.6702 of the Texas Government Code.
- (27) Self-Help Housing--The self-help housing process enables Owner-Builders to rehabilitate, reconstruct or construct their own homes, usually working together in groups on other eligible Owner-Builder's houses at the same time. Owner-builders use their own "sweat equity" to reduce the cost of their homes.
- (28) Single-family structure--A property designed and built to support the habitation of one person or one household.
- (29) Technical Assistance Provider (TAP)—A successful Applicant that has been awarded funds and has entered into a contract with the Department to administer the Texas Bootstrap Loan Program.
- (30) Unit-A single family structure.

### §2.3. Allocation of Funds

- (a) The Department administers all Texas Bootstrap Loan Program funds provided to the Department in accordance with Subchapter FF, Chapter 2306 of the Texas Government Code. The Department shall:
- (1) solicit gifts and grants to make loans under this chapter.
- (2) The Department may also make loans under this chapter from:
  - (A) available funds in the housing trust fund established under Section 2306.201, of the Texas Government Code; and
  - (B) federal block grants that may be used for the purposes of this chapter; and
  - (C) the Owner-Builder revolving loan fund established under 2306.7581, of the Texas Government Code.
- (3) In a state fiscal year, the Department may use not more than 10 percent of the revenue available for purposes of this chapter to enhance the ability of tax-exempt organizations described by Section 2306.755(a) of the Texas Government Code to implement the purposes of this chapter.
- (b) The Department shall establish an Owner-Builder revolving loan fund for the sole purpose of funding loans under this chapter pursuant to Section 2306.7581 of the Texas Government Code.
- (c) The Department shall deposit money received in repayment of a loan under this chapter to the Owner-Builder revolving loan fund pursuant to Section 2306.7581 of the Texas Government Code.

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(d) Each state fiscal year the Department shall transfer at least \$3 million to the Texas Bootstrap Loan Program revolving fund from money received under the federal HOME Investment Partnerships program established under Title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. Section 12701 et seq.) from money in the housing trust fund; or from money appropriated by the legislature to the Department pursuant to Section 2306.7581 of the Texas Government Code.

## §2.4. Applicant Requirements:

- (a) Eligible Applicant. The following organizations or entities are eligible to apply for the Texas Bootstrap Loan Program:
- (1) Colonia Self Help Centers established under Chapter 2306, Subchapter Z, Texas Government Code; or
- (2) Nonprofit Owner-Builder Housing Program (NOHP) certified by the Department pursuant to Section 2306.755 of the Texas Government Code.
- (b) Ineligible Applicant: The following violations will—may cause an Applicant, and any Applications they have submitted, to be ineligible:
- (1) previously funded Applicant(s) whose funds have been partially or fully deobligated due to failure to meet contractual obligations during 24 month period prior to the Application deadline date;
- (2) Applicants who have not satisfied all eligibility requirements described in the NOFA, and application guidelines to which they are responding, and for which Administrative Deficiencies were unresolved;
- (3) Applicants that have failed to make timely payment on debt instruments held by the Department and for which the Department has initiated formal collection actions or fee commitments due to the Department. any loans or fee commitments made with the Department;
- (4) Applicants that have been debarred by HUD or the Department; or
- (5) Applicant, or their staff, violate the state's revolving door policy.
- (c) Communication with Department Employees. Communication with Department employees by Applicants that submit an Application must follow the following requirements. During the period beginning on the date an Application is filed and ending on the date the Board makes a final decision with respect to any approval of that Application, the Applicant or a Related Party, and any Person may communicate with an employee of the Department about the Application orally or in written form, which includes electronic communications through the Internet. Communications with Department employees is unrestricted during any board meeting or public hearing held with respect to that Application.
- (1) the communication must be restricted to technical or administrative matters directly affecting the Application;
- (2) the communication must occur or be received on the premises of the Department during established business hours; and
- (3) a record of the communication must be maintained by the Department and included with the Application for purposes of board review and must contain the date, time, and means of communication; the names and position titles of the persons involved in the communication

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- and, if applicable, the person's relationship to the Applicant; the subject matter of the communication; and a summary of any action taken as a result of the communication.
- (d) Noncompliance. Each application will be reviewed for its compliance history by the Department. Applications found to be in Material Noncompliance, or otherwise violating the compliance rules of the Department, will be terminated.
- (e) Eligibility requirements. An Applicant must satisfy the following requirements in order to be eligible to apply for the Texas Bootstrap Loan Program funding and as more fully described in the NOFA and application guidelines, when applicable. The applicant must have the capacity to administer and manage resources as evidence by previous experience of managing state and/or federal programs based on each of the following preferred experience:
  - (A) Applicant must provide names and details, such as number of houses built, financing structure and construction timelines of previous projects in order to show evidence of its ability to carry out the Texas Bootstrap Loan Program in the areas of property development (including processes related to surveying, platting and recording of property), home loan processing, financing, coordinating with private financial institutions, acquiring, rehabilitating, reconstruction or constructing affordable single-family housing, in managing self-help housing and volunteer labor projects;
  - (B) Applicant must provide copies of program guidelines used to qualify Owner-Builders and homebuyer course curriculum in order to show evidence of its experience in qualifying potential Owner-Builders; providing education classes, counseling and training;
  - (C) Applicant must submit any past due audit to the Department in a satisfactory format on or before the Application deadline;
  - (D) Applicants must have met all performance and expenditure benchmarks as outlined in any existing or prior contracts awarded by the Department;
  - (E) Applicant must provide copies of documentation from the Texas Secretary of State and Comptroller's Office demonstrating Applicant is in good standing;
- (f) If indicated by the Department, comply with all requirements to utilize the Department's website to provide necessary data to the Department.

## §2.5. Application Limitations

- (a) The Department reserves the right to reduce the amount requested in an Application based on program or project feasibility, need to ensure dispersion of funds, underwriting analysis, or availability of funds:
- (b) An award amount for the Texas Bootstrap Loan Program shall not exceed \$600,000 plus administrative fees not to exceed 4% <u>six percent</u> of award amount, except as may be otherwise authorized by the Board or as otherwise stated in the NOFA.
- (c) The contract term for the Texas Bootstrap Loan Program shall not exceed 24 months, except as may be otherwise authorized by the Board.
- (d) Per household assistance from the Department for any Texas Bootstrap Loan Program Loans may not exceed \$30,000 per-household pursuant to \$2306.754(b) of the Texas Government Code. The Owner-Builder must obtain the amount necessary that exceeds \$30,000 from one or more local governmental entities, nonprofit organizations, or private

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lenders. The total amount of repayable loans made by the Department and other entities to an Owner-Builder under the Program may not exceed \$60,000 pursuant to 2306.754 (b) of the Texas Government Code.

(e) An award amount for Disaster Relief shall not exceed \$750,000 plus administrative fees not to exceed 4% six percent of award amount per State declared disaster, or as may be otherwise authorized by the Board.

### §2.6. Program Activities

All eligible Applicants that satisfy the requirements of §2.4 may apply for Texas Bootstrap Loan Program funding.

### §2.7. Prohibited Activities

The following activities are prohibited in relation to the origination of a Texas Bootstrap Loan Program Loan, but may be charged as an allowable cost by a third party lender for the origination of all other loans originated in connection with a Texas Bootstrap Loan Program Loan. and are not eligible costs under the Program.

- (a) Payment of delinquent property taxes or related fees or charges on properties to be assisted with Texas Bootstrap Loan Program funds;
- (b) Loan Origination Fees;
- (c) Application fee;
- (d) Discount fees;
- (e) Underwriter fee;
- (f) Loan Processing fees; and
- (g) Other fees not approved by the Department.

## §2.8. Distribution of Funds

- (a) Set-Asides: In accordance with \$2306.753(d) at least two-thirds of the dollar amount of loans made under this chapter in each fiscal year must be made to Owner-Builders whose property is located in a county that is eligible to receive financial assistance under Subchapter K, Chapter 17, Water Code.
- (b) Balance of State: The remaining one-third of the dollar amount of loans may be made to Owner-Builders in either a county under 2.8(a) of this section or a county not eligible to receive financial assistance under Subchapter K, Chapter 17, Water Code.
- (c) Redistribution: In an effort to commit Texas Bootstrap Loan Program funds in a timely manner, the Department may reallocate funds set-aside under 2.8(a), at its own discretion, to other areas of the state if:
- (1) the Department fails to receive a sufficient number of Applications by the application deadline date stated in the NOFA from the set-asides or balance of state:
- (2) no Applications are submitted; or

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- (3) Applications from the Set-Aside under 2.8(a) of this section that do not meet eligibility requirements or minimum threshold scores (when applicable), or are financially infeasible as applicable.
- (4) The Department deobligated funds due to nonperformance from previous application cycles.
- (d) Marginal Applications: When the remainder of the allocation within the set-aside under 2.8(a) or the balance of state is insufficient to completely fund the next ranked Application in the set-aside, it is within the discretion of the Department to:
- (1) fund the next ranked Application for the partial amount, reducing the scope of the Application proportionally;
- (2) transfer the remaining funds to either the balance of state or set-aside.

# §2.9. Application & Award Process

- (a) The Department will publish a NOFA in the *Texas Register* and on the Department's website. The NOFA may be published as either an Open or Competitive Application Cycle. The NOFA will establish and define the terms and conditions for the submission of applications, and may set a deadline for receiving applications under a Competitive Application Cycle. The NOFA will also indicate the approximate amount of available funds.
- (b) An Applicant must submit a completed Application to be considered for funding. Applications containing false information and Applications not received by the deadline will be disqualified. Disqualified Applicants are notified in writing. All Applications must be received by the Department by 5:00 p.m. on the date identified in the NOFA, and Application guidelines, regardless of method of delivery.
- (c) Applications received by the Department in response to an Application Cycle NOFA will be handled in the following manner:
- (1) The Department will accept Applications until the Application deadline date on the NOFA. All Applications must be received during business hours (8:00 a.m. to 5:00 p.m.) on any business day. The Department may limit the eligibility of Applications in the NOFA, and application guidelines.
- (2) Each Application will be assigned a "received date" based on the date and time it is physically received by the Department. Then each Application will be evaluated against the criteria outlined in this rule.
- (3) The Department will ensure that the Application is reviewed for all materials required under the NOFA, and Application guidelines. Applications must comply with all applicable Texas Bootstrap Loan Program and Housing Trust Fund requirements or regulations established in these rules. Applications that do not comply with such requirements are disqualified. Disqualified Applicants are notified in writing.
- (4) Administrative Deficiencies. If an Application contains deficiencies which, in the determination of the Department staff, require clarification or correction of information submitted at the time of the application, the Department staff may request clarification or correction of such Administrative Deficiencies including both threshold and/or scoring documentation. The Department staff may request clarification or correction in a deficiency notice in the form of a facsimile and a telephone call to the Applicant advising that such a request has been transmitted. An Applicant may not change or supplement an Application in

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any manner after the filing deadline, except in response to a direct request from the Department. Applicants must submit the requested information to the Department within five business days.

- (5) Applicants will be notified of their score in writing no later than seven calendar days after all applications have been scored. If sufficient applications are not received in the set-aside area, any remaining funds will be redirected to the balance of the state. Applicants may also receive a partial recommendation for funding. A minimum award amount may be established to ensure feasibility.
- (6) Upon completion of the applicable final review and scoring, Applications will be ranked based on set-aside or balance of state and presented to the Executive Awards Review and Advisory Committee (the Committee). The Committee will then recommend to the Board awards of funds to specific Applicants.
- (7) The Department may decline to fund any Application if the proposed activities do not, in the Department's sole determination, represent a prudent use of the Department's funds. The Department is not obligated to proceed with any action pertaining to any Applications which are received, and may decide it is in the Department's best interest to refrain from pursuing any selection process.
- (8) Subsequently, recommendations for funding will be made available on the Department's website at least seven calendar days prior to the Board meeting at which the awards may be approved.
- (9) Applicants may appeal staff's decision regarding their applications in accordance with §1.7 of this title.
- (10) In the event of a tie between two or more Applicants, the Department reserves the right to determine which Application will receive a recommendation for funding. This decision will be based on housing need factors and feasibility of the proposed project identified in the Application. Tied Applicants may also receive a partial recommendation for funding.
- (d) An Application received from an Applicant with Co-Applicants will be scored accordingly:
  - (1) Each Applicant and Co-Applicant from an organization must meet the General Threshold Criteria as outlined in §2.10 and Selection Criteria outlined in §2.11. Each Applicant and Co-Applicant must achieve a minimum threshold score of 70 points based on the Department's review in order to be consider eligible to receive a funding recommendation. If an Applicant and/or Co-Applicant does not achieve the minimum threshold score that particular Applicant and/or Co-Applicant will be disqualified.
  - (2) The number of houses each Applicant and/or Co-Applicant plans to build or rehabilitate will be determined by Department Staff based on the data provided by the Applicant and Co-Applicant.
  - (3) The score determined for each Applicant and Co-Applicant will apply as a score to each house the Applicant and Co-Applicant plans to build or rehabilitate.
  - (4) The final score applied to the application will be the average of all scores weighted by the number of houses per Applicant and Co-Applicant.
- (e) Alternative Dispute Resolution Policy. In accordance with \$2306.082, Texas Government Code, it is the Department's policy to encourage the use of appropriate alternative dispute resolution procedures ("ADR") under the Governmental Dispute Resolution Act, Chapter 2009,

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and Texas Government Code, to assist in resolving disputes under the Department's jurisdiction. As described in Chapter 154, Civil Practices and Remedies Code, ADR procedures include mediation. Except as prohibited by the Department's ex parte communications policy, the Department encourages informal communications between Department staff and applicants, and other interested persons, to exchange information and informally resolve disputes. The Department also has administrative appeals processes to fairly and expeditiously resolve disputes. If at anytime an applicant or other person would like to engage the Department in an ADR procedure, the person may send a proposal to the Department's Dispute Resolution Coordinator. For additional information on the Department's ADR Policy, see the Department's General Administrative Rule on ADR at 10 Texas Administrative Code \$1.17.

### §2.10. General Threshold Criteria

At a minimum, the following criteria must be satisfied in the Application for the Texas Bootstrap Loan Program fund. The applicable criteria are further delineated in the Application guidelines and NOFA, which are part of the application package.

- (1) Needs Assessment—Applicant must demonstrate whether the proposed project meets the demographic, economic and special need characteristics of the population residing in an underserved area (colonia or Economically Distressed County as defined within the NOFA or application).
- (2) Operational Capability and Experience of Applicant--Whether the Applicant has the capacity to administer and manage the proposed program/project, demonstrated through previous experience either by the Applicant, cooperating entity or key staff (including other contracted service providers), in program management, managing self-help housing, volunteer labor projects involving acquisition, rehabilitation, reconstruction, new construction, home buyer education classes, real estate finance counseling and training or other activities relevant to the proposed program.
- (3) Financial Design. Applications for funding will be reviewed for written evidence of the capacity to maintain financial systems, including the responsibility of accounting staff. The Application must adequately describe the lead Applicants and co-Applicants financial standing for the last three years. The review will be based on the supporting financial data provided by Applicants and third party reports such as financial statements and audits submitted with the Application. Submission of "Independent Auditor's Report" dated within 12 months of application deadline date expressing an unqualified opinion, describing the financial standing of the applicant within the last three years. Report must show evidence of Applicant's capacity to maintain an effective financial system, and the extent to which Applicant has the capability to manage financial resources, as evidenced by previous experience, documentation of the Applicant or key staff, and existing financial control procedures.
- (4) Leveraging of public and/or private resources. Does the applicant and/or co-applicant have private-sector support for the project from community and/or neighborhood organizations, local businesses and commercial lenders or private individuals as well as units of local government.
- (5) Program Design. Applications for funding will be reviewed for written evidence of how the Owner-Builders will meet the 60% sweat equity requirement. Applicant must describe in detail how the program guidelines will be used to identify and prioritize families earning less than \$17,500. In addition Applicants must provide specific development plans, program

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schedules and performance benchmarks that will enable them to build units within a 24 month contract.

# §2.11. Selection Criteria for Texas Bootstrap Loan Program

- (a) Maximum points available is 100. Applications must achieve a minimum threshold score of 70 points based on the Department's review in order to be considered eligible to receive a funding recommendation.
- (b) The following selection criteria point breakdown will be utilized when scoring Applications:
- (1) Income Targeting: (Maximum Points: 13) Points will be awarded based on the percentage of total households targeted to specific income levels as defined by HUD's Area Median Family Income.
- (i)10% to 19.99% of units at 30% AMFI, 4 points;
- (ii)20% to 39.99% of units at 30% AMFI, 6 points;
- (iii)40% to 59.99% of units at 30% AMFI, 8 points;
- (iv)60% to 79.99% of units at 30% AMFI. 10 points;
- (v)(i) 80% to 100.00% of units at 30% AMFI, 13 points.
- (21) Previous Award, Past Performance and First Time Applicants. (Maximum Points: 10) Applicants will receive 10 points for having received an award from the Bootstrap Program and performed in accordance with their contracts and Department rules. If performance benchmarks as outlined in contract have not been met or funds have been deobligated or if Applicant has been found in noncompliance on any prior award described in Section 2.12 of this chapter, a score of zero points will result. Unsatisfactory past performance on any contract will be forgiven for funding purposes if three years from the Application deadline date has elapsed and the Department in its sole discretion, is satisfied that the conditions of such performance have been rectified. In an effort to encourage participation in the Texas Bootstrap Loan Program first time Applicants will be awarded 10 points if the Applicant demonstrates at least three years of experience by providing details of previous projects and/or resumes of persons involved in self-help housing construction projects. Projects and resumes will be reviewed and verified by the Department staff.
- (32) Letters of support. (Maximum Points: 10) Points will be awarded based on a review of the letters (up to five letters; 2 points per letter up to a maximum of 10 points.) submitted from community and/or neighborhood organizations, local businesses and commercial lenders or private individuals as well as units of local government who indicate support to the Texas Bootstrap Loan Program project. To be considered for scoring, the letters must, include the company's name, contact person (full name), address, city, state, and zip code; signed and dated within three-twelve months of the application deadline.
- (4<u>3</u>) Readiness to Proceed. (Maximum Points: 10) Points will be awarded based on a review of the commitment letters provided to Owner-Builders interested in participating in the Texas Bootstrap Loan Program. To be considered for scoring, the letters must be on applicant's letterhead, including: Owner-Builder's name, address, city, state, zip code and phone number. Letters must be signed by both Owner-Builder and nonprofit organization and dated within <u>three</u>—<u>twelve</u> months of application deadline. 2 point per letter for a maximum of 10 points.

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- (54) Level of Homebuyer Counseling for Homebuyer Assistance. (Maximum Points: 4) Points will be awarded based on a review of the documentation submitted describing the level of homebuyer counseling proposed for potential homebuyers. Maximum of 4 points.
- (A) Copy of curriculum meeting Department requirements as described in Application, 2 points; and
- (B) Post purchase counseling to be provided, 2 points.
- (65) Lien Position. (Maximum Points: 10) To encourage participation, the Department may subordinate its lien position if the leveraged loan is greater or equal than the Department's loan. However, liens related to other subsidized funds provided in the form of grants and nonamortizing loans, such as deferred payment or forgivable loan, must be subordinated to the Department's loan. If the Department is in a first lien or in a parity lien position based on this standard, the Applicant will be awarded 10 points. If the Department subordinates its lien and the leveraged loan is greater than the Department's loan, the Applicant will be awarded 5 points.
- (76) Operational Capability and Experience. (Maximum Points: 10) Points will be awarded based on the number of years of experience the Applicant demonstrates in managing self-help housing and volunteer labor projects, construction, real estate financing, counseling and other relevant activities. For each year of experience in managing self-help housing projects Applicant will be awarded 2 points (maximum of 10 points). Must demonstrate years of experience by providing details of previous projects and/or resumes of persons involved in the self-help project must be submitted with the Application. Project and resumes will be reviewed and verified by the Department staff.
- (87) Program Design. (Maximum Points: 4633) Points will be awarded based on the comprehensive and thorough program design. Points are awarded only to the extent the design is well planned and a sound proposal is submitted:
- (A) Describe in detail by identifying what construction activities will be done by the Owner-Builder to meet the 60% sweat equity construction requirement will be met; (2010 points)
- (B) Provide the program guidelines that will be used select the Owner-Builders: (8 points)
- (C) Describe how families earning less that \$17,500 will be identified and prioritized (8.5 points)
- (D) Describe the specific development plans, program/construction schedule and performance benchmarks that will enable the Applicant to select and qualify Owner-Builders and build or rehabilitate houses within a 24 month contract; (10 points)

# §2.12.Program Administration

- (a) Agreement. Upon approval by the Board, Applicants receiving Texas Bootstrap Loan Program funds shall enter into, execute, and deliver to the Department all written agreements between the Department and Applicant.
- (b) Amendments. The Department, acting by and through its Executive Director or his/her designee, may authorize, execute, and deliver modifications and/or amendments to any Program written agreement provided that:

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- (1) in the case of a modification or amendment to the dollar amount of the award, such modification or amendment does not increase the dollar amount by more than 25% of the original award or \$50,000, whichever is greater; and
- (2) in the case of all other modifications or amendments, such modification or amendment does not, in the estimation of the Executive Director, significantly decrease the benefits to be received by the Department as a result of the award.
- (3) 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 consideration.
- (c) Sanctions/Deobligation.
- (1) The Department <u>in accordance with its Administrative Rules</u> may apply appropriate graduated sanctions leading up to, but not limited to deobligation of funds and future debarment from participation in the program in the following situations:
- (A) Technical Assistance Provider has any unresolved compliance issues on existing or prior contracts with the Department;
- (B) Technical Assistance Provider fails to set-up programs/projects or expend funds as outlined in the program Contract;
- (C) Technical Assistance Provider defaults on any agreement by and between Technical Assistance Provider and the Department;
- (D) Technical Assistance Provider misrepresents any facts to the Department during the Program application process, award of contracts, or administration of any Department contract;
- (E) Technical Assistance Provider demonstrates the inability to provide adequate financial support to administer the Program contract or withdrawal of significant financial support;
- (F) Technical Assistance Provider fails to build or rehabilitate the number of houses under the contract.
- (G) The Department may use all applicable contract provisions and/or any relevant rules to assure compliance with these rules or contract terms.
- (d) Waiver. The Board, in its discretion and within the limits of federal and state law, may waive any one or more of these Rules if the Board finds that waiver is appropriate to fulfill the purposes or policies of Chapter 2306, Texas Government Code, or for good cause, as determined by the Board.
- (e) Additional Funds. In the event the Department has additional funds in the same funding cycle, the Department, with Board approval, may elect to distribute funds to other Applicants.
- (f) The Department may terminate a contract in whole or in part. If Technical Assistance Provider has not achieved performance benchmarks outlined in contract within six (6) months of the effective date of the contract, the contract may be terminated. The Department will track substantial progress during the initial six (6) month period and throughout the contract term.
- (1) Performance must be satisfactorily completed during the term of the contract as follows:

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- (A) By the end of the second quarter from the effective date of the contract period, the Technical Assistance Provider must have submitted for approval a minimum of 50% of the eligible Owner-Builder applicants to the Department.
- (B) By the end of the third quarter from the effective date of the contract period, the Technical Assistance Provider must have submitted for approval 100% of all eligible Owner-Builder applicants to the Department.
- (C) By the end of the fourth quarter from the effective date of the contract period, the Technical Assistance Provider must ensure that 50% of the approved Owner-Builder applicants have completed all of the Department's loan closing documents as applicable and started construction on their home.
- (D) By the end of the fifth quarter from the effective date of the contract period the Technical Assistance Provider must ensure that 100% of the approved Owner-Builder applicants have completed all of the Department's loan closing documents as applicable and have started construction on their home.
- (E) By the end of the sixth quarter from the effective date of the contract period, Technical Assistance Provider must ensure that 50% of houses awarded under the contract are completed and meet all applicable codes and standards.
- (F) By the end of the seventh quarter from the effective date of the contract period, Technical Assistance Provider must ensure that 100% of houses awarded under the contract are completed and meet all applicable codes and standards.
- (G) The eighth quarter is reserved to complete and fund the remaining houses, project close-out and the Department monitoring functions
- (H) Loan closing will take place at a title company and the funds will be disbursed upon receipt of proper documentation from the title company selected by the Technical Assistance Provider or the Department. All other draws will be disbursed as described in the Program Documents.
- (I) Quarterly reports are due by the Technical Assistance Provider to the Department on the 20th of the month following the end of each calendar quarter. All funding will be suspended until reports are received.
- (g) Lower percentages may be allowed as approved by the Department due to an extenuating circumstance. An extenuating circumstance is an event or set of incidents beyond the control of the Technical Assistance Provider as determined by the Department.
- (h) Roles and responsibilities for administering the program contract. Technical Assistance Provider's (TAP) are required to:
- (1) qualify potential Owner-Builders for loans;
- (2) provide Owner-Builder homeownership education classes;
- (3) assist Owner-Builders in building and/or rehabilitate housing;
- (4) facilitate loans made or purchased by the Department under the Program; and
- (5) implement and administer the Program on behalf of the Department
- (i) Loan Origination/Loan Servicing. A Technical Assistance Provider who receives an award or a reservation of funds may request to enter into a Loan Origination and/or Loan Servicing Agreement with the Department. The Department may grant the request upon reviewing the Technical Assistance Provider's capacity to implement those specific functions.
- (j) First year consultation agreement. The Technical Assistance Provider agrees that if notified by the Department that Owner-Builder (Mortgagee) has failed to make a scheduled payment due under the Program Loan, or other payments due under the Program Loan documents issued under Contract, within the first twelve (12) months of funding, the

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Technical Assistance Provider will be required to meet with the Owner-Builder and provide counseling and assistance until the payments are made current. After consultation and in the event that the Department and Technical Assistance Provider are not able to reach a consensus about Technical Assistance Provider's effort to bring the Program Loan current as required under this chapter, the Department in accordance with its Administrative Rules may apply appropriate graduated sanctions leading up to, but not limited to deobligation of funds and future debarment from participation in the program.

may require Technical Assistance Provider to purchase or repurchase the Program Loan in question in full.

- (k) Conflict of Interest. The Technical Assistance Provider shall ensure that no employee, officer, or agent of Technical Assistance Provider shall participate in the selection, or in the award or administration of a subcontract supported by funds provided under this program if a conflict of interest, real or apparent, would be involved. Such conflict of interest would arise when: the employee, officer, or agent; any member of his or her immediate family; his or her partner; or, any organization which employs, or is about to employ any of the above; has a financial or other interest in the firm or person selected to perform the subcontract. The Technical Assistance Provider may not accept an application from any of its officers or employees nor any spouse or person related within the third degree of affinity (marriage) or consanguinity (blood) to any officer or employee of the Technical Assistance Provider.
- (l) Administrative Fee. The Technical Assistance Provider may request 50% of their administrative fee when 100% of all applicants have been approved by the Department. The remaining 50% may be requested on a unit basis when each home is 100% completed and funded.
- (m) Blueprints. If Technical Assistance Provider's activity is interim or residential construction, Technical Assistance Provider must provide an original copy of the proposed blue prints to be approved by the Department prior to accepting applications. Blue Prints must include the required construction requirements pursuant to \$2306.514 of the Texas Government Code.
- (n) Work Write-up. The Technical Assistance Provider must establish written rehabilitation standards to apply to all rehabilitation projects. At a minimum, these standards must ensure that the home will meet CHS or HQS. Work write-ups must be reviewed and approved by the Department, before rehabilitation is started. The Technical Assistance Provider must also adopt a set of general specifications that provide detailed guidance to Owner-Builders and contractors on how to complete specific items in a work write-up.
- (o) Loan program requirements. The Department may purchase or originate loans that conform to the lending parameters and the specific loan Program requirements as follows:
  - (1) Maximum Loan amount not to exceed \$30,000. If it is not possible for the Owner-Builder to purchase necessary real property and build adequate housing for \$30,000, the Technical Assistance Provider must obtain additional funding from one or more local governmental entities, nonprofit organization, or private lender;
  - (2) Minimum Loan amount is \$1,000;
  - (3) The total amount of all repayable loans under the Program may not exceed \$60,000 (repayable amortized loans);
  - (4) May not exceed a term of 30 years;
  - (5) Minimum loan term of 5 years;
  - (6) 0% non-interest loans;

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- (7) The Department may subordinate to a lien that secures the amount above \$30,000 when necessary as further described in §2.15(c) of this Chapter;
- (8) When refinancing a contract for deed, the Department will not disburse any portion of the Department's loan until the Owner-Builder receives a deed to the property;
- (9) Owner-builder(s) must have resided in this State for the preceding six months prior to the date of application;
- (10) Total Debt-to-Income Ratio: Maximum of 45% (unless otherwise dictated by the mortgage insurer, if any);
- (11) Liabilities: The Owner-Builder applicant's liabilities include all revolving charge accounts, real estate loans, alimony, child support, installment loans, and all other debts of a continuing nature with more than 10 monthly payments remaining. Debts for which the Owner-Builder applicant is a co-signer will be included in the total monthly obligations unless the other party to the note provides evidence in the form of 12 months' canceled checks or bank statements showing that the Owner-Builder applicant has not been making payments on the co-signed loans. There may be no late payments within the past 12 months or the debt will be included. Payments on installment debts which are paid off prior to funding are not included for qualification purposes. Payments on revolving debt will be included in debt ratio calculation, even if the Owner-Builder applicant intends to pay off the accounts, since the Owner-Builder applicant can reuse those credit sources. Any bankruptcy must have been discharged. If an Owner-Builder has had a foreclosure within the past 24 months they may not be eligible to participate in the program.
- (12) Must be a detached single-family residence or property located within the State of Texas. Manufactured homes are not eligible. All property taxes must be current prior to closing;
- (13) The residence must be occupied as the principal residence of the Owner-Builder within thirty (30) days of the later of the end of the construction period or the closing of the loan. Any additional habitable structures must be removed from the property prior to closing.
- (14) Escrow Account- Besides the loan payments, other costs associated with being a homeowner include real estate taxes, hazard insurance and flood insurance premiums, and related costs such as street or water assessments. The Department has an interest in making certain that these costs are paid in order to protect the property from tax sale or foreclosure, and to make certain that funds will be available to repair the property should it be damaged. The Owner-Builders will be required to deposit monthly funds to an escrow account with the 1st lien holder in order to pay the taxes and insurance statements. This will ensure that funds are available to pay for the cost of real estate taxes, insurance premiums, and other assessments when they come due. These funds are included in the Owner-Builders monthly payment to the Department. If the Department is in a 1st lien position the Department will establish and administer the escrow accounts in accordance with the Real Estate Settlement and Procedures Act of 1974 (RESPA).
- (15) Non-Purchasing Spouse-An Owner-Builder applicant's spouse who does not apply for the loan will be required to execute the deed of trust as a "non-purchasing" spouse and will not be required to execute the note. For credit underwriting purposes, the Owner-Builder applicant's spouse will be qualified using obligations for which the Owner-Builder applicant's spouse is personally or jointly liable. Only the income of the Owner-Builder applicant spouse will be counted. For program eligibility purposes, the income of a non-applicant spouse must be included in the calculation of family

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income. Tax Returns, W2's and recent pay check stubs, or Verification of Employment must be submitted to document family income.

- (p) The Department, acting by and through its Executive Director or his/her designee, may authorize, execute, and deliver modifications and/or amendments to any Texas Bootstrap Loan Program proposal or written agreement provided that:
  - (1) in the case of a modification or amendment to the dollar amount of the request or award, such modification or amendment does not increase the dollar amount by more than 25% of the original request or award, or \$50,000, whichever is greater;
  - (2) in the case of all other modifications or amendments, such modification or amendment does not, in the estimation of the Executive Director, significantly decrease the benefits to be received by the Department as a result of the award; and
  - (3) 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.

## §2.13. Owner-builder qualifications. The Owner-Builder must:

- 1) Own and be refinancing or be purchasing a piece of real property through a warranty deed or Contract for Deed;
- 2) Not have an annual household income that exceeds 60% of the greater of the state or local area median family income as determined by HUD income guidelines;
- 3) Demonstrate the willingness and ability to repay the loan;
- 4) Execute a Self-Help Agreement committing to provide at least 60% of the labor necessary to build the proposed housing working through a state-certified NOHP or; provide an amount of labor equivalent to 60% in connection with building housing for others through a state certified NOHP. For elderly or Owner-Builders with disabilities, 60% sweat equity may be documented in form of volunteers;
- 5) Not have liquid assets in excess of \$25,000 (excluding retirement and/or 401K accounts);
- 6) Successfully complete an Owner-Builder homeownership education class prior to loan approval;
- 7) Be given priority for loans if the Owner-Builder has an income of less than \$17,500 annually.
- 8) Not be currently in delinquency or in default with child support and/or government loans
- 9) Not have any outstanding judgments and/or liens on the property.
- **\$2.14.** Types of Funding Transactions. All mortgage loans will be evidenced by a promissory note and will be secured by a lien on the subject property. The following transaction types are permitted by the Department under the Program.
- (a) Purchase Money. In a purchase money transaction, all proceeds are used to finance the purchase of a single-family dwelling unit and/or a piece of real property which will be the Owner-Builders primary residence within 30 days of closing the loan. In this instance, a permanent loan is made and the Owner-Builder's repayment obligation begins immediately. In certain situations, eligible closing costs may be financed by the loan proceeds.

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- (b) Residential Construction (One Time Closing with Owner Builder). An interim construction loan, also known as a residential construction loan, this transaction is treated as a purchase, because it is a one time closing with the Owner-Builder. Construction period is for 12 months at which time payments will begin on the 13th month after closing.
- (c) Interim Construction (Closing with Technical Assistance Provider). Interim construction is a commercial transaction between the Technical Assistance Provider and the Department. The construction period is for 12 months, once the construction of the home is completed the closing with the Owner-Builder will take place as a purchase money transaction.
- **§2.15.** Leveraged Loans. When additional loans are utilized in addition the loan under this program, lenders are expected to charge reasonable and customary interest rates and fees. The Technical Assistance Provider may be able to help the applicant negotiate favorable terms.
- (a) The leverage loan interest rate must be the rate the lender typically-charges to its best mortgage applicant customer. An extra amount may not be charged because of low income or other high risk factors. The interest rate may be no more than 2%3.5% (200 basis points) above the FHA rate at the time of closing. Also, the lender may not include "points" to buy down or pre-pay the interest.
- (b) Loan fees must be minimized and all fees must be reasonable. "Underwriting fees" and similar add-ons are not permitted. The total fees paid to the lender may not exceed 3.5% of the lender's loan. (This limitation on the lender applies regardless of whether the buyer or seller pays the fees.) In general, the Technical Assistance Provider must assure loan fees are minimized. The 3.5% is a maximum, not a baseline.
- (c) The Department may accept a parity or subordinate lien position if the leveraged loan is greater or equal than the Department's loan. However liens related to other subsidized funds provided in the form of grants and nonamortizing loans, such as deferred payment or forgivable loans, must be subordinated to the Department's loan.

## §2,16. Property guidelines and related issues

- (a) At a minimum, properties located in a colonia, financed by the Department must meet Colonia Housing Standards ("CHS") only if no additional financing options are available. Properties located in all other areas must meet at a minimum Section 8 Housing Quality Standards (HQS). The applicable "HQS" or "CHS" Inspection report must be completed for each subject property where Housing Trust Funds are being utilized for Interim or Residential construction.
- (b) If the Technical Assistance Provider is utilizing program funds to construct the home they must conform to \$2306.514 of the Texas Government Code.
- (c) If the property is located within an incorporated area where certain building codes must be met a certificate of occupancy must be submitted to the Department upon completion of construction. If the property is located outside of an incorporated area, an inspection by a certified third party licensed inspector must be completed and submitted to the Department upon completion of construction. In both instances any deficiencies noted on the certificate of occupancy or the third party inspector's report must be corrected prior closing.
- (d) Appraisals will be required by the Department on each loan prior to funding.
- (e) Surveys are required. Lot and final surveys will be required to be submitted.

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- (f) Insurance requirements:
- (1) Title Insurance. The title insurance must be written by a title insurer licensed to do business in the jurisdiction where the mortgaged property is located.
- (A) Title Commitment. A copy of the preliminary title report including complete legal description, and copies of covenants, conditions and restrictions, easements, and any supplements thereto is required. The preliminary title report should not be more than ninety (90) days old at the time the submission package (Submission or Funding Package) is sent to the Department.
- (B) Mortgagee's Policy. The Department requires a Mortgagee's policy of title insurance in the amount of the loan. Loss Payee named shall be: "Texas Department of Housing and Community Affairs". Required endorsements include-T-36 Environmental Endorsement for all loans made by the Department.
- (2) Property Insurance.
- (A) <u>Builder's Risk Insurance Interim-construction-binders are is</u> required where construction of the residence is being financed by the <u>Department</u>. At the end of the construction period, the binder must be endorsed to remove the "pending disbursements" clause.
- (B) Hazard Insurance. The Department requires property insurance for protection against loss or damage from the following perils: fire, windstorm, hail, explosion, riot, and civil commotion, damage by aircraft, vehicles or smoke. Homeowner's policies or package policies that provide property and liability coverage are acceptable. All risk policies are acceptable. The amount of hazard insurance coverage at the time the loan is funded must be no less than 100% of the current insurable value of improvements. The Department will require that the premium for a 12 month homeowner's policy be collected at closing and naming the Department as mortgagee. In the case of a construction/permanent loan, builder's risk coverage is required for the construction-period, provided that the premium for a 12 month homeowner's policy is collected at closing for the purchase of a homeowner's policy at the end of construction. A builder's risk policy is acceptable while the dwelling is under construction as long as it meets the Department's requirements. An acceptable policy either: (1) names the borrower as the insured; or (2) contains a builder's risk endorsement for a policy issued to the borrower. A policy issued only to a contractor is not an acceptable substitute for the property-insurance a borrower is required to provide. A builder's risk policy should automatically convert to full coverage when the dwelling is completed. Otherwise, acceptable insurance must be obtained to coincide with the expiration of the builder's risk provisions of the policy.
- (C) Flood insurance is required for all structures located in special flood hazard areas where the U.S. Federal Emergency Management Agency (FEMA) has mandated flood insurance coverage. The Department will require a life of loan flood certification on all loans. The Department is not originating the loan, but rather purchasing the loan. The flood certification must be part of the Submission or Funding Package and must be transferred to the Department. Flood insurance is not required if the Technical Assistance Provider or Owner-Builder applicant obtains a Letter of Map Amendment from FEMA stating that the area is no longer classified as a special flood hazard area. The letter must include a map illustrating the amended flood hazard area. An Owner-Builder applicant may elect to obtain flood insurance even though flood insurance is not required. However, the Owner-Builder

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applicant may not be coerced into obtaining flood insurance unless it is required in accordance with this section. Evidence of insurance must be obtained prior to loan funding. Insurance premiums for at least 12 months must be paid in advance. The Department must be named as loss payee (or the policy must be endorsed to the Department.

# §2.17. Nonprofit Owner-Builder Housing Program (NOHP) Certification

- (a) Definitions and Terms. The following words and terms, when used in this section, shall have the following meanings, unless the context clearly indicates otherwise.
- (1) Applicant--A private nonprofit organization that has submitted a request for certification as a NOHP to the Department. An Applicant for the Texas Bootstrap Loan Program must be a NOHP certified by the Department or as otherwise certified or designated as described in subsection (D) of this section.
- (2) Articles of Incorporation--A document that sets forth the basic terms of a corporation's existence and is the official recognition of the corporation's existence. The documents must evidence that they have been filed with the Secretary of State.
- (3) Bylaws--A rule or administrative provision adopted by a corporation for its internal governance. Bylaws are enacted apart from the articles of incorporation. Bylaws and amendments to bylaws must be formally adopted in the manner prescribed by the organization's articles or current bylaws by either the organization's board of directors or the organization's members, whoever has the authority to adopt and amend bylaws.
- (4) Resolutions--Formal action by a corporate board of directors or other corporate body authorizing a particular act, transaction, or appointment. Resolutions must be in writing and state the specific action that was approved and adopted, the date the action was approved and adopted, and the signature of person or persons authorized to sign resolutions. Resolutions must be approved and adopted in accordance with the corporate bylaws.
- (b) Application Procedures for Certification of NOHP. An Applicant requesting certification as a NOHP must submit an application for NOHP certification in a form prescribed by the Department. The NOHP application must be submitted prior to submitting an application for Texas Bootstrap Loan Program funding, and be must recertified every three years. The application must include documentation evidencing the requirements of this subsection.
- (1) Applicant must have the following legal status at the time of application to apply for certification as a NOHP:
- (A) The applicant must be organized as a private nonprofit organization under the Texas Nonprofit Corporation Act or other state not-for-profit/nonprofit statute as evidenced by Charter or Articles of Incorporation.
- (B) The Applicant must be registered with the Secretary of State to do business in the State of Texas.
- (C) No part of the private nonprofit organization's net earnings may inure to the benefit of any member, founder, contributor, or individual, as evidenced by Charter or Articles of Incorporation.
- (D) The Applicant must have the following tax status:
- (i) A current tax exemption ruling from the Internal Revenue Service (IRS) under Section 501(c)(3), a charitable, nonprofit corporation, of the Internal Revenue Code of 1986, as evidenced by a certificate from the IRS that is dated 1986 or later. The exemption ruling must

### Draft Rules

be effective on the date of the application and must continue to be effective while certified as a NOPH, or

- (ii) Classification as a subordinate of a central organization non-profit under the Internal Revenue Code 501 (c)(3), as evidenced by a current group exemption letter, that is dated 1986 or later, from the IRS that includes the Applicant. The group exemption letter must specifically list the Applicant.
- (iii) A private nonprofit organization's pending application for 501(c)(3) status cannot be used to comply with the tax status requirement under this subparagraph.
- (E) The Applicant must have among its purposes the provision of decent housing that is affordable to low and moderate income people as evidenced by a statement in the organization's Charter, Articles of Incorporation, Resolutions or Bylaws:
- (2) An Applicant must have the following capacity and experience listed in (A) through (C) of this paragraph.
- (A) Conforms to the financial accountability standards of 24 CFR 84.21, "Standards of Financial Management Systems" as evidenced by:
- (i) notarized statement by the Executive Director or chief financial officer of the organization in a form prescribed by the Department; or
- (ii) certification from a Certified Public Accountant.
- (B) Has a demonstrated capacity for carrying out activities assisted with Texas Bootstrap Loan Program funds, as evidenced by resumes and/or statements that describe the experience of key staff members who have successfully completed projects similar to those to be assisted with Texas Bootstrap Loan Program funds; or contract(s) with consultant firms or individuals who have housing experience similar to projects to be assisted with Texas Bootstrap Loan Program funds, to train appropriate key staff of the organization.
- (C) Has a history of serving the community within which housing to be assisted with Texas Bootstrap Loan Program funds is to be located as evidenced by:
- (i) statement that documents at least one year of experience in serving the community; or
- (ii) for newly created organizations formed by local churches, service or community organizations, a statement that documents that its parent organization has at least one year of experience in serving the community.
- (iii) The NOHP or its parent organization must be able to show one year of serving the community prior to the date the Department provides funds to the organization. In the statement, the organization must describe its history (or its parent organization's history) of serving the community by describing activities which it provided (or its parent organization provided), such as, developing new housing and rehabilitating existing stock. The statement must be signed by the president or other official of the organization.
- (3) An Applicant must have the following organizational structure:
- (A) written provision or statement in the organizations By-laws, Charter or Articles of Incorporation;
- (B) affidavit in a form prescribed by the Department signed by the organization's Executive Director and notarized; and
- (C) current roster of all Board of Directors, including names and mailing addresses.

# Texas Bootstrap Loan Program Draft Rules

- (D) A local or state government and/or public agency cannot qualify as a NOHP, but may sponsor the creation of a NOHP.
- (4) Religious or Faith-based Organizations may sponsor a NOHP if the NOHP meets all the requirements of this section. While the governing board of a NOHP sponsored by a religious or a faith-based organization remains subject to all other requirements in this section, the faith-based organization may retain control over appointments to the board. If a NOHP is sponsored by a religious organization, the following restrictions also apply:
- (A) Housing developed must be made available exclusively for the residential use of program beneficiaries and must be made available to all persons regardless of religious affiliations or beliefs:
- (B) A religious organization that participates in the Texas Bootstrap Loan program may not use Texas Bootstrap Loan Program funds to support any inherently religious activities such as worship, religious instruction, or proselytizing;
- (C) Texas Bootstrap Loan Program funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for inherently religious activities. Sanctuaries, chapels, or other rooms which a faith-based NOHP uses as its principal place of worship are always ineligible.
- (D) Compliance with clauses (A)-(C) of this subparagraph may be evidenced by the Organizations By-laws, Charter or Articles of Incorporation.
- (c) The Department may certify NOHP's meeting all of the above criteria operated by a taxexempt organization listed under Section 501(C)(3), Internal Revenue Code of 1986 to:
  - (1) qualify potential Owner-Builders for loans under this chapter;
  - (2) provide Owner-Builder education classes;
  - (3) assist Owner-Builders in building housing; and
  - (4) originate and/or service loans made under this chapter.

## OFFICE OF COLONIA INITIATIVES

# BOARD ACTION REQUEST FEBRUARY 1, 2007

# **Action Items**

Presentation, Discussion and Possible Approval for publication in the *Texas Register* of the Final Colonia Self-Help Centers Rules, to be codified at 10 Texas Administrative Code, Chapter 3.

# Required Action

Department Staff recommends that the Board review and approve the final rule for the Colonia Self-Help Center 10 Texas Administrative Code, Chapter 3.

# **Background**

On October 27, 2006 the Colonia Self-Help Center Program Draft Rules were published in the *Texas Register*. The public comment period for the draft rules commenced upon publication and ended on November 26, 2006. In addition to publishing the document in the *Texas Register*, a copy was published on the Department's web site and made available to the public upon request. The Department held public hearings in San Antonio, Dallas, McAllen, and El Paso Texas. In addition to comments received at the public hearings, the Department received written comments. A summary of the comment received and a Department response to each comment is attached.

### Recommendation

Staff recommends Board approval of the final rules for the Colonia Self-Help Center program based with staff recommendations in response to public comment.

Attachment- Colonia Self Help Center Rules and Summary of Public Comment.

# Reasoned Response to Public Comment on the Colonia Self-Help Center Program Draft Rules

This document provides the Department's response to all comments received. Comments and responses are presented in the order they appear in the Colonia Self-Help Center Program Draft Rules.

Language deleted from the Colonia Self-Help Center Program Draft Rules is shown with single strikethrough and new language proposed for the Colonia Self-Help Center Program Draft Rules is shown with a single underline.

# **General Comment: (1)**

The commentator stated that multiple dwellings are a big problem in Webb County; the County is restricted by rules and regulations on assisting multiple dwellings. The County would like some type of waiver to assist these property owners with housing rehabilitation.

## **Staff Response:**

There is no federal, state or programmatic prohibition against assisting the low to moderate income residents of multiple dwellings on a single lot as long as it is consistent and in compliance with local policy. Local utility service providers for services such as water, wastewater or electricity may impose policies that limit the provision of meters to one meter per lot. Also, through the development of housing guidelines which must be approved by the Department, a county may, at its discretion, limit the provision of housing rehabilitation services to one residence on one lot or only serve lots with a single dwelling.

# §3.2. Definitions-(2)

# Comment

The commentator stated that the term Colonia Self-Help Center provider is not defined in the program rules.

# Staff Response:

Staff recommends that §3.2. Definitions are revised to add the following definition to the Colonia Self-Help Center Program Draft Rules.

## §3.2. - DEFINITIONS

(6) Colonia Self-Help Center provider-An organization with which the Contractor has an executed contract to administer Colonia Self-Help Center funds.

# §3.11. Distribution of funds and proposal requirements-(2,12)

### Comment:

The commentators asked if the County could conduct the Request for Proposal (RFP) process to select a Colonia Self-Help Center provider after the contract has been executed instead of conducting the RFP process before a contract is executed with the Department. In addition, request that more time be given for RFP submission from 90 days to 120 days to allow all parties to review contract with a seamless transaction.

## **Staff Response:**

Staff recommends no change to the RFP process. The current process outlined in the Colonia Self-Help Center Draft Rules allows the county and the nonprofit organization selected as the Colonia Self-Help Center provider the opportunity to jointly develop the application for the Colonia Self-Help Center Program. Staff believes that this cooperation will produce projects that will reflect both the long-term development goals of the county and the strengths of the Colonia Self-Help Center provider instead of making the county choose between various one-sided proposals for what an organization intends to do with the funding. However, staff agrees that more time should be given to the RFP process and that the amount expended be reduced to 80% in order to allow the county to conduct and clear any issues relating to the project start-up (proposal review, C-RAC meeting, board approval, contract award, and environmental) as well as to avoid a break in service between the county and the nonprofit organization selected as the Colonia Self-Help Center provider, staff recommends the following changes to §3.11. – Distribution of funds to read as follows:

#### §3.11. DISTRIBUTION OF FUNDS AND PROPOSAL REQUIREMENTS

(1) The county submits its Proposal  $\frac{1}{ninety}$  one hundred and twenty (120) days before the latter of the expiration of its current contract, or when  $\frac{90\%}{80\%}$  of the funds under the current contract have been expended along with the needs assessment during the open cycle.

## §3.13. Threshold Selection Criteria-(4)

#### Comment:

The commentator stated that the preferred experience of the Colonia Self-Help Center provider be revised in order to allow those organizations who have a higher capacity but with less experience the opportunity to apply as a Colonia Self-Help Center provider. The amount of experience an organization has does not always equate with the capacity.

# **Staff Response:**

Staff recommends no change to this rule. In order to ensure sufficient capacity and experience, staff will continue to provide technical assistance to the Contactors and Colonia Self-Help Center provider in order to meet §3.13. Threshold Selection Criteria.

# §3.14. Expenditure Threshold Requirements-(1,2,7,8,12)

### Comment:

The commentators requested that the expenditure threshold requirements set by the Department be revised, the current expenditure thresholds outlined in the Colonia Self-Help Center Draft Rules are unrealistic to reach under the Colonia Self-Help Center Program due to the length of time that is necessary to conduct the environmental assessment, project start-up, and other administration duties that need to be cleared by the Department before the Contractors and Colonia Self-Help Center provider can start to obligate and expend any funds.

# Staff Response:

Staff recommends that §3.14. Expenditure Threshold Requirements is revised to allow more time to be given to the Contractors to initiate environmental review and clear any issues relating to the project start-up before obligating or expending any funds that could result in not achieving the program objectives and possible financial liabilities to the Department for

unallowable or unsupported expenditures. The Contractors and Colonia Self-Help Center provider will be required to submit program information at the detailed project activity level that specifics all progress made towards meeting contract performance and expenditure threshold requirements in addition to the summary information collected at the contract level. Upon receipt of program information, staff will track progress through the ORACLE database system and quarterly reports. Staff recommends the following changes to §3.14. – Expenditure Threshold Requirements should read as follows:

# \$3.14. - EXPENDITURE THRESHOLD REQUIREMENTS

- (a) A county that has a current contract must meet the following expenditure threshold requirements:
- (1) 6-Month Milestone. Any County that has not begun any project activities, including the initiation of the environmental review within six months after contract execution will have its funds subject to deobligation. The county will be evaluated after the first six twelve months of the contract period for progress made to carry out project activities.
- (2)  $\frac{12}{18}$ -Month Milestone. The county must expend at least thirty (30%) percent of the total Colonia Self-Help Center funds awarded within twelve ( $\frac{12}{12}$ ) eighteen ( $\frac{18}{18}$ ) months from the start date of the contract.
- (3) 24-30-Month Milestone. The county must expend at least sixty percent (60%) of the total Colonia Self-Help Center funds.
- (4) 36-42-Month Milestone. In order to meet this requirement the county must expend at least ninety percent (90%) of the total Colonia Self-Help Center funds.
- (5) 50-Month Milestone. If a county has a contract that is 48 months old or older, one hundred percent (100%) of all activities have completed all contract fund requests, and a Certificate of Completion report (which documents the expenditure of all Colonia Self-Help Center funds utilized for contract activities and does not include any reserved funds other than the funds needed to pay for a final audit) must be submitted to the Department. To meet this threshold, all the Colonia Self-Help Center funds needed for the contract activities, except for the reserved audit funds, must be expended in order to be considered for future funding.

# §3.15 Contract Delivery Administration - (d) Request for Payments (8) Comment:

The commentator stated that the monthly submission of request for payments required under the Colonia Self-Help Program Draft Rule is not feasible to reach at times when Contractors are doing procurement procedure for some of the activities which could result in slow production and therefore Contractors should be allowed to submit on a needed basis.

# **Staff Response:**

Staff recommends that §3.15. Contract Delivery Administration is revised in order to ensure compliance with federal cost principles and address any disallowed cost and/or procurement issues within the period covered by any one request for payment as well as allow the Contractors time to prepare and submit a completed request for payment. Staff recommends the following changes to §3.15. Contract Delivery Administration – (d) Request for Payments to read as follows:

§3.15. Contract Delivery Administration - (d) Request for Payments (d) Request for Payments. The County shall submit a properly completed request for reimbursement form, as specified by the Department, at a minimum on a monthly quarterly basis; however the Department reserves the right to request more frequent reimbursement requests as it deems appropriate to ensure compliance with federal cost principles. The Department shall determine reasonableness of each amount requested and shall not disbursement of any such payment until the Department has reviewed and approved such request. Payments under the contract are contingent upon the County's full and satisfactory performance of its obligations under the contract.

# §3.15. Contract Delivery Administration – (g) Inspections (8,12) Comment:

The commentators stated that the use of an independent inspector, over use of the City or County building official, adds increased costs; slows down production; and adds additional interpretation to what the local City, County, or Colonia Housing Standards require.

## **Staff Response:**

Staff recommends that §3.15. Contract Delivery Administration – (g) Inspections is revised in order to demonstrate due diligence in the administration of Self-Help Center funds and ensure a lasting benefit to the colonia residents.

### §3.15. Contract Delivery Administration

(g) Inspections. All housing rehabilitation and new construction activities must be inspected by an independent individual licensed by the Texas Real Estate Commission to perform home inspections. The inspection must ensure that the construction on the house is complete, that the home is safe and that it meets, at a minimum, Colonia Housing Standards. All items noted by to The independent licensed inspector must utilize the most current Property Inspection Report as promulgated by the Texas Real Estate Commission and all items noted on the inspection report must be corrected and repaired.

# §3.18. Sanction/Deobligation-(1,2,3,7,8,12)

#### Comment:

The commentators recommended that the Sanction/Deobligation rule be waived for older contracts already in place and apply the Sanction/Deobligation to new contracts after the effective date of the Rules as adopted.

### **Staff Response:**

Staff recommends no change to this rule. Staff will work with each respective Contractor who has an executed contract with the Department and evaluate its contract performance in order for the Department to be able to apply the appropriate rule(s) and assist the Contractors with any program issues in order to avoid taking any Sanction/Deobligation measures against the Contractor.

# **Comment Source Reference**

Tab#	Organization
1	Webb County Community Action Agency Self-Help Center (CAA-Self-Help Center), Paul
	Martinez
2	El Paso County Planning & Development Department (El Paso County), Jack E. Alayyan
3	El Paso County, Self-Help Center, Guadalupe Ibarra
4	Proyecto Azteca, Ann Williams Cass
5	Starr County Self Help Center, Eloy Garza
6	Starr County Self-Help Center, The Honorable Eloy Vera
7	Hidalgo County and Urban County Program, Pete Dela Cruz
8	Cameron County, Raul Garcia
9	Agua Dulce Resident, Maria Castillo
10	El Paso Collaborative, Delia Chavez
11	El Paso Collaborative for Community & Economic Development, JoAnn Guillen
12	Community Development Corporation of Brownsville, Don Currie



# TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

# Draft Colonia Self-Help Center Rules Title 10, Part 1, Chapter 3 Texas Administrative Code

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#### §3.1. PURPOSE AND SERVICES

- (a) The purpose of this chapter is to establish the requirements governing Colonia Self-Help Centers, created pursuant to Subchapter Z of Chapter 2306 of the Texas Government Code and its funding including the use and administration of all funds provided to the Texas Department of Housing and Community Affairs by the legislature of the annual Texas Community Development Block Grant allocation from the United States Department of Housing and Urban Development. Colonia Self-Help Centers are designed to assist individuals and families of low-income and very low-income to finance, refinance, construct, improve, or maintain a safe, suitable home in the colonias' designated service area or in another area the Department has determined is suitable.
- (b) A Colonia Self-Help Center shall set a goal to improve the living conditions of residents in the colonias designated under Section 2306.586(b) of the Texas Government Code within a two-year period after a contract is awarded.
- (c) A Colonia Self-Help Center may serve individuals and families of low-income and very low-income by:
  - (1) providing assistance in obtaining loans or grants to build a home;
  - (2) teaching construction skills necessary to repair or build a home;
  - (3) providing model home plans;
- (4) operating a program to rent or provide tools for home construction and improvement for the benefit of property owners in colonias who are building or repairing a residence or installing necessary residential infrastructure;
- (5) helping to obtain, construct, access, or improve the service and utility infrastructure designed to service residences in a colonia, including potable water, wastewater disposal, drainage, streets, and utilities;
- (6) surveying or platting residential property that an individual purchased without the benefit of a legal survey, plat, or record;
  - (7) providing credit and debt counseling related to home purchase and finance;
- (8) applying for grants and loans to provide housing and other needed community improvements;
- (9) providing other services that the Colonia Self-Help Center, with the approval of the Department, determines are necessary to assist colonia residents in improving their physical living conditions, including help in obtaining suitable alternative housing outside of a colonia's area;
- (10) providing assistance in obtaining loans or grants to enable an individual or a family to acquire fee simple title to property that originally was purchased under a contract for a deed, contract for sale, or other executory contract;
  - (11) providing access to computers, the internet and computer training.
- (12) providing monthly programs to educate individuals and families on their rights and responsibilities as property owners; and

- (d) A Colonia Self-Help Center may not provide grants, financing, or mortgage loan services to purchase, build, rehabilitate, or finance construction or improvements to a home in a colonia if water service and suitable wastewater disposal are not available.
- (e) Through a Colonia Self-Help Center, a colonia resident may apply for any direct loan or grant program operated by the Department.
- (f) Ineligible activities. Any type of activity not allowed by the federal Housing and Community Development Act of 1974, (42 United States Code §5301 et seq.) is ineligible for funding.

### §3.2. DEFINITIONS

The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise.

- (1) Applicant--A unit of general local government who is preparing to submit or has submitted a Proposal for Colonia Self-Help Center funds.
- (2) Board--The governing board of the Texas Department of Housing and Community Affairs.
- (3) C-RAC--Colonia Residents Advisory Committee.
- (4) Contract Budget--The exhibit of a contract which specifies in detail the contract funds by budget category, which is used in the drawdown processes. The budget also includes all other funds involved that are necessary to complete the performance statement specifics of the contract.
- (5) Colonia--A geographic area located in a county some part of which is within 150 miles of the international border of this state and that:
- (A) has a majority population composed of individuals and families of low income and very low income, based on the federal Office of Management and Budget poverty index, and meets the qualifications of an economically distressed area under Section 17.921, Water Code.
- (B) has the physical and economic characteristics of a colonia, as determined by the Department and was in existence as a colonia prior to November 28, 1990.
- (6) Colonia Self-Help Center provider--An organization with which the Contractor has an executed contract to administer Colonia Self-Help Center funds.
- (7) Community Action Agency--A political subdivision, combination of political subdivisions, or nonprofit organization that qualifies as an eligible entity under 42 U.S.C. Section 9902.
- (8) Community Development Block Grant (CDBG) nonentitlement area funds--The funds awarded to the State of Texas pursuant to the Housing and Community Development Act of 1974, Title I, as amended, (42 United States Code §§5301 et seq.) and the regulations promulgated thereunder in 24 Code of Federal Regulations Part 570.
- (9) Contract--A written agreement including all amendments thereto, executed by the Department and Contractor which is funded with Community Development Block Grant nonentitlement area funds.

- (10) Contractor--A unit of general local government with which the Department has executed a contract.
- (11) County--A unit of general local government eligible to administer Colonia Self-Help Center funds.
- (12) Department--The Texas Department of Housing and Community Affairs.
- (13) Executive Director--The Executive Director of the Department.
- (14) HUD--The United States Department of Housing and Urban Development, or its successor.
- (15) Implementation Manual--A set of guidelines designed to be an implementation tool for the Contractor that have been awarded Community Development Block Grant Funds and allows the contractor to search for terms, rules, procedures, forms and attachments.
- (16) Income Eligible Families:
- (A) Low-and moderate income families means families whose annual incomes do not exceed 80% of the median income of the area, as determined by HUD and published by the Department, with adjustments for family size.
- (B) Very low-income families means families whose annual incomes do not exceed 50% of the median family income for the area, as determined by HUD and published by the Department, with adjustments for family size.
- (17) Needs assessment--The county must prepare a demographic and characteristics study of the colonias residing in the target area and the housing needs that the Colonia Self-Help Center is designed to address, using qualitative and quantitative information and other source documentation.
- (18) Nonentitlement area--An area which is not a metropolitan city or part of an urban County as defined in 42 United States Code, §5302.
- (19) Nonprofit organization--A public or private organization that:
  - (A) is organized under state or local laws;
- (B) has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual;
- (C) has a current tax exemption ruling from the Internal Revenue Service (IRS) under Section 501(c)(3), a charitable, nonprofit corporation, or Section 501(c)(4), a community or civic organization, of the Internal Revenue Code of 1986, as evidenced by a certificate from the IRS that is dated 1986 or later. The exemption ruling must be effective throughout the length of any contract agreements; or classification as a subordinate of a central organization nonprofit under the Internal Revenue Code, as evidenced by a current group exemption letter, that is dated 1986 or later, from the IRS.
- (D) a private nonprofit organization's pending application for 501(c) (3) or (c) (4) status cannot be used to comply with the tax status requirement.
- (20) Open Cycle--A defined period during which Proposals may be submitted and which will be reviewed on a first come first serve basis until all funds are committed. Each Proposal will be assigned a "received date" based on the date and time it is physically received by the Department and will be reviewed in accordance with §3.11 through §3.13 of this chapter.
- (21) ORCA--The Office of Rural Community Affairs.

- (22) PER--Performance Evaluation Report produced by the Unit of local government which should include up-to-date accomplishments in quarterly reports identifying cumulative data including the colonias served, activities performed and total number of beneficiaries.
- (23) Performance Statement--The exhibit of a contract which specifies in detail the scope of work to be performed by eligible activity as noted in Section 3.1 of this chapter.
- (24) Poverty--The current official poverty line established by the Director of the Federal Office of Management and Budget.
- (25) Primary beneficiary--A Low or Moderate income person or family.
- (26) Proposal--A written request for Colonia Self-Help Funds in the format required by the Department.
- (27) Unit of General Local Government--A city, town, county, or other general purpose political subdivision of the State; a consortium of such subdivisions recognized by HUD in accordance with 24 CFR 92.101 and any agency or instrumentality thereof that is established pursuant to legislation and designated by the chief executive to act on behalf of the jurisdiction. A county is considered a unit of general local government under the Colonia Self-Help Center Program.

### §3.3. COLONIA SELF-HELP CENTERS ESTABLISHMENT

- (a) Pursuant to \$2306.582 of the Texas Government Code, the Department has established Colonia Self-Help Centers in El Paso, Hidalgo, Starr, Webb, and in Cameron Counties. The Cameron County facility also serves Willacy County. If the Department determines it necessary and appropriate, the Department may establish a Colonia Self-Help Center in any other county if the county is designated as an economically distressed area under Chapter 17, Water Code, for purposes of eligibility to receive funds from the Texas Water Development Board. The Department has deemed it necessary and appropriate to establish additional Colonia Self-Help Centers in Maverick and Val Verde Counties.
- (b) The Department attempts to secure contributions, services, facilities, or operating support from the commissioners court of the county in which the Colonia Self-Help Centers are located to support the operation of the Colonia Self-Help Centers.
- (c) The El Paso Colonia Self-Help Center shall establish a technology center to provide internet access to colonia residents pursuant to Rider 14 of the General Appropriations Act of the 79th Legislature Regular Session.

## §3.4. COLONIA SELF-HELP CENTERS DESIGNATION

- (a) The Department shall designate:
  - (1) a geographic area for the services provided by each Colonia Self-Help Center; and
  - (2) In consultation with the Colonia Residents Advisory Committee and the appropriate unit of local government and Colonia Self-Help Center, the Department shall designate five colonias in each service area to receive concentrated attention from the Colonia Self-Help Centers.
- (b) In consultation with the Colonia Residents Advisory Committee and the appropriate unit of local government and Colonia Self-Help Center, the Department may change the designation of colonias made under paragraph (a) (2) of this section.

### **§3.5. COLONIA RESIDENTS ADVISORY COMMITTEE**

- (a) The Board shall appoint not fewer than five persons who are residents of colonias to serve on the Colonia Residents Advisory Committee. The members of the Colonia Residents Advisory Committee shall be selected from lists of candidates submitted to the Department by local nonprofit organizations and the commissioners court of a county in which a Colonia Self-Help Center is located.
- (b) The Board shall appoint one committee member to represent each of the counties in which a Colonia Self-Help Center is located. Each committee member:
  - (1) must be a resident of a colonia in the county the member represents; and
  - (2) may not be a board member, contractor, or employee of or have any ownership interest in an entity that is awarded a contract under this chapter.
- (c) The Department may also select to have an alternative member from the list for each county in the event that the primary member is unable to attend meetings. Both may attend meetings but if both are present the alternative shall not cast a vote.

### §3.6. DUTIES OF THE COLONIA RESIDENTS ADVISORY COMMITTEE

- (a) The Colonia Residents Advisory Committee shall advise the Board regarding:
  - (1) the needs of colonia residents:
  - (2) appropriate and effective programs that are proposed or are operated through the Colonia Self-Help Centers; and
  - (3) activities that may be undertaken through the Colonia Self-Help Centers to better serve the needs of colonia residents.
- (b) The Colonia Residents Advisory Committee shall meet before the 30th day preceding the date on which a contract is scheduled to be awarded by the Board for the operation of a Colonia Self-Help Center and may meet at other times.
- (c) The Colonia Residents Advisory Committee shall advise the colonia initiatives coordinator as provided by \$775.004 of the Texas Government Code.

# §3.7. OPERATION OF COLONIA SELF-HELP CENTER

- (a) The Department shall contract with a unit of general local government for the operation of a Colonia Self-Help Center. The unit of general local government shall subcontract with a local nonprofit organization, local community action agency, or local housing authority that has demonstrated the ability to carry out the functions of a Colonia Self-Help Center under this chapter.
- (b) The Department and the Colonia Self-Help Center may apply for and receive public or private gifts or grants to enable the centers to achieve their purpose.

## **§3.8. DEPARTMENT LIAISON TO COLONIA SELF-HELP CENTERS**

- (a) The Department shall designate appropriate staff in the Department to act as liaison to the Colonia Self-Help Centers to assist the centers in obtaining funding to enable the centers to carry out the centers' programs.
- (b) The Department shall make a reasonable effort to secure an adequate level of funding to provide the Colonia Self-Help Center with funds for low-interest mortgage financing, grants for self-help programs, a revolving loan fund for septic tanks, a tool-lending program, and other activities the Department determines are necessary.

## \$3.9. COLONIA SELF-HELP CENTER SET-ASIDE FUND

- (a) The Department shall establish a fund in the Department designated as the colonia set-aside fund.
- (b) The Department may use money in the colonia set-aside fund for specific activities that assist colonias, including:
  - (1) the operation and activities of the Colonia Self-Help Centers established under this chapter; or
  - (2) reimbursement of Colonia Residents Advisory Committee members for their reasonable travel expenses in the manner provided by Article 6252-33, Revised Statutes, and the General Appropriations Act.; and
  - (3) funding for the provisions of water and sewer service connections.
- (c) The Department may review and approve a Proposal for funding from the colonia set-aside fund that advances the policy and goals of the state in addressing problems in the colonias.

### \$3.10. ALLOCATION OF COLONIA SELF-HELP CENTER FUNDS

- (a) The Colonia Self-Help Center is funded through a 2.5% of the legislature set-aside of the annual Community Development Block Grant allocation.
- (b) The Department allocates the Colonia Self-Help Center funds on an annual basis to eligible Counties pursuant to §3.3 of this chapter.

# §3.11. DISTRIBUTION OF FUNDS AND PROPOSAL REQUIREMENTS

- (a) The Department distributes Colonia Self-Help Center funds to counties from the 2.5% set-aside of the annual Community Development Block Grant allocation.
- (b) The 2.5% set-aside from the Community Development Block Grant allocation is distributed to a county though the following means:
- (1) The county submits its Proposal ninety (90) one hundred and twenty (120) days before the latter of the expiration of its current contract, or when 90% 80% of the funds under the current contract have been expended along with the needs assessment during the open cycle.

- (2) Reviews are conducted on a first come first serve basis until all funds are committed. Each Proposal will be assigned a "received date" based on the date and time it is physically received by the Department and will be reviewed in accordance with §3.12 through §3.13 of this chapter.
- (3) The Department allocates no more than \$1.2 million per Colonia Self-Help Center contract. If there are insufficient funds available from any specific program year to fully fund a Proposal, then the affected Applicant may accept the amount available at that time and wait for the remaining funds to be committed upon the Department's receipt of the Community Development Block Grant set-aside allocation from the next year.
- (c) The county shall complete a needs assessment for each of the selected colonias as outlined under §3.4 of this chapter.
- (d) Upon completion of the needs assessments, the county shall publish a Request for Proposals (RFP) for a Colonia Self-Help Center operator and review, score and gain the approval of commissioners' court for the operation of a Colonia Self-Help Center within its respective area.
- (e) The county shall establish a Colonia Self-Help Center to provide any or all of the activities outlined under §3.1 (c) of this chapter so long as the activities provided by the Colonia Self-Help Center are in line with the results of the needs assessments. Proposals must cover the following categories:
- (1) Description of Colonias to be Served. Information should be sufficient to present an accurate picture of the areas to be served (i.e. number of houses, number of residents, platted/unplatted, water, wastewater disposal, utilities, housing conditions, etc.)
- (2) Scope of Work. Based on the results obtained by the needs assessments, the county shall develop a scope of work for each selected colonia. In order to provide these services, the county shall be required to leverage funds, coordinate with financial institutions, prepare grant applications and coordinate with their contracted partners.
- (3) Method of Implementation. For each colonia to be served by the Colonia Self-Help Center, the county shall describe the services and activities to be delivered. The county shall describe the years of experience and accomplishments relating to affordable housing projects within the last three years of the organization recommended by the county to operate and manage the daily operation of the Colonia Self-Help Center.
- (4) Results. The county must include number of colonia residents to be assisted from each colonia. The county must also specify with Colonia Self-Help Center funds the number of houses to be rehabilitated, number of houses to be reconstructed, number of technical assistance visits, number of grant applications to be submited for possible leverage, number of checkouts from the tool lending library, etc.
- (f) Upon approval from commissioner's court; the county shall submit a Proposal to the Department along with a copy of its needs assessment.

#### §3.12. COLONIA SELF-HELP CENTER PROCESS OF AWARDS

- (a) Upon receipt of the Proposal and needs assessment, the Department will perform an initial review to determine whether the Proposal is complete. Proposed activities must identify a proposed funding amount and determine that the activities being funded under the Colonia Self-Help Center are eligible under §3.1(c) of this chapter and §105(a) of the Housing and Community Development Act of 1974 (42 U.S.C. Sec.5305(a)). The Proposal must also show how each activity meets a national objective as required by §104(b) (3) of the Housing and Community Development Act of 1974 (42 U.S. C. Sec.5304 (b) (3)).
- (b) The Department may reduce the proposed funding amount. Should this occur, the Department shall notify the appropriate county within ten working days of receipt of the Proposal. The Department and the county will work together to jointly agree on the performance measure and proposed funding amounts for each activity.
- (c) Upon reaching an agreement with the county, the Department will set a Colonia Residents Advisory Committee meeting. The Colonia Residents Advisory Committee shall meet before the 30th day preceding the date on which a contract is scheduled to be awarded by the Board for the operation of a Colonia Self-Help Center and may meet at other times.
- (d) The Department will forward the proposed Performance Statement, Budget and needs assessment to each Colonia Residents Advisory Committee member for its review at least seven calendar days before the scheduled meeting date.
- (e) The county is expected to be present at the Colonia Residents Advisory Committee meeting if its Proposal is being considered for a recommendation to the Board for an award. The county shall be available to answer questions that the Colonia Residents Advisory Committee may have on its Proposal.
- (f) After the Colonia Residents Advisory Committee makes a recommendation, the recommendation will move forward for the standard award process including Department Review which is anticipated to take a minimum of three weeks.
- (g) The county whose Proposal is being presented to the Board shall be required to be present at the Board Meeting.
- (h) The Department shall execute four year contracts as required by \$2306.587(a) of the Texas Government Code.

#### §3.13. THRESHOLD SELECTION CRITERIA

- (a) At a minimum, the following threshold selection criteria will be utilized in evaluating the Proposals for the Colonia Self-Help Center.
  - (1) Needs Assessment. The Proposal must meet the demographic, and characteristics of the selected colonias and the needs that the Colonia Self-Help Center is designed to deliver the activities as described in §3.1 of this chapter.
  - (2) Program Design. Whether the proposed project meets the needs identified in the needs assessment, whether the design is complete and whether the project fits within the community setting. Information required includes, but is not limited to: community involvement; scope of program; income and population targeting;

marketing, fair housing and relocation plans and other items as the Department deems applicable.

- (3) Capacity of Colonia Self-Help Center provider. The selected Colonia Self-Help Center provider selected by the county must have the capacity to administer and manage financial resources, as evidenced by previous experience of managing state and/or federal programs based on one or more of the following preferred experience:
- (A) three (3) years experience in provision of affordable housing, including new construction; and housing rehabilitation; and experience in homebuyer and down payment assistance programs.
- (B) three (3) years experience in grantsmanship, project planning and development in housing and infrastructure, and project management.
- (C) three (3) years experience in homeownership counseling, home loan processing and coordinating with private financial institutions.
- (D) three (3) years experience in property development, including experience in processes related to surveying, platting, and recording of property.
- (E) three (3) years experience in self-help programs related to housing or infrastructure, including operation of a tool library.
- (F) three (3) years experience in managing state/federally funded projects or projects funded under private foundations and not have major outstanding monitoring or audit issues.
- (b) Administrative Costs for Colonia Self-Help Center. Each county is required to contract with a nonprofit organization, community action agency and/or housing authority to provide staff, office space and equipment (computer, facsimile, telephone, copier, etc.) necessary for full operation of the Colonia Self-Help Center.
  - (1) the county must determine a reasonable amount of administrative costs, and work with the selected Self-Help Center provider to determine a reasonable amount of operational cost not to exceed twenty (20%) percent which must be included in its Proposal. Costs should also include costs associated with salaries, travel, supplies, training, subscriptions, utilities, rent and other related services for both the county and Colonia Self-Help Center provider.
  - (2) a cost allocation plan (indirect cost) will not be accepted under this program.
  - (3) cost incurred by colonia self-help center employees and officers for travel, including costs of lodging, other subsistence, and incidental expenses, shall be considered reasonable and allowable only to the extent such costs do not exceed charges normally allowed by the State Comptrollers Travel Allowance Guide.

#### **§3.14. EXPENDITURE THRESHOLD REQUIREMENTS**

- (a) A county that has a current contract must meet the following expenditure threshold requirements:
- (1) 6-Month Milestone. Any County that has not begun any project activities, including the initiation of the environmental review within six months after contract execution will have its funds subject to deobligation. The county will be evaluated after the first six twelve months of the contract period for progress made to carry out project activities.
- (2) 42-18 Month Milestone. The county must expend at least thirty (30%) percent of the total Colonia Self-Help Center funds awarded within twelve (42) eighteen (18) months from the start date of the contract.
- (3) 24-30-Month Milestone. The county must expend at least sixty percent (60%) of the total Colonia Self-Help Center funds.
- (4) 36 42-Month Milestone. In order to meet this requirement the county must expend at least ninety percent (90%) of the total Colonia Self-Help Center funds.
- (5) 50-Month Milestone. If a county has a contract that is 48 months old or older, one hundred percent (100%) of all activities have completed all contract fund requests, and a Certificate of Completion report (which documents the expenditure of all Colonia Self-Help Center funds utilized for contract activities and does not include any reserved funds other than the funds needed to pay for a final audit) must be submitted to the Department. To meet this threshold, all the Colonia Self-Help Center funds needed for the contract activities, except for the reserved audit funds, must be expended in order to be considered for future funding.
- (b) If these thresholds are not met, the Department will apply the options outlined in §3.17 of this chapter.

#### §3.15. CONTRACT DELIVERY ADMINISTRATION

- (a) Upon approval of Colonia Self-Help Center funds by the Board, the Department shall work with the county to deliver a fully executed contract based on the work to be performed with milestones beginning sixty days of award date.
- (b) Environmental. Before any funds can be disbursed environmental clearance must be approved by the Department.
- (c) Amendments. Any alterations, additions, or deletions to the terms of the contract shall be submitted in writing to the Department. The Department, acting by and through its Executive Director or his/her designee, may authorize, execute, and deliver modifications and/or amendments to any Colonia Self-Help Center Proposal or written agreement provided that:
  - (1) in case of a modification or amendment to the dollar amount of the request or award, such modification or amendment does not increase the dollar amount by more than 25% of the original request or award, or \$50,000, whichever is greater;

- (2) in the case of all other modifications or amendments, such modification or amendment does not, in the estimation of the Executive Director, significantly decrease the benefits to be received by the Department as a result of the award; and
- (3) 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 decreases the benefits to be received by the Department in the estimation of the Executive Director, will be presented to the Board for approval.
- (d) Request for Payments. The county shall submit a properly completed request for reimbursement form, as specified by the Department, at a minimum on a monthly guarterly basis; however the Department reserves the right to request more frequent reimbursement requests as it deems appropriate to ensure compliance with the federal cost principles. The Department shall determine the reasonableness of each amount requested and shall not make disbursement of any such payment until the Department has reviewed and approved such request. Payments under the contract are contingent upon the county's full and satisfactory performance of its obligations under the contract.
- (e) All eligible activities must meet a national objective and have a corresponding budget line item in the budget. This requirement will be clearly reflected in the performance statement and budget of the contract.
- (f) Reporting. The county shall submit to the Department such reports on the operation and performance of the contract as may be required by the Department. Quarterly reports shall be due no later than the twentieth  $(20^{th})$  day of the month after the end of each calendar quarter.
  - (1) the county shall maintain and submit to the Department up to date accomplishments in quarterly reports identifying quantity and cumulative data including the colonias served, activities performed and total number of beneficiaries.
  - (2) the county shall submit and maintain program information at the detailed project activity level such as how many low and moderate-income households reside in safe, decent housing, and the number of years of affordability created for these households.
- (g) Inspections. All housing rehabilitation and new construction activities must be inspected by an independent individual licenced by the Texas Real Estate Commission to perform home inspections. The inspection must ensure that the construction of the house is complete, safe and meets at a minimum Colonia Housing Standards. All-items noted by the independent licensed inspector must utilize the most current Property Inspection Report as promulgated by the Texas Real Estate Commission and all items noted on the inspection report must be corrected and repaired.

#### **§3.16. MANUFACTURED HOMES INSTALLED IN COLONIAS**

- (a) For a manufactured home to be approved for installation and use as a dwelling in a colonia:
- (1) the home must be a HUD-code manufactured home, as defined by Section 1201.003, Occupations Code.
  - (2) the home must be habitable, as described by Section 1201.453, Occupations Code.
- (3) ownership of the home must be properly recorded with the manufactured housing division of the department.
- (b) An owner of a manufactured home is not eligible to participate in a grant loan program offered by the department, including the single-family mortgage revenue bond program under Section 2306.142, unless the owner complies with Subsection (a).

#### §3.17. SUSPENSION

- (a) Suspension. In the event the county fails to comply with any term of the contract, the Department may, upon written notification to the county, suspend the contract in whole or in part and withhold further payments to the county, and prohibit the county from incurring additional obligations of funds under the contract. If a suspension continues it could move to Sanction/Deobligation under §3.16 of this chapter.
- (b) The Department reserves the right to take all allowable actions to enforce the terms of the contract.
- (c) Potential allowable actions are covered by Board policy or rules.

#### §3.18. SANCTION/DEOBLIGATION

- (a) Sanction/Deobligation funds. The Department reserves the right to apply appropriate graduated sanctions leading up to, but not limited to, deobligation of funds and future debarment from participating in the program in the following situations:
- (1) county has any unresolved compliance issues on existing or prior contracts with the Department;
  - (2) county fails to set-up programs/projects or expend funds in a timely manner;
- (3) county defaults on any agreement by and between the county and the Department;
- (4) county misrepresents any facts to the Department during the Proposal process, award of contracts, or administration of contract;
- (5) county is unable to provide adequate financial support to administer the contract or withdrawal of significant financial support;
  - (6) county fails to expend all funds awarded.
- (b) The Department may exercise other compliance or enforcement rules as appropriate.

#### OFFICE OF COLONIA INITIATIVES

#### **BOARD ACTION REQUEST**

February 1, 2007

#### **Action Items**

Presentation, Discussion and Possible Approval for publication in the *Texas Register* of the Final Colonia Housing Standards Rules, to be codified at 10 Texas Administrative Code, Chapter 1, Section 1.18.

#### **Required Action**

Department staff recommends that the Board review and approve the Colonia Housing Standards, Title 10 of the Texas Administrative Code, Part 1, Chapter 1.

#### Background

On October 27, 2006 the Colonia Housing Standards, Title 10 Texas Administrative Code, were published in the Texas Register. Upon publication a public comment period commenced and ended on November 26, 2006. In addition to publishing the document in the Texas Register, a copy was published on the Department's web site and made available to the public upon request. The Department also held public hearings in Dallas, San Antonio, McAllen and El Paso. The Department received one comment at a public hearing regarding the Colonia Housing Standards. A summary of that comment is noted below.

#### Comment:

The commenter suggested that the Department should allow for a waiver of the Colonia Housing Standards in order to provide colonias with infrastructure services such as water and wastewater.

#### **Department Response:**

The Colonia Housing Standards do not prevent the installation of infrastructure services. State and local legislation prevents the installation of certain infrastructure services without the presence of financial assurance of the installation of other certain services. The Colonia Housing Standards simply provide a minimum set of residential construction standards that are appropriate for extremely poor areas yet still provide for safe, decent and secure housing. Staff recommends no revisions to the Colonia Housing Standards.

#### **Comment Source Reference**

Tab#	Organization
1	Webb County Community Action Agency Self-Help Center (CAA-Self-
	Help Center), Paul Martinez

#### Recommendation

Department staff recommends that the Board review and approve the Colonia Housing Standards, Title 10 of the Texas Administrative Code, Part 1, Chapter 1.



#### TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

## Colonia Housing Standards Title 10, Part 1, Chapter 1 Texas Administrative Code

#### Section 1.18 COLONIA HOUSING STANDARDS

#### (a) Purpose.

The purpose of this section is to establish housing quality standards for housing projects located in colonias. A colonia is defined in Tex. Gov't Code Ann. Sec. 2306.581 to mean a geographic area located in a county some part of which is within 150 miles of the international border of this state and that:

- (1) has a majority population composed of individuals and families of low income and very low income, based on the federal Office of Management and Budget poverty index, and meets the qualifications of an economically distressed area under Section 17.921, Water Code, or
- (2) has the physical and economic characteristics of a colonia, as determined by the Texas Department of Housing and Community Affairs.

#### (b) Colonia Housing Standards.

- (1) Site and Neighborhood. The site and neighborhood shall not be subject to serious adverse environmental conditions, such as:
  - (A) flooding;
  - (B) open sewers; and
  - (C) accumulation of trash or refuse.

#### (2) Access.

- (A) the dwelling unit shall have direct access for the occupants from public roadways;
- (B) if new construction, the dwelling unit shall comply with the accessibility requirements specified in Tex. Gov't Code Ann. Section 2306.514; and
  - (C) the dwelling unit shall have operable doors and windows with serviceable locks.
- (3) Structure and Materials. The structure and materials shall be such that the dwelling is structurally sound and does not pose a threat to the health and safety of the occupants, including:
  - (A) the structure shall be free from any serious defects such as leaning, buckling, or tripping hazards;
  - (B) roof shall be firm and weather tight; and
- (C) in the case of a manufactured home, the home must be permanently anchored to the site to prevent movement.
- (4) Lead-Based Paint. All structures shall be inspected for defective paint surfaces in units constructed prior to 1978 which are occupied by families with children under seven years of age. In the event a structure built before 1978 has been identified as having been painted with lead-based paint, it must comply with the requirements of Section 302 of the Lead-Based Paint Poisoning Prevention Act, 42 U.S.C. Sec. 4822, and the following abatement measures shall be taken if:
  - (A) the painted surfaces have cracking, peeling, scaling, chipping, or loose paint; or

- (B) the family that occupies the unit has a child under seven years of age who is confirmed to have a concentration of lead in whole blood of 25 micrograms of lead per deciliter of whole blood, or higher;
- (5) Water Supply. The water supply shall be free of contamination; the water heater shall not be located in a bathroom, bedroom, or clothes closet; and potable water shall be supplied to all kitchens and bathrooms.
- (6) Sanitary Facilities. The dwelling unit shall contain its own sanitary facilities which shall be connected to an approved sewer or septic system, shall be in proper working condition and which shall be separate from other rooms to insure privacy. A bathroom shall contain a lavatory sink, a bathtub and/or shower, and a flush toilet.
- (7) Interior Air Quality. The air in the dwelling unit shall be free of pollutants, such as carbon monoxide, sewer gas, and fuel gas.
  - (A) Bathrooms shall have at least one operable window or other adequate exhaust ventilation; and
  - (B) All windows in the dwelling unit shall have screens to cover each window opening.
- (8) Food Preparation. The dwelling unit shall contain space and equipment in the proper operating condition to prepare and serve food in a sanitary manner. Each dwelling unit shall have:
  - (A) a working stove with a minimum of four operating burners;
  - (B) provisions for mechanical refrigeration of food at a temperature of not more than 45 degrees F;
- (C) adequate sinks with hot and cold water under pressure which shall drain into an approved public or private sewer or septic system; and
  - (D) adequate lighting and ventilation.
- (9) Electrical. Each room in the dwelling unit shall have natural or artificial lighting to permit normal indoor activities.
  - (A) living areas and bedrooms shall have at least one window;
  - (B) a ceiling or wall type light fixture shall be present and working in the bathroom and kitchen;
  - (C) at least two electrical outlets shall be present in the living area, kitchen, and bedrooms;
- (D) all rehabilitation and new construction shall comply with the National Electric Code which includes the installation of Ground Fault Interruption Circuits (GFIC) in the kitchen and bathroom; and
- (E) all new construction shall comply with the construction standards of Tex. Gov't Code Ann. Section 2306.514 which require accessibility and specify the location of electrical panels or breaker boxes, light switches, electrical plugs, and thermostats. Each breaker box is required to be located inside the dwelling on the first floor.
- (10) Thermal Environment. The dwelling unit shall have and be capable of maintaining a healthy thermal environment.
  - (A) the dwelling unit shall be energy efficient;
  - (B) the dwelling unit shall have operable windows to provide cross ventilation; and
- (C) room heaters that burn natural gas, heating oil, or kerosene, or other flammable fuels shall be vented to prevent fire and safety hazards. All vents shall extend above the peak of the roof.
- (11) Security. The dwelling unit shall be secure.
  - (A) all exterior doors and windows shall be secured with operable locks; and
- (B) at a minimum, there shall be one UL approved, battery operated or hardwired smoke detector on each level of the unit.

# THIS ITEM HAS BEEN PULLED FROM THE AGENDA

#### MULTIFAMILY FINANCE PRODUCTION DIVISION BOARD ACTION REQUEST

**February 1, 2007** 

#### **Action Items**

Requests for extensions of the deadline to submit commencement of construction documentation are summarized below.

#### **Required Action**

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

#### **Background**

Pertinent facts about the requests for extensions are given below. Each commencement of construction request was accompanied by a mandatory \$2,500 extension request fee.

#### HTC No. 04200, Alvin Manor Estates

#### (Commencement of Construction)

<u>Summary of Request</u>: Applicant requests an extension of the deadline for commencement of substantial construction. The reason for the request is that the City of Alvin has delayed construction. The applicant filed suit against the City of Alvin in September 2006 which alleged the wrongful refusal to issue the permits. Counsel for the applicant indicated that city has no authority under its ordinances to prevent development.

Owner: Alvin Manor Estates, Ltd.

General Partner: Alvin Manor Estates Management, LLC (Managing GP); Alvin

Manor Estates Construction, LLC (Co-GP)

Developer: Artisan/American Corporation
Principals/Interested Parties: Elizabeth Young; Vernon Young

Syndicator: PNC Multifamily Capital

Construction Lender: PNC Bank Permanent Lender: PNC Bank

Other Funding: NA

City/County: Alvin/Brazoria

Set-Aside: General

Type of Area: Urban/Exurban
Type of Development: New Construction
Population Served: General Population

Units: 28 HTC units and 8 market rate units (single family homes)

2004 Allocation:\$251,6622007 Allocation:\$23,315Allocation per HTC Unit:\$9,821Extension Request Fee Paid:\$2,500

Note on Time of Request: Request was submitted late.

Type of Extension Request: Commencement of Substantial Construction

Current Deadline: September 30, 2006
New Deadline Requested: March 15, 2007
New Deadline Recommended: Not Recommended

Prior Extensions: Placement in service extended from 12/31/06 to 12/31/07

Commencement of construction extended from 12/1/05 to 2/1/06

Commencement of construction extended from 2/1/06 to 6/30/06

Commencement of construction extended from 6/30/06 to 9/30/06

#### **Staff Recommendation:**

Deny the extension due to the unknown outcome of the lawsuit and the short construction time for the placement in service deadline of December 31, 2007.

HTC No. 04200

## LOCKE LIDDELL & SAPP LLP

ATTORNEYS & COUNSELORS

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Direct Number: (512) 305-4707 email: cbast@lockeliddell.com

December 15, 2006

#### Via Hand Delivery

DEC 1 8 2006

RECEIVED

Ms. Robbye Meyer Texas Department of Housing and Community Affairs 221 East 11th Street Austin, Texas 78701

Re:

Alvin Manor Estates, Ltd. -- Alvin Manor Estates project in Alvin, Texas

TDHCA File No. 04200

Dear Robbye:

Our firm represents the owner of the project referenced above. On behalf of the owner, we have previously submitted to the Department requests to extend the deadline for commencement of substantial construction on this project. We greatly appreciate the Department's patience and consideration in approving these requests. Unfortunately, as has been described in the prior requests, the project owner continues to struggle with obtaining plat approval and permits from the City of Alvin (the "City"). Consequently, we are submitting this letter to request that the deadline for commencement of substantial construction for the above-referenced project be extended to <u>March 15, 2007</u>.

As previously noted, the project owner has filed a lawsuit against the City in an effort to compel the City to act in accordance with its own ordinances and regulations and provide a review of the project owner's application for approval of the preliminary plat. This lawsuit is currently in the discovery phase, and it is expected that the trial will take place early next year. Given this timeframe and the fact that the City is not likely to approve the plat and issue the permits unless and until a court ruling is rendered ordering it to do so, the earliest that the project owner will be able to proceed with construction of the project is after the trial is concluded.

The project owner recognizes that this is an extraordinary circumstance and regrets the need to submit this additional extension request. The project owner is also aware of its obligation to place in service by December 31, 2007. However, it feels confident that it can complete construction of the project and place in service within this timeframe, given the past history of its development team in successfully and timely completing construction of tax credit projects in a condensed timeframe.

In spite of the obstacles that the project owner has encountered in moving forward with construction, it remains committed to bringing this project to fruition so that it can help meet the

Ms. Robbye Meyer December 15, 2006 Page 2

affordable housing needs of the citizens of the City of Alvin. We sincerely appreciate the Department's consideration and understanding of this extension request.

We have enclosed a check in the amount of \$2,500.00, as payment of the required extension fee. If you have any questions about this request, please let me know. Thank you for your assistance.

Sincerely,

Cynthia L. Bust CER

cc: Artisan/American Corp.

Kevin Hamby Jennifer Joyce The same of the sa

DEC 1 8 2006

#### MULTIFAMILY FINANCE PRODUCTION DIVISION BOARD ACTION REQUEST

**February 1, 2007** 

#### **Action Items**

Presentation, Discussion and Possible Approval of Request for Reallocation of Housing Tax Credits and Extension of Commencement of Substantial Construction for Wesleyan Retirement Homes, TDHCA #05142.

#### **Required Action**

Approve, amend or deny the request for Wesleyan Retirement Homes.

#### **Background**

Wesleyan Homes, Inc. (Wesleyan) received an allocation of Competitive Housing Tax Credits in 2005 in the amount of \$368,190 in the exurban set-aside in region seven (7). As a 2005 award, the applicant is federally required to place the rehabilitated buildings in service no later than December 31, 2007, pursuant to \$42(h)(1)(E) of the Internal Revenue Code (IRC).

According to the owner, for the original timeline to be met, the residents of the Wesleyan Retirement Home were to be relocated to a new separate facility. However, a delay in the City of Georgetown's approval of the adjacent landowner's drainage plan caused a delay in the new facility being able to receive their permits to begin construction. Due to the delay in construction of the new facility, the residents of Wesleyan Retirement Home could not be relocated to the applicant's desired location. The rehabilitation of Wesleyan Retirement Home could not begin on schedule without relocating the residents. The applicant states that Wesleyan Retirement Home will not meet the deadline to place in service by December 31, 2007. Therefore, the applicant is requesting relief from the Department specifically to reallocate their 2005 award out of the 2007 ceiling.

Section 49.16(j) of the 2005 Qualified Allocation Plan and Rules ("QAP") under which the partnership was awarded tax credits states:

"The Department may, at any time and without additional administrative process, determine to award credits to Developments previously evaluated and awarded credits if it determines that such previously awarded credits are or may be invalid and the owner was not responsible for such invalidity...".

It should be noted that staff does not believe that the credits are invalid and does not affirm that the applicant was not responsible. While staff is sympathetic to the relocation issues, these timelines were one function of the developer's responsibilities in their readiness to proceed.

The applicant's counsel asserts that the QAP provision giving the Board certain discretion to provide an extraordinary remedy that may override the regular allocation process, is consistent with Section 42(m)(l)(A)(iv) IRC. Section 42(m)(l)(A)(iv) allows a housing finance agency to allocate Tax Credits in a manner that deviates from its QAP if "a written explanation is available

to the general public for any allocation of a housing credit dollar amount which is not made in accordance with established priorities and selection criteria of the housing credit agency."

The applicant's counsel also asserts that Wesleyan has fulfilled all of their obligations under the commitment and carryover allocation agreement. Counsel has opined that the reallocation is permissible under §42(g) of the Internal Revenue Code, as Wesleyan is a "qualified low-income housing project".

Applicant also requests an extension of the deadline for commencement of substantial construction. The reason for the delay is that construction has not been completed on the new development that serves as the relocation center for the tenants of the development to be rehabilitated. The new development is not expected to be ready for use until the late spring of 2007.

Applicant has submitted a pre-application for the 2007 Competitive Housing Tax Credit Cycle.

Owner: Georgetown Senior Housing, L.P.
General Partner: Wesleyan Retirement Homes, LLC

Developers: Wesleyan Homes, Inc.

Principals/Interested Parties: Wesleyan Homes, Inc. (Nonprofit, Owner of GP)

Syndicator: Related Capital Company

Construction Lender:

Permanent Lender:

Other Funding:

City/County:

JP Morgan Chase

Wesleyan Homes, Inc.

Housing Trust Funds

Georgetown/Williamson

Set-Aside: Nonprofit Type of Area: Exurban

Type of Development: Acquisition/Rehabilitation

Population Served: Elderly Population

Units: 50 HTC units and 1 market rate unit

2005 Allocation: \$368,190 2008 Allocation: \$21,640 Allocation per HTC Unit: \$7,797 Extension Request Fee Paid: \$2,500

Note on Time of Request: Request was submitted late

Type of Extension Request: Commencement of Substantial Construction

Current Deadline: December 1, 2006
New Deadline Requested: July 1, 2007

**New Deadline Recommended:** Do not recommend

Prior Extensions: None

#### Recommendation

Staff recommends denial of both requests.

Upon denial of this request, this \$368,190 allocation will be returned to the ex-urban set-aside in Region 7 for the 2007 allocation cycle.



### DIANA MCIVER & ASSOCIATES, INC.

December 1, 2006

*VIA HAND DELIVERY* 

Michael Gerber
Executive Director
Texas Department of Housing &
Community Affairs
211 West 11th Street
Austin, Texas 78711

Re: Wesleyan Retirement Homes

TDHCA #05142/HTF #1000420

Dear Mr. Gerber:

On behalf of our client, Wesleyan Homes, Inc., we submit this letter concerning the above-mentioned development which received an allocation of tax credits and an award of Housing Trust Funds in 2005 (and recently received an additional allocation of tax credits out of the 2008 allocation), but which will most likely not meet its placed in service deadline as required by Section 42 of the Internal Revenue Code by December 31, 2007. Because the delay in this development's progress is due to circumstances beyond the control of the applicant, we respectfully request that TDHCA staff reallocate the 2005 tax credit award of \$368,190 from the 2006 or 2007 credit allocations.

The sponsor of this application, Wesleyan Homes, Inc., is a non-profit organization formed in 1955 after the Central Texas Annual Conference of the United Methodist Church expanded its mission to establish homes for the aging. The Wesleyan Retirement Home, which is the site of the proposed rehabilitation, was constructed in 1962 on park land donated by the City of Georgetown. Since then, Wesleyan Homes has constructed and now operates other facilities for the elderly, which range from independent living communities to skilled nursing home care.

In 2005, Wesleyan Homes applied for housing tax credits to rehabilitate the Wesleyan Retirement Home. Currently, the Wesleyan Retirement Home serves as a congregate living facility with 82 units, the vast majority of which are single room occupancy units without kitchens. The existing residents are mostly frail elderly persons who require the full meal service and other supportive services which are currently available on site.

The tax credit application submitted in 2005 proposed major rehabilitation that would convert the 82 dormitory style units into 51 one and two bedroom apartments. Because the current residents will likely not income qualify for the new tax credit units, and because the current residents rely on a higher level of supportive services than will be available in the tax credit development, Wesleyan Homes devised a relocation plan that was included in the application for Housing Tax Credits and Housing Trust Funds. The critical element of the relocation plan was that the residents were to relocate to the new Wesleyan campus to be constructed in another part of Georgetown.

4101 PARKSTONE HEIGHTS DRIVE, SUITE 310 AUSTIN, TEXAS 78746

TEL: 512.328.3232 WWW.MCIVER.COM FAX: 512.328.4584

At the time of application, the development of the new Williams Drive campus was already underway and construction was to begin in January of 2006 and to finish in January 2007. Based on that finish date, the current residents would vacate the Wesleyan Retirement Homes in January 2007, leaving more than 11 months to complete the rehabilitation of the tax credit development and place in service by December 31, 2007.

In August 2005, TDHCA awarded Wesleyan Homes an allocation of tax credits to rehabilitate the Wesleyan Retirement Home. Throughout the fall of 2005, the development team undertook the necessary initial steps to move this project from application stage to construction start, including finalizing architectural plans, obtaining contractor pricing, and identifying additional sources of funding. At the same time, Wesleyan Homes was finalizing the development and financing of its new Williams Drive Campus that was still scheduled to begin construction in January 2006.

Wesleyan Homes was prepared to begin construction on the Williams Drive Campus in January 2006; however, the City of Georgetown's failure to timely approve a drainage plan on the adjoining property delayed this construction start. In the early stages of development, Wesleyan Homes and the developer of a neighboring tract agreed that the neighboring development plan would include the ingress/egress off Williams Drive that both developments would use. This way, the elderly residents of Williams Drive could exit the Campus on a secondary road rather than right onto Williams Drive, which is a heavily-traveled right of way. When the developer of the neighboring tract could not obtain its permit due to the fact that the City of Georgetown would not approve its proposed drainage plan, Wesleyan Home, in turn, could not pull its permits because there would be no ingress and egress to its site until the other developer's plan was approved by the City.

This permitting problem caused a six month delay of the construction of the Williams Drive Campus. Due to this delay, Wesleyan Homes postponed the development of the Wesleyan Retirement Home project because it had no place to relocate its frail residents. Once construction on the Williams Drive campus finally started in July 2006, the development team of the tax credit project reassessed the ability to complete rehabilitation in time to place in service by December 31, 2007. As it currently stands, the current residents will be able to relocate to the Williams Drive Campus in July, at the earliest. This makes it highly unlikely that the building can be placed in service by December 2007.

This project's only hurdle at this point is meeting the placed in service deadline. While this project previously faced a funding gap due to the recent increases in construction pricing, Wesleyan Homes has obtained other financing to close this gap. Specifically, since the initial application was submitted, Wesleyan Homes has secured an additional \$200,000 in Affordable Housing Program Funds from the Federal Home Loan Bank of Chicago, as well as \$1,753,000 in Section 202 Capital Advance Funds from the U.S. Department of Housing & Urban Development. The Section 202 award is particularly significant to the success of this project as it provides a project-based operating subsidy whereby 23 Section 202 residents (at or below 50% of median income) will not pay more

than 30% of their income on rent. Additionally, this project has a commitment from the Georgetown Housing Authority for 5 project-based vouchers. Like the Section 202 award, these vouchers provide a rental subsidy that allows Wesleyan Homes to serve a greater number of residents below 50% of median income.

Based on the additional funding that Wesleyan Homes has secured, this project will be a tax credit/Section 202 mixed-finance project, one of the first of its kind nationwide. However, if Wesleyan Homes loses its 2005 award of tax credits because it cannot meet the placed in service deadline, it will lose all of this additional funding—including the Affordable Housing Program funds, the Section 202 award, and the project-based vouchers from the Georgetown Housing Authority. Reallocating the tax credit award will enable Wesleyan Homes to maintain these other sources of financing and to ultimately construct a mixed-finance project where more than half of the units benefit from deep rental subsidies.

Therefore, Wesleyan Homes respectfully requests that TDHCA reallocate the 2005 tax credit award for this project as a 2006 or 2007 award. We have attached a legal opinion addressing reallocation and, in the alternative, consideration of a new application under the draft 2007 Qualified Allocation Plan.

We appreciate your time and consideration of this important matter. Please do not hesitate to contact me with any questions or concerns.

Sincerely,

DIANA MCIVER & ASSOCIATES, INC.

Diana McIver
President

of the same of the same

### DAVIS & WILKERSON, P.C.

ATTORNEYS AT LAW

Frances W. Hamermesh fhamermesh@dwlaw.com

1801 S. MoPac, Suite 300, Austin, TX 78746 Mailing: P.O. Box 2283, Austin, TX 78768-2283 512.482.0614 • Facsimile 512.482.0342 www.dwlaw.com

December 1, 2006

Mr. Michael Gerber
Executive Director
Texas Department of Housing &
Community Affairs
211 West 11th Street
Austin, Texas 78711

RE: Wesleyan Retirement Homes

TDHCA #05142/HTF 1000420

Dear Mr. Gerber:

This firm represents Wesleyan Homes, Inc., a non-profit tax exempt 501(c)(3) organization. In 2005, Wesleyan Homes, Inc., sponsor of the above referenced application, received an allocation of tax credits (from the non-profit set-aside) in the amount of \$368,190. Wesleyan Homes, Inc. is now requesting that Texas Department of Housing and Community Affairs ("TDHCA") reallocate the tax credit award of \$368,190 from 2005 to a 2006 or 2007 award.

Wesleyan Homes obtained this allocation of tax credits for the purpose of rehabilitating The Wesleyan Retirement Home, an 82 unit independent living apartment complex serving elderly and frail seniors in the heart of Georgetown, Texas. A mixed-finance approach will now leverage scarce federal funds. Reallocation of the tax credits as requested will make it possible for Texas to draw in those federal funds and enable this project to go forward. This rehabilitation project requires relocation of existing tenants. The construction of that relocation facility has been delayed by the action of an unrelated developer and the local city council as explained in Wesleyan Home's letter requesting reallocation, resulting in an anticipated delay in relocation of residents preliminary to beginning the rehabilitation construction.

This delay in the availability of the relocation facility is not a result or consequence of any action or failure to act on the part of Wesleyan Homes. It is not the result of any breach of the terms and conditions of the Commitment or the Carryover Allocation Agreement. However, as a result of those circumstances, described above and in the referenced letter from Wesleyan Homes, Wesleyan Homes now finds that it may not be able to meet the construction and placed in service deadlines.

Wesleyan Homes is seeking reallocation at this time within the deadlines prescribed by the State's Qualified Allocation Plan ("QAP") and is not in violation of any of its obligations under the Commitment from TDHCA or the Carryover Allocation. However, because of circumstances beyond its control, not because of its own actions or omissions, not because of any violation of its agreements with TDHCA, and not because of any material change in the project, Wesleyan Homes faces a potential problem in meeting the deadlines under the 2005 allocation. Therefore, Wesleyan Homes is properly putting TDHCA on notice of these obstacles and proposing that the remedy for this prospective problem, and the means to preserve the credits for this project, is, appropriately, a reallocation of credits.

We are of the opinion that the requested reallocation of tax credits to Wesleyan Homes is permissible under Section 42(g) of the Internal Revenue Code. At this time, Wesleyan Homes meets the definition of a "qualified low-income housing project" under Section 42(g) of the Internal Revenue Code. It has fulfilled all of its obligations under the Commitment and the Carryover Allocation Agreement and is not in default.

Under the QAP, TDHCA has authority to reallocate the credits involved and to accede to Wesleyan Homes' request. Section 49.16(j) of the QAP addresses and provides:

(j) The Department may, at any time and without additional administrative process, determine to award credits to Developments previously evaluated and awarded credits if it determines that such previously awarded credits are or may be invalid and the owner was not responsible for such invalidity.

Wesleyan's action puts TDHCA on notice that the credits may become invalid through no fault of its own; Wesleyan Homes is putting TDHCA on notice that timing is a problem and there is a possibility that it will not be able to meet the placed in service deadline. Wesleyan Homes is fully in compliance at this time. Wesleyan Homes has provided good cause for its request and has demonstrated that any potential inability to meet the deadlines will not be due to its violation of breach of any agreement, regulation or law. Action by TDHCA under Section 49.16(j) is appropriate.

In the alternative, Wesleyan Homes is eligible to reapply for credits under the draft 2007 Qualified Allocation Plan. Wesleyan Homes' request is timely in terms of notice to TDHCA and Wesleyan Homes is fully in compliance at this time and is not in violation or default of its obligations.

Section 49.5(b)(9) provides for disqualification or debarment where "previous funding contracts or commitments have been partially or fully deobligated due to a failure to meet contractual obligations during the 12 months prior to the submission of the applications." Wesleyan Homes is taking action at this time within the deadlines permitted by regulation to assure that funds are not deobligated and that it is not in a position where it has failed to meet contractual obligations. Wesleyan Homes is not subject to disqualification or debarment or any other penalty under Section 49.5(b)(9).

Section 49.9(c) of the QAP describes "Adherence to Obligations." The timing issues that present the concern underlying this request for reallocation or reapplication are not the obligations described in Section 49.9(c). Wesleyan Homes has not failed to meet the requirements or obligations and is not proposing to change any material aspect of the project. Therefore, the project or any reconsideration of the project, cannot and should not be subject to the penalties described under Section 49.9(c) of the QAP.

The provisions of Texas regulations, the QAP and the Internal Revenue support the authority of the TDHCA to grant the request of Wesleyan Homes, Inc.

Sincerely,

Frances W. Hamermesh

G:\USERS\Health Law\2393 Wesleyan\05 Retirement Hm\lt\Michael Gerber Ltr.doc

c: Diana McIver and Associates Chris Spence

Lances W. Hamemesh

## Housing Tax Credit Program Board Action Request February 1, 2007

#### **Action Item**

Request review and board determination of three (3) four percent (4%) tax credit applications with other issuers for tax exempt bond transaction.

#### Recommendation

Staff is recommending that the board review and approve the issuance three (3) four percent (4%) Tax Credit Determination Notices with <u>other issuers</u> for the tax exempt bond transactions known as:

Development	Name	Location	Issuer	Total	LI	Total	Applicant	Requested	Recommended
No.				Units	Units	Development	Proposed	Credit	Credit
							Tax Exempt	Allocation	Allocation
							Bond		
							Amount		
060440	Town Square Apartments	Converse	Converse HFC	252	252	\$22,203,032	\$15,000,000	\$730,219	\$730,219
07401	Gulfway Manor Apartments	Corpus Christi	Nueces County HFC	151	151	\$13,639,620	\$10,500,000	\$485,286	\$481,841
07402	Rockwell Manor	Brownsville	Cameron County HFC	126	124	\$9,962,325	\$6,000,000	\$387,384	\$364,165

## MULTIFAMILY FINANCE PRODUCTION DIVISION BOARD ACTION REQUEST

**February 1, 2007** 

#### **Action Item**

Presentation, Discussion and Possible Issuance of Determination Notices for Housing Tax Credits associated with Mortgage Revenue Bond Transactions with other Issuers.

#### **Requested Action**

Approve, Amend or Deny the staff recommendation for Town Square Apartments.

#### **Summary of the Transaction**

Background and General Information: The application was received on December 4, 2006. The Issuer for this transaction is Converse HFC. The development is new construction and will consist of 252 total units targeting the general population, with all units affordable. The site is currently zoned for such a development. The Compliance Status Summary completed on January 9, 2007 reveals that the principals of the general partner have no properties in material noncompliance. The bond priority for this transaction is:

Priority 3: Any qualified residential rental development.

Census Demographics: The development is to be located at approximately 680 S. Seguin in Converse. Demographics for the census tract (1316.05) include AMFI of \$68,578; the total population is 9,612; the percent of population that is minority is 61.12%; the percent of population that is below the poverty line is 1.03%; the number of owner occupied units is 2,283; the number of renter units is 780 and the number of vacant units is 138. The percentage of population that is minority for the entire City of Converse is 47% (Census information from FFIEC Geocoding for 2006).

*Public Comment:* The Department has received no letters of support or opposition.

#### Recommendation

Staff recommends the Board approve the issuance of a Determination Notice of \$730,219 in Housing Tax Credits for Town Square Apartments.



### MULTIFAMILY FINANCE PRODUCTION DIVISION

#### February 1, 2007

## Development Information, Public Input and Board Summary Town Square Apartments, TDHCA Number 060440

BASIC DEVELOPMENT INFORMATION									
Site Address:	680 S. Seguin				Development #:	060440			
City:	Converse	Region:	9	Pop	ulation Served:	Family			
County:	Bexar	Zip Code:	78109		Allocation:	Urban/Exurban			
HOME Set Asi	des: CHDC	Preservation	☐ General	Р	urpose/Activity:	NC			
Bond Issuer:	Convers	e HFC							
	HTC Purpose/Ac	ivity: NC=New Construction, ACQ NC/R=New Construction and				nd Acquisition,			
		OWNER AN	D DEVELOP	MENT TEAM					
Owner:		Converse Town Sq	luare Apartn	ients, Ltd					
Owner Contac	t and Phone	Michael A. Hogan		(2	10) 682-1500				
Developer:		Hogan Real Esatat	e Services						
Housing Gene	eral Contractor:	Galaxy Builders, Lt	d						
Architect:		Gonzalez Newell B	ender, Inc.						
Market Analys	t:	Apartment MarketE	Data Resear	ch Services, LLo	C				
Syndicator:		Red Capital Market	ts, Inc						
Supportive Se	rvices:	Not Utilized							
Consultant:		Not Utilized							
		UNIT/BUILI	DING INFOR	MATION					
30% 40% 5	0% 60% Eff	1 BR 2 BR 3 BR 4 BR	5 BR	Total Restricted	l Units:	252			
0 0	0 252 0	76 114 62 0	0	Market Rate Ur	nits:	0			
Type of Buildin	ng: 🗹 5 ur	its or more per building		Owner/Employe	ee Units:	0			
☐ Duplex		ached Residence		Total Developm	ent Units:	252			
☐ Triplex		le Room Occupancy		Total Developm		\$22,812,418			
☐ Fourplex		nsitional		Number of Res	-				
☐ Townhome				HOME High To		0			
	Not	e: If Development Cost =\$0, an U		HOME Low Tot		0			
	iant				264.				
	FUNDING INFORMATION  Applicant Department								
		Reque		nalysis	Amort Te	rm Rate			
4% Housing	Tax Credits with	Bonds: \$699,03	34	\$730,219	0	0 0.00%			
TDHCA Bond	d Allocation Amo	unt: \$	50	\$0	0	0 0.00%			
HOME Activi	ty Fund Amount:	q	sn.	\$በ	0	0 00%			

\$0

\$0

HOME CHDO Operating Grant Amount:



#### MULTIFAMILY FINANCE PRODUCTION DIVISION

#### February 1, 2007

#### Development Information, Public Input and Board Summary Town Square Apartments, TDHCA Number 060440

#### PUBLIC COMMENT SUMMARY

Guide: "O" = Oppose, "S" = Support, "N" = Neutral, "NC" or Blank = No comment

State/Federal Officials with Jurisdiction:

TX Senator: Zaffirini, District 21

NC

US Representative: Smith, District 21, NC

TX Representative: Puente, District 119

NC

US Senator:

NC

**Local Officials and Other Public Officials:** 

Mayor/Judge: NC

Resolution of Support from Local Government

Tommy Adkisson, County Commissioner, Precinct 4 - I support this project as it will help to meet the City's need

for more affordable housing.

Mark Luft, Executive Director, City of Converse Economic Development Corporation -This apartment community meets the objectives relating to housing of the City of Converse Consolidated Plan.

Individuals/Businesses: In Support:

In Opposition

0

Neighborhood Input:

#### **General Summary of Comment:**

The Department has received no letters of support and no letters of opposition.

#### **CONDITIONS OF COMMITMENT**

1. 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.



#### MULTIFAMILY FINANCE PRODUCTION DIVISION

#### February 1, 2007

#### Development Information, Public Input and Board Summary **Town Square Apartments, TDHCA Number 060440**

#### RECOMMENDATION BY THE EXECUTIVE AWARD AND REVIEW ADVISORY COMMITTEE IS BASED ON:

4% Housing Tax Credits:

Credit Amount:

\$730,219

Recommendation: Recommend approval of a Housing Tax Credit Allocation not to exceed \$730,219 annually for ten years, subject to

conditions.

TDHCA Bond Issuance:

Bond Amount:

\$0

Recommendation:

**HOME Activity Funds:** 

Loan Amount:

\$0

HOME CHDO Operating Expense Grant:

Grant Amount:

\$0

Recommendation:

DATE: January 22, 2007 PROGRAM: 4% HTC FILE NUMBER: 060440

#### **DEVELOPMENT NAME**

Town Square Apartments									
APPLICANT									
Name:	Converse To	wn Square Apartmen	ıts, Ltd.		Contact:	Michael	A. Hogar	ı	
Address:	1931 NW M	ilitary Hwy, Suite 22	0					·	
City	San Antonio				State:	TX	Zip:	78213	
Phone:	(210) 682	-1500 <b>Fax:</b>	(210)	682-4015	Email:	mhogan	@hoganre	e.com	
	KEY PARTICIPANTS								
Name:	Town Squar	e Living, LLC		Title:	0.01% Managing	General Part	ner of Appl	cant	
Name:	Converse Pu	ıblic Facility Corpora	tion	Title:	Sole Member of l	MGP (created	l by City)	<u> </u>	
Name:	Hogan Real	Estate Services		Title:	Developer				
Name:	Michael Hogan			Title:	100% Owner of Hogan Real Estate Services			es	
			PROPE	RTY LOCA	ATION				
Location:	680 S. Segu	in							
City:	Converse						<b>Zip:</b> 7	8109	
County:	Bexar			Region	9		QCT	☐ DDA	
				REQUEST					
Prog	gram_	<b>Amount</b>	<u> I</u>	Interest Rate	<u> </u>	<u>Amortizatio</u>	<u>on</u>	<u>Term</u>	
H	TC	\$730,219 ¹		N/A		N/A		N/A	
Proposed U	Jse of Funds:	New construction		Type:	Multifamily	7			
Target Population:		Family	nily Other: U		Urban/Exurban				
				_					

#### RECOMMENDATION

 $\boxtimes$ 

RECOMMEND APPROVAL OF A HOUSING TAX CREDIT ALLOCATION NOT TO EXCEED \$730,219 ANNUALLY FOR TEN YEARS, SUBJECT TO CONDITIONS.

#### CONDITIONS

Should the terms and rates of the proposed debt or syndication change, the transaction should be reevaluated and an adjustment to the credit/allocation amount may be warranted.

	REVIEW of PREVIOUS UNDERWRITING REPORTS
No previous reports.	

DEVELOPMENT SPECIFICATIONS								
	IMPROVEMENTS							
Total Units: 252	# Res Bldgs $\underline{10}$ # Non-Res Bldgs $\underline{1}$ Age: $\underline{N/A}$ yrs							
Net Rentable SF:	242,124         Av Un SF:         961         Common Area SF:         4,203         Gross Bldg SF:         246,327							

¹ On 1/12/2007, increased request from request at application of \$699,034 annually

#### 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 43% masonry veneer, 12% cement fiber, and 45% stucco. The interior wall surfaces will be drywall and the roofs will be finished with composite shingles.

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 fax 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, 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 gazebo with sitting area, a swimming pool, and a sport court.

**Uncovered Parking:** 415 **Carports:** Garages: 0 spaces 126 spaces

#### PROPOSAL and DEVELOPMENT PLAN DESCRIPTION

Description: Town Square Apartments is a 26-unit per acre new construction development located in Converse which is in northeast Bexar County. The development is comprised of ten evenly distributed garden style residential buildings as follows:

No. of Buildings	No. of Floors	<u>1BR</u>	<u> 2BR</u>	<u>3BR</u>
2	3	16	8	0
1	3	4	20	0
1	3	0	24	0
1	3	16	0	8
2	3	0	0	12
1	3	8	22	6
2	3	8	16	12

The development includes a 4,203-square foot community building.

	SITE ISSUES							
	SITE DESCRIPTION							
Total Size:	9.78 acres	Scattered sites?	☐ Yes ☒ No					
Flood Zone:	Zone X	Within 100-year floodplain?	☐ Yes ☒ No					
Current Zoning: R-3		Needs to be re-zoned?	☐ Yes ☒ No ☐ N/A					
SITE and NEIGHBORHOOD CHAPACTERISTICS								

**Location:** The subject site is an undeveloped tract of land located in the 600 block of South Seguin Road in Converse.

#### **Adjacent Land Uses:**

- € North: Legion Drive immediately adjacent and Saint Monica Catholic School beyond;
- **≤ South:** South Seguin Road immediately adjacent and retail shopping beyond;
- East: FM 78 immediately adjacent and commercial businesses beyond; and

€ West: South Seguin Road immediately adjacent and retail and commercial business beyond.

<u>Site Access</u>: "Access to the property is very good. The site is one-quarter mile north from the intersection of S. Seguin road and FM 78, a major thoroughfare into east San Antonio. From FM 78, one can connect to Loop 1604, Loop 410 and IH 35." (p. 2)

<u>Public Transportation</u>: Public transportation to the area is provided by VIA and the nearest bus stop is located on S. Seguin, directly in front of the site.

**Shopping & Services:** "Residents will have access to employment centers, financial centers, shopping, schools, recreational facilities, literary and cultural centers, and medical facilities offered throughout the San Antonio area." (Market Study, p. 3)

	TDHCA SITE INSPECTION							
			IDHC	A SHE INSPECTION	v .			
Inspector: Manufactured Housing Staff			Date:	01/03/2007				
Overall Assessm	ent:	☐ Excellent	Acceptable Acceptable	Questionable	Poor	Unacceptable		
Comments:								
		ПСПП	CHIC of COILS &	HAZADDOLIS MA	TEDIALS DEI	OODT(C)		

HIGHLIGHTS OF SOILS & HAZARDOUS MATERIALS REPORT(S)

A Phase I Environmental Site Assessment report dated July 30, 2006 was prepared by Clean Environments, Inc. and contained the following findings and recommendations:

#### **Findings:**

- Noise: "A noise study is not recommended for the subject property. The property is within one fourth mile of the perimeter of Randolph Air force Base, but the most recent base noise study, Air Installation Compatible Use Zone Study, 2000, indicated that the subject property is outside of the noise contour area. The subject property is within one fourth mile of the Southern Pacific Railroad and Loop 1604; and the east perimeter of the site, FM 78, is a major thoroughfare in the area. There is no indication of excessive noise because of the location of the subject property to the rail road and the highway." (addendum letter to the report)
- **Floodplain:** "The site is not located in the 100-year floodplain as indicated on Panel 48029C0318E of the Bexar County Flood Plain Maps." (p. 17)
- **Asbestos-Containing Materials (ACM):** "No ACM survey was conducted as part of this assessment." [and is not needed since the site is currently unimproved] (p. 16)
- ∉ Lead-Based Paint (LBP): "A lead-based paint inspection was not conducted as part of this assessment." [and is not needed since the site is currently unimproved] (p. 17)
- ∠ Lead in Drinking Water: "Lead water samples were not collected as part of this assessment." [and is not needed since the site is currently unimproved] (p. 17)
- **Radon:** "According to the environmental database in Appendix E, the Federal EPA Radon Zone for Bexar County, TX is zone 3, which has an indoor average of less than 2 Pico curies per liter." (p. 16)

**Recommendations:** "Based upon these findings and the limitation of a Phase I Environmental Site Assessment, CEI is of the professional opinion that the Site is one of low environmental risk." (p. 18)

#### **INCOME SET-ASIDE**

The Applicant has elected the 40% at 60% or less of area median gross income (AMGI) set-aside. Any Qualified Residential Rental Project qualifies as a Priority 3 Private Activity Bond allocation (§ 1372.0321). Two hundred and fifty-two of the units (100% of the total) 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	\$22,320	\$25,500	\$28,680	\$31,860	\$34,380	\$36,960		

#### **MARKET HIGHLIGHTS**

A market feasibility study dated November 3, 2006 was prepared by Apartment MarketData Report ("Market Analyst") and included the following findings:

**Secondary Market Information:** A secondary market was not identified in the Market Study.

<u>Definition of Primary Market Area (PMA)</u>: "The boundaries of the Primary Market Area are as follows: North – Interstate 35, East – FM 3009 extending to Interstate 10, South – Interstate 10, West – Foster road extending to Interstate 35." (p. 30) This area encompasses approximately 57.43 square miles and is equivalent to a circle with a radius of 4.3 miles which is relatively large for a bond transaction.

**Population:** The estimated 2005 population of the PMA was 98,930 and is expected to increase by 2% to approximately 100,677 by 2007. Within the primary market area there were estimated to be 33,713 households in 2005.

<u>Total Market Demand</u>: The Market Analyst utilized a target household adjustment rate of 100% and a household size-appropriate adjustment rate of 97.02% (p. 49). The Analyst's income band of \$20,469 to \$34,380 (p. 48) results in a renter-income eligible adjustment rate of 6.9% (p. 48). The Market Analyst indicates a turnover rate of 74.9% applies based on IREM reports for the typical garden style projects in San Antonio. (p. 49)

MARKET DEMAND SUMMARY								
	Market	Analyst	Underwriter					
Type of Demand	Units of Demand	% of Total Demand	Units of Demand	% of Total Demand				
Household Growth	37	2.1%	39	2.2%				
Resident Turnover	1,712	97.9%	1,699	97.8%				
TOTAL DEMAND	1,750	100%	1,739	100%				

p. 51

<u>Inclusive Capture Rate</u>: The Market Analyst calculated an inclusive capture rate of 14.4% based upon 1,750 units of demand and 252 unstabilized affordable housing in the PMA (including the subject) (p. 51). The Underwriter calculated an inclusive capture rate of 14.5% based upon a revised demand estimate for 1,739 affordable units.

<u>Unit Mix Conclusion</u>: "...we conclude that the unit mix of the subject will vary from the demographic make-up of the Primary Market Area...Because of the physical, economic, and functional characteristics of the PAB and LIHTC programs, it is logical that some variation will exist from market demographic characteristics to the actual physical project. It is our opinion, given current occupancies and the forecasted household growth, that the subject unit mix, for all purposes, will meet the needs of lower and median income families within the submarket." (p. 95)

<u>Market Rent Comparables</u>: The Market Analyst surveyed six comparable apartment projects totaling 1,247 units in the market area. (p. 100)

RENT ANALYSIS (net tenant-paid rents)									
Unit Type (% AMI)	Proposed	Program Max	Differential	Est. Market	Differential				
1-Bedroom (60%) 754 sq ft	\$530	\$530	\$0	\$680	-\$150				
1-Bedroom (60%) 755 sq ft	\$530	\$530	\$0	\$680	-\$150				
1-Bedroom (60%) 759 sq ft	\$530	\$530	\$0	\$680	-\$150				
1-Bedroom (60%) 766 sq ft	\$530	\$530	\$0	\$685	-\$155				
2-Bedroom (60%)	\$636	\$636	\$0	\$770	-\$134				
2-Bedroom (60%)	\$636	\$636	\$0	\$825	-\$189				
2-Bedroom (60%)	\$636	\$636	\$0	\$835	-\$199				
3-Bedroom (60%)	\$726	\$726	\$0	\$1,055	-\$329				

(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% as a result of solid

demand. Demand for newer rental apartment units is considered to be growing." (p. 10)

**Absorption Projections:** "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.88)

<u>Unstabilized</u>, <u>Under Construction</u>, <u>and Planned Development</u>: The Market Study indicates there are no unstabilized, under construction or proposed comparable developments in the PMA (p. 38).

<u>Market Impact</u>: "An apartment development would also help with labor support for retail and industrial development in the immediate area, and would not significantly impact neighborhood single-family housing. In fact, an apartment development would have less of an impact on the existing housing than most other development types present in the sub-market" (p. 85).

<u>Market Study Analysis/Conclusions</u>: The Underwriter found the market study provided sufficient information on which to base a funding recommendation.

#### **OPERATING PROFORMA ANALYSIS**

<u>Income</u>: The Applicant's projected rents collected per unit were calculated by subtracting tenant-paid utility allowances as of June 1, 2006, maintained by San Antonio Housing Authority, from the 2006 program gross rent limits. Tenants will be required to pay for electricity.

In addition to secondary income from normal operation, the Applicant projects income from covered parking, telephone commissions and cable commissions. The underwriting analysis generally assumes the maximum \$15 per unit per month in secondary income from normal operation and in this case an additional \$5 per unit per month from a combination of sources including telephone and cable commissions. The additional secondary income is supported by the operating statement for Eagle Ridge Apartments, a 280-unit development that received tax credits in 2001.

The Applicant's vacancy and collection loss assumption is in line with 2006 underwriting guidelines and their effective gross income assumption is within 5% of the Underwriter's estimate.

**Expenses:** The Applicant's total annual operating expense projection at \$3,078 per unit is not within 5% of the Underwriter's estimate of \$3,470, derived from the TDHCA database and third-party data sources. The Applicant's general and administrative expense, payroll expense, and utilities expense appear to be understated based on not only the database information available to the Underwriter, but also the operating statement for Eagle Ridge Apartments provided by the Applicant. Converse Town Square Apartments will be entering into a long term lease with Converse Public Facility Corporation, and the development will be entitled to a 100% ad valorem tax exemption pursuant to the Texas Local Government Code Sec. 303.042. Therefore the underwriting analysis reflects a 100% property tax exemption.

<u>Conclusion</u>: While the Applicant's estimate of effective gross income is comparable to the Underwriter's estimate, the Applicant's operating expenses and net operating income are each vary by more than 5% from Underwriter's estimates. Therefore, the Underwriter's Year One proforma is used to determine the development's debt capacity and debt coverage ratio (DCR).

The proforma and estimated debt service result in a debt coverage ratio (DCR) below the current underwriting minimum guideline of 1.10 (2006 guideline). 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 and a revised permanent debt service were utilized resulting in a debt coverage ratio that remains above 1.10 and continued positive cash flow. Therefore, the development can be characterized as feasible for the long-term.

ACQUISITION VALUATION INFORMATION									
ASSESSED VALUE									
Land: (9.78) acres \$565,000 Assessment for the Year of: 2006									
Tax Rate:	2.924830	Valuation by: Bexar County Appraisal District							
	EVIDENCE of SITE	or PROPERTY CONTROL							
<b>Type of Site Control:</b>	Unimproved commercial prope	rty contract (9.78 acres)							
<b>Contract Expiration:</b>	3/1/2007	Valid through Board Date? Yes No							
<b>Acquisition Cost:</b>	\$631,620	Other: Earnest money - \$9,000							
Seller:       Eugene Ellis and Deborah White       Related to Development Team?       ☐ Yes ☒ No									

#### **CONSTRUCTION COST ESTIMATE EVALUATION**

<u>Acquisition Value</u>: The site cost of \$65,400 per acre or \$2,538 per unit is assumed to be reasonable since the acquisition is an arm's-length transaction.

<u>Off-Site Costs</u>: The Applicant claimed off-site costs of \$23,625 for an access road and provided sufficient third party certification through an architect's certification to justify these costs.

<u>Sitework Cost</u>: The Applicant's claimed sitework costs of \$7,216 per unit are within the 2006 Department guidelines. Therefore, further third party substantiation is not required.

**Direct Construction Cost:** The Applicant's direct construction cost estimate, revised as of January 15, 2007, is \$556K lower than the Underwriter's Marshall & Swift *Residential Cost Handbook*-derived estimate. However, the Applicant's revised figure is within 5% of the Underwriter's estimate. Furthermore, the Applicant provided a Standard Form of Agreement Between Owner and Contractor (AIA Document A101-1997) supporting a total contract sum payable to the proposed general contractor of \$14,833,579. This amount is roughly equivalent to the proposed offsite, sitework, direct construction and contingency costs as well as contractor fees.

<u>Fees:</u> The Applicant's contractor and developer general and administrative fees are within 2006 Department limits.

<u>Conclusion</u>: 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 \$20,328,786 supports annual tax credits of \$737,935. 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:	Citibank Commu	nity Development	Contact:	Jerry Wright					
Tax-Exempt:	\$14,000,000	Interest Rate:	5.35%, fixed, lender's	s estimate	<b>Amort:</b> 420 months				
Documentation	: Signed	Term Sheet LOI	Firm Commitment	Conditi	onal Commitment  Application				
Comments:									
		TAX C	REDIT SYNDICATION	I					
Source:	Red Capital Mar		REDIT SYNDICATION	Contact:	Dale Cook				
Source: Proceeds:	Red Capital Mar \$7,155,430								
	\$7,155,430	Net Syndication	Rate: 98%	Contact: Anticipate					
Proceeds:	\$7,155,430 a: Signed	Net Syndication	Rate: 98%	Contact: Anticipate	d HTC: \$730,219/year				

			OTHER				
Amount:	\$1,046,887	Source:	Deferred Developer Fee				
FINANCING STRUCTURE ANALYSIS							

<u>Interim to Permanent Bond Financing</u>: The tax-exempt bonds are to be issued by Converse HFC of Travis County and privately placed by Red Capital Markets. The permanent financing term sheet is consistent with the terms reflected in the revised sources and uses of funds statement.

**HTC Syndication:** The tax credit syndication commitment is slightly inconsistent with the terms reflected in the sources and uses of funds statement. The projected equity amount varies by \$716.

<u>Deferred Developer's Fees</u>: The Applicant's proposed deferred developer's fees of \$1,046,887, revised on January 15, 2007, amount to 43% of the total fees.

<u>Financing Conclusions</u>: As stated above, the proforma analysis results in a debt coverage ratio below the Department's 2006 minimum guideline of 1.10. The current underwriting analysis assumes a decrease in the permanent loan amount to \$13,415,000 based on the terms reflected in the application materials and the anticipated likely redemption of up to \$585,000 in bonds at the conversion to permanent.

The Applicant's total development cost estimate less the revised permanent loan of \$13,415,000 indicates the need for \$8,788,032 in gap funds. Based on the submitted syndication terms, a tax credit allocation of \$896,828 annually would be required to fill this gap in financing. Of the three possible tax credit allocations, Applicant's revised request (\$730,219), the gap-driven amount (\$896,828), and eligible basis-derived estimate (\$737,935), the Applicant's request of \$730,219 is recommended resulting in proceeds of \$7,155,430.

The Underwriter's recommended financing structure indicates the need for \$1,632,602 in additional permanent funds. Deferred developer fees in this amount appear to be repayable from development cashflow within 10 years of stabilized operation.

## DEVELOPMENT TEAM IDENTITIES of INTEREST

The Applicant, Developer 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 and General Partner are single-purpose entities created for the purpose of receiving assistance from TDHCA and therefore have no material financial statements.
- ∉ The Developer, Hogan Real Estate Services, submitted an unaudited financial statement as of November 30, 2006 reporting total assets of \$3.9M and consisting of \$314K in cash, \$409K in current assets and \$3.2M in long term assets. Liabilities totaled \$104K, resulting in a net worth of \$3.8M.

**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 expenses and net operating income are more than 5% outside of the Underwriter's verifiable ranges.
- ∉ 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:	January 22, 2007
	Carl Hoover		
Reviewing Underwriter:		Date:	January 22, 2007
	Lisa Vecchietti		<u>.                                      </u>
Director of Real Estate Analysis:		Date:	January 22, 2007
	Tom Gouris		<u> </u>

#### **MULTIFAMILY COMPARATIVE ANALYSIS**

#### Town Square, Converse, 4% HTC #060440

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	754	\$597	\$530	\$19,092	\$0.70	\$66.66	\$35.82
TC 60%	24	1	1	759	597	\$530	12,728	0.70	66.66	35.82
TC 60%	12	1	1	767	597	\$530	6,364	0.69	66.66	35.82
TC 60%	4	1	1	770	597	\$530	2,121	0.69	66.66	35.82
TC 60%	12	2	1	887	717	\$636	7,636	0.72	80.69	42.62
TC 60%	42	2	2	972	717	\$636	26,725	0.65	80.69	42.62
TC 60%	60	2	2	981	717	\$636	38,179	0.65	80.69	42.62
TC 60%	62	3	2	1,196	828	\$726	45,006	0.61	102.10	54.11
TOTAL:	252		AVERAGE:	961	\$708	\$626	\$157,851	\$0.65	\$81.73	\$43.40
INCOME	!	Total Net Re	atabla Ca Etc	242 424		TDHCA	APPLICANT	0	anteellania Danisa	9
POTENTIA	CPOSS E		ntable 5q Ft.	<u>242,124</u>		\$1,894,212	\$1,893,552	Con	nptroller's Region	San Antonio
Secondary I		KLINI		Per Unit Per Month:	\$15.00	45,360	16,632	\$5.50	Per Unit Per Month	
•		arking, teleph		Per Unit Per Month:	\$5.00	15,120	43,848	\$14.50	Per Unit Per Month	
POTENTIA					• • • • • • • • • • • • • • • • • • • •	\$1,954,692	\$1,954,032	•		
Vacancy & 0	Collection Lo	ss	% of Poter	ntial Gross Income:	-7.50%	(146,602)	(146,556)	-7.50%	of Potential Gross	Income
Employee o	r Other Non-	Rental Units	or Concessio	ns		0				
EFFECTIVE		NCOME				\$1,808,090	\$1,807,476			
EXPENSES	<u> </u>		% OF EGI	PER UNIT	PER SQ FT			PER SQ FT	PER UNIT	% OF EGI
General & A	Administrative	)	5.31%	\$381	0.40	\$96,066	\$61,800	\$0.26	\$245	3.42%
Managemer	nt		4.07%	292	0.30	73,652	71,650	0.30	284	3.96%
Payroll & Pa	ayroll Tax		13.65%	979	1.02	246,799	207,000	0.85	821	11.45%
Repairs & M	1aintenance		5.92%	425	0.44	107,045	104,381	0.43	414	5.77%
Utilities			2.15%	154	0.16	38,927	23,920	0.10	95	1.32%
Water, Sew	er, & Trash		4.67%	335	0.35	84,384	74,834	0.31	297	4.14%
Property Ins	surance		3.35%	240	0.25	60,531	65,000	0.27	258	3.60%
Property Ta	x	2.92483	0.00%	0	0.00	0	0	0.00	0	0.00%
Reserve for	Replacemen	its	2.79%	200	0.21	50,400	50,400	0.21	200	2.79%
Other includ	ling compl fe	es	6.45%	463	0.48	116,601	116,601	0.48	463	6.45%
TOTAL EXP	PENSES		48.36%	\$3,470	\$3.61	\$874,405	\$775,586	\$3.20	\$3,078	42.91%
NET OPER	ATING INC		51.64%	\$3,705	\$3.86	\$933,685	\$1,031,890	\$4.26	\$4,095	57.09%
DEBT SER	VICE									
CapMark Sec	curities		48.99%	\$3,515	\$3.66	\$885,741	\$849,414	\$3.51	\$3,371	46.99%
Additional Fir	nancing		0.00%	\$0	\$0.00	0		\$0.00	\$0	0.00%
Additional Fire	nancing		0.00%	\$0	\$0.00	0		\$0.00	\$0	0.00%
NET CASH	FLOW		2.65%	\$190	\$0.20	\$47,945	\$182,476	\$0.75	\$724	10.10%
AGGREGAT	E DEBT COV	ERAGE RAT	10			1.05	1.21			
RECOMMEN	IDED DEBT (	COVERAGE	RATIO			1.10				
CONSTRU	CTION COS	<u>ST</u>								
Descr	ription	Factor	% of TOTAL	PER UNIT	PER SQ FT	TDHCA	APPLICANT	PER SQ FT	PER UNIT	% of TOTAL
Acquisition	Cost (site or b	oldg)	2.80%	\$2,538	\$2.64	\$639,614	\$639,614	\$2.64	\$2,538	2.88%
Off-Sites			0.10%	94	0.10	23,625	23,625	0.10	94	0.11%
Sitework			7.97%	7,216	7.51	1,818,503	1,818,503	7.51	7,216	8.19%
Direct Cons	struction		50.72%	45,911	47.78	11,569,606	11,013,469	45.49	43,704	49.60%
Contingenc		3.77%	2.21%	2,004	2.09	504,888	504,888	2.09	2,004	2.27%
General Re	-	5.04%	2.96%	2,679	2.79	675,000	675,000	2.79	2,679	3.04%
Contractor's	•	1.84%	1.08%	980	1.02	246,888	246,888	1.02	980	1.11%
Contractor's		3.73%	2.19%	1,984	2.07	500,000	500,000	2.07	1,984	2.25%
Indirect Cor		3.1370	8.26%	7,478	7.78	1,884,378	1,884,378	7.78	7,478	2.25% 8.49%
Ineligible Co						1,011,007	1,011,007			
•		0.470/	4.43%	4,012	4.18			4.18	4,012	4.55%
Developer's		2.17%	1.75%	1,587	1.65	400,000	400,000	1.65	1,587	1.80%
Developer's		11.18%	9.03%	8,175	8.51	2,060,000	2,060,000	8.51	8,175	9.28%
Interim Fina	urcing		5.37%	4,864	5.06	1,225,660	1,225,660	5.06	4,864	5.52%
Reserves	ст		1.11%	1,005	1.05	253,249	200,000	0.83	794	0.90%
TOTAL CO		_	100.00%	\$90,525	\$94.22	\$22,812,418	\$22,203,032	\$91.70	\$88,107	100.00%
Construction			67.13%	\$60,773	\$63.25	\$15,314,885	\$14,758,748	\$60.96	\$58,566	66.47%
SOURCES		į						RECOMMENDED	1	
CapMark Sec			61.37%	\$55,556	\$57.82	\$14,000,000	\$14,000,000	\$13,415,000		Fee Available
Additional Fire	nancing		0.00%	\$0	\$0.00	0		0	\$2,40	60,000
HTC Syndica	ition Proceed	S	31.37%	\$28,395	\$29.55	7,155,430	7,156,146	7,155,430	% of Dev.	Fee Deferred
Deferred Dev	eloper Fees		4.59%	\$4,154	\$4.32	1,046,887	1,046,887	1,632,602	6	6%
Additional (E:	xcess) Funds	Req'd	2.67%	\$2,421	\$2.52	610,101	(1)	0	15-Yr Cumul	ative Cash Flow
TOTAL SOL	IDOEC					¢22 012 410	¢22 202 022	¢22 202 022	l 60.00	7 112

\$22,812,418

\$22,203,032

TCSheet Version Date 6/5/06tg

TOTAL SOURCES

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\$3,387,443

#### MULTIFAMILY COMPARATIVE ANALYSIS (continued)

Town Square, Converse, 4% HTC #060440

#### **DIRECT CONSTRUCTION COST ESTIMATE**

Residential Cost Handbook

Average Quality Multiple Residence Basis

CATEGORY	FACTOR	UNITS/SQ FT	PER SF	AMOUNT
Base Cost			\$48.77	\$11,808,236
Adjustments				
Exterior Wall Finish	3.44%		\$1.68	\$406,203
9-Ft. Ceilings	3.00%		1.46	354,247
Roofing			0.00	0
Subfloor			(0.75)	(180,786)
Floor Cover			2.22	537,515
Porches/Balconies	\$20.33	42,084	3.53	855,568
Plumbing	\$680	492	1.38	334,560
Built-In Appliances	\$1,675	252	1.74	422,100
Stairs	\$1,900	46	0.36	87,400
Enclosed Corridors	\$38.85		0.00	0
Heating/Cooling			1.73	418,875
Garages/Carports		0	0.00	0
Comm &/or Aux Bldgs	\$64.74	4,203	1.12	272,102
Other:			0.00	0
SUBTOTAL			63.26	15,316,020
Current Cost Multiplier	1.07		4.43	1,072,121
Local Multiplier	0.86		(8.86)	(2,144,243)
TOTAL DIRECT CONSTRUC	TION COSTS		\$58.83	\$14,243,898
Plans, specs, survy, bld prmts	3.90%		(\$2.29)	(\$555,512)
Interim Construction Interest	3.38%		(1.99)	(480,732)
Contractor's OH & Profit	11.50%		(6.77)	(1,638,048)
NET DIRECT CONSTRUCTION	ON COSTS		\$47.78	\$11,569,606

#### PAYMENT COMPUTATION

Primary	\$14,000,000	Amort	420
Int Rate	5.35%	DCR	1.05
Secondary	\$0	Amort	
Int Rate	0.00%	Subtotal DCR	1.05
Additional	\$7,156,146	Amort	
Int Rate		Aggregate DCR	1.05

#### RECOMMENDED FINANCING STRUCTURE:

RECOMMENDED FINANCING STRUCTURE:									
Primary Debt Serv Secondary Debt Se Additional Debt Se NET CASH FLO	ervice rvice	\$848,729 0 0 \$84,956							
Primary	\$13,415,000	Amort	420						
Int Rate	5.35%	DCR	1.10						
-									
Secondary	\$0	Amort	0						
Int Rate	0.00%	Subtotal DCR	1.10						
Additional	\$7,156,146	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
POTENTIA	L GROSS RENT	\$1,894,212	\$1,951,038	\$2,009,569	\$2,069,856	\$2,131,952	\$2,471,517	\$2,865,165	\$3,321,512	\$4,463,834
Secondar	y Income	45,360	46,721	48,122	49,566	51,053	59,185	68,611	79,539	106,894
Other Inco	ome: covered parking, te	15,120	15,574	16,041	16,522	17,018	19,728	22,870	26,513	35,631
POTENTIA	L GROSS INCOME	1,954,692	2,013,333	2,073,732	2,135,944	2,200,023	2,550,429	2,956,647	3,427,564	4,606,359
Vacancy 8	& Collection Loss	(146,602)	(151,000)	(155,530)	(160,196)	(165,002)	(191,282)	(221,749)	(257,067)	(345,477)
Employee	or Other Non-Rental Ur	0	0	0	0	0	0	0	0	0
EFFECTIV	E GROSS INCOME	\$1,808,090	\$1,862,333	\$1,918,203	\$1,975,749	\$2,035,021	\$2,359,147	\$2,734,898	\$3,170,497	\$4,260,882
EXPENSES	S at 4.00%									
General &	Administrative	\$96,066	\$99,908	\$103,905	\$108,061	\$112,383	\$136,731	\$166,355	\$202,396	\$299,595
Managem	ent	73,652	75,861	78,137	80,481	82,895	96,099	111,405	129,148	173,565
Payroll &	Payroll Tax	246,799	256,671	266,938	277,615	288,720	351,272	427,376	519,968	769,680
Repairs &	Maintenance	107,045	111,327	115,780	120,411	125,228	152,359	185,368	225,528	333,836
Utilities		38,927	40,484	42,104	43,788	45,539	55,405	67,409	82,014	121,400
Water, Se	wer & Trash	84,384	87,760	91,270	94,921	98,718	120,105	146,126	177,785	263,165
Insurance		60,531	62,952	65,470	68,089	70,813	86,154	104,820	127,530	188,775
Property 1	Гах	0	0	0	0	0	0	0	0	0
Reserve f	or Replacements	50,400	52,416	54,513	56,693	58,961	71,735	87,276	106,185	157,180
Other		116,601	121,265	126,116	131,160	136,407	165,960	201,915	245,661	363,638
TOTAL EX	PENSES	\$874,405	\$908,644	\$944,231	\$981,219	\$1,019,663	\$1,235,820	\$1,498,050	\$1,816,214	\$2,670,834
NET OPER	RATING INCOME	\$933,685	\$953,688	\$973,971	\$994,529	\$1,015,358	\$1,123,327	\$1,236,848	\$1,354,282	\$1,590,048
D	EBT SERVICE									
First Lien F	inancing	\$848,729	\$848,729	\$848,729	\$848,729	\$848,729	\$848,729	\$848,729	\$848,729	\$848,729
Second Lie	en	0	0	0	0	0	0	0	0	0
Other Finar	ncing	0	0	0	0	0	0	0	0	0
NET CASH	I FLOW	\$84,956	\$104,959	\$125,242	\$145,800	\$166,628	\$274,598	\$388,119	\$505,553	\$741,318
DEBT COV	ERAGE RATIO	1.10	1.12	1.15	1.17	1.20	1.32	1.46	1.60	1.87

## HTC ALLOCATION ANALYSIS -Town Square, Converse, 4% HTC #060440

	APPLICANT'S	TDHCA	APPLICANT'S	TDHCA
	TOTAL	TOTAL	REHAB/NEW	REHAB/NEW
CATEGORY	AMOUNTS	AMOUNTS	ELIGIBLE BASIS	ELIGIBLE BASIS
(1) Acquisition Cost				
Purchase of land	\$639,614	\$639,614		
Purchase of buildings				
(2) Rehabilitation/New Construction Cost				
On-site work	\$1,818,503	\$1,818,503	\$1,818,503	\$1,818,503
Off-site improvements	\$23,625	\$23,625		
(3) Construction Hard Costs				
New structures/rehabilitation hard costs	\$11,013,469	\$11,569,606	\$11,013,469	\$11,569,606
(4) Contractor Fees & General Requirements				
Contractor overhead	\$246,888	\$246,888	\$246,888	\$246,888
Contractor profit	\$500,000	\$500,000	\$500,000	\$500,000
General requirements	\$675,000	\$675,000	\$675,000	\$675,000
(5) Contingencies	\$504,888	\$504,888	\$504,888	\$504,888
(6) Eligible Indirect Fees	\$1,884,378	\$1,884,378	\$1,884,378	\$1,884,378
(7) Eligible Financing Fees	\$1,225,660	\$1,225,660	\$1,225,660	\$1,225,660
(8) All Ineligible Costs	\$1,011,007	\$1,011,007		
(9) Developer Fees				
Developer overhead	\$400,000	\$400,000	\$400,000	\$400,000
Developer fee	\$2,060,000	\$2,060,000	\$2,060,000	\$2,060,000
(10) Development Reserves	\$200,000	\$253,249		
TOTAL DEVELOPMENT COSTS	\$22,203,032	\$22,812,418	\$20,328,786	\$20,884,923
Deduct from Basis:				
All grant proceeds used to finance costs in eligible	le basis			
B.M.R. loans used to finance cost in eligible basi				
Non-qualified non-recourse financing				
Non-qualified portion of higher quality units [42(d	)(3)]			
Historic Credits (on residential portion only)				
TOTAL FLICIPLE DAGIO	i i		<b>#</b> 00 000 <b>7</b> 00	<b>#</b> 00 004 000

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	\$20,328,786	\$20,884,923
High Cost Area Adjustment	100%	100%
TOTAL ADJUSTED BASIS	\$20,328,786	\$20,884,923
Applicable Fraction	100%	100%
TOTAL QUALIFIED BASIS	\$20,328,786	\$20,884,923
Applicable Percentage	3.63%	3.63%
TOTAL AMOUNT OF TAX CREDITS	\$737,935	\$758,123

Syndication Proceeds 0.9799 \$7,231,039 \$7,428,859

Total Tax Credits (Eligible Basis Method) \$737,935 \$758,123 Syndication Proceeds \$7,231,039 \$7,428,859

Requested Tax Credits \$730,219

Syndication Proceeds \$7,155,430

Gap of Syndication Proceeds Needed \$8,788,032

Total Tax Credits (Gap Method) \$896,828

## **Applicant Evaluation**

Project ID # 060440 Name:	<b>Town Square Apartments</b>	City: Converse
LIHTC 9% ☐ LIHTC 4% ☑	HOME BOND HTF	SECO   ESGP  Other
✓ No Previous Participation in Texas	$\square$ Members of the develop	ment team have been disbarred by HUD
National Previous Participation Co	ertification Received:   N/A	$\square$ Yes $\square$ No
Noncompliance Reported on Nation	onal Previous Participation Certification:	$\square$ Yes $\square$ No
	Portfolio Management and Compliance	
Total # of Projects monitored:0	Projects in Material Noncompliance	# in noncompliance: 0
Projects zero to nine: 0	Yes No V	Projects not reported Yes
grouped ten to nineteen: 0	# monitored with a score less than thirty:	in application No 🗸
by score twenty to twenty-nine: 0	# not yet monitored or pending review:	# of projects not reported 0
Portfolio Monitoring	Single Audit	Portfolio Analysis
Not applicable	Not applicable	Not applicable
Review pending	Review pending	No unresolved issues
No unresolved issues	No unresolved issues	Not current on set-ups
Unresolved issues found	Issues found regarding late cert $\Box$	Not current on draws
Unresolved issues found that	Issues found regarding late audit $\Box$	Not current on match
warrant disqualification (Comments attached)	Unresolved issues found that warrant disqualification	
Reviewed by Patricia Murphy	(Comments attached)	Date1/3/2007
Multifamily Finance Production	Single Family Finance Production	Real Estate Analysis (Workout)
Not applicable	Not applicable	Not applicable
Review pending	Review pending	Review pending
No unresolved issues	No unresolved issues	No unresolved issues
Unresolved issues found	Unresolved issues found	Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)	Unresolved issues found that warrant disqualification (Comments attached)	Unresolved issues found that warrant disqualification (Comments attached)
Reviewer S. Roth	Reviewer Sandy M. Garcia	Reviewer David Burrell
Date 1 /3 /2007	Date 12/22/2006	Date 1 /4 /2007
Community Affairs	Office of Colonia Initiatives	Financial Administration
No relationship	Not applicable	No delinquencies found
Review pending	Review pending	Delinquencies found
No unresolved issues	No unresolved issues	
Unresolved issues found	Unresolved issues found	
Unresolved issues found that warrant disqualification (Comments attached)	Unresolved issues found that warrant disqualification (Comments attached)	
Reviewer EEF	Reviewer Maria Cazares	Reviewer Melissa M. Whitehead
Date 12/22/2006	Date 1 /9 /2007	Date 12/22/2006

## MULTIFAMILY FINANCE PRODUCTION DIVISION BOARD ACTION REQUEST

**February 1, 2007** 

## **Action Item**

Presentation, Discussion and Possible Issuance of Determination Notices for Housing Tax Credits associated with Mortgage Revenue Bond Transactions with other Issuers.

## **Requested Action**

Approve, Amend or Deny the staff recommendation for Gulfway Manor Apartments.

## **Summary of the Transaction**

Background and General Information: The application was received on November 10, 2006. The Issuer for this transaction is Nueces County HFC. The development is an acquisition/rehabilitation and will consist of 151 total units targeting the general population, with all units affordable. The site is currently zoned for such a development. The Compliance Status Summary completed on January 9, 2007 reveals that the principals of the general partner have no properties in material noncompliance. The bond priority for this transaction is:

Set aside 100% of units that cap rents at 30% of 60% AMFI (MUST receive 4% Housing Tax Credits

Census Demographics: The development is located at 1702 – 1752 Trey Way Lane in Corpus Christi. Demographics for the census tract (33.02) include AMFI of \$37,596; the total population is 7,342; the percent of population that is minority is 63.27%; the percent of population that is below the poverty line is 24.11%; the number of owner occupied units is 944; the number of renter units is 1,959 and the number of vacant units is 210. The percentage of population that is minority for the entire City of Corpus Christi is 61% (Census information from FFIEC Geocoding for 2006).

*Public Comment:* The Department has received no letters of support or opposition.

## Recommendation

Staff recommends the Board approve the issuance of a Determination Notice of \$481,841 in Housing Tax Credits for Gulfway Manor Apartments.



## MULTIFAMILY FINANCE PRODUCTION DIVISION

## February 1, 2007

## Development Information, Public Input and Board Summary Gulfway Manor Apartments. TDHCA Number 07401

		Gunway	Manoi Apa		iciiio,	IDIIOAI	uilibei 014		
			BASIC DE	VELC	OPMENT	<u>INFORMATION</u>	<u>N</u>		
Site Address:	: 1702-1752 Trey Way Lane					Developmen	t #:	07401	
City:	Corp	us Christi	Regio	n:	10	ſ	Population Serv	ed:	Family
County:	Nuec	es	Zip Co	de:	78412		Allocati	ion:	Urban/Exurban
HOME Set Asi	des:		☐ Preservation	ก	□ Gener	al	Purpose/Activ	vity:	ACQ/R
Bond Issuer:		Nueces Co	unty HFC						
	Н	TC Purpose/Activity	NC=New Construction NC/R=New Construction					ion and	Acquisition,
			OWNER	AN	D DEVELO	OPMENT TEAM	<u> </u>		
Owner:			GW Affordable	Hou	ısing, L.P				
Owner Contac	ct and	Phone	Daniel F. O'De	а			(512) 494-820	0	
Developer:			Delphi Commu	nity	Housing 2	2006, L.P.			
Housing Gene	eral Co	ntractor:	Penco Constru	ction	Compan	y, Inc.			
Architect:			The Hill Firm						
Market Analys	it:		O'Connor & As	soci	ates, L.P.				
Syndicator: PNC Multifamily Capital, Inc.									
Supportive Se	rvices	:	Consumer Cre	dit C	ounseling	Service of So	outh Texas		
Consultant:			Not Utilized						
			<u>UNIT/E</u>	UILE	DING INFO	ORMATION			
<u>30% 40% 5</u>	<u>0% 6</u>	<u> 60% Eff 1 E</u>	BR 2 BR 3 BR 4	BR	<u>5 BR</u>	Total Restri	cted Units:		. 151
-		151 0 2	0 51 60	20	0	Market Rate	e Units:		0
Type of Buildin	ng:		or more per buil	ding		•	oloyee Units:		0
☐ Duplex			ed Residence				opment Units:		151
☐ Triplex		□ Single □ Transit	Room Occupand	У			opment Cost: Residential Build	dinae:	\$13,639,620 13
☐ Fourplex		☐ Townh					rtesidential built rTotal Units:	uniya.	0
						=	Total Units:		0
		Note: If	Development Cost =\$0	an Ui	nderwriting Ro	eport has not been c	ompleted.		
			<u>FUN</u>	DINC	S INFORM	AATION .	·		
*	Applicant Department								
4% Housing	Tax C	redits with Bo	nds: \$47	3,03	6	\$481,841	0		0 0.00%
TDHCA Bon	d Alloc	ation Amount	:	\$	00	\$0	0		0 0.00%
HOME Activi	ty Fun	d Amount:		\$	0	\$0	0		0 0.00%
HOME CHDO Operating Grant Amount: \$0				60	\$0				



## MULTIFAMILY FINANCE PRODUCTION DIVISION February 1, 2007

## Development Information, Public Input and Board Summary Gulfway Manor Apartments, TDHCA Number 07401

## **PUBLIC COMMENT SUMMARY**

Guide: "O" = Oppose, "S" = Support, "N" = Neutral, "NC" or Blank = No comment

State/Federal Officials with Jurisdiction:

TX Senator: Hinojosa, District 20

NC NC US Representative: Ortiz, District 27, NC

TX Representative: Ortiz, District 33

US Senator:

**Local Officials and Other Public Officials:** 

Mayor/Judge: Henry Garrett, Mayor - NC

Resolution of Support from Local Government

Daniel Gallegos, Acting CD Program Manager, City of Corpus Christi - This project, as proposed by GW Affordable Housing, LP, is consistent with the City Consolidated Plan's Housing Goal Objectives Three and

Five.

Individuals/Businesses: In Support:

In Opposition

Neighborhood Input:

## **General Summary of Comment:**

The Department has received no letters of support and no letters of opposition.

## **CONDITIONS OF COMMITMENT**

Per §49.12(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 clearance letters for the lead based paint, asbestos, and mold and evidence that all other Phase I Environmental Site Assessment and subsequent environmental investigation report recommendations have been carried out is a condition of this report.

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.



## MULTIFAMILY FINANCE PRODUCTION DIVISION

## February 1, 2007

## Development Information, Public Input and Board Summary **Gulfway Manor Apartments, TDHCA Number 07401**

## RECOMMENDATION BY THE EXECUTIVE AWARD AND REVIEW ADVISORY COMMITTEE IS BASED ON:

4% Housing Tax Credits:

Credit Amount:

\$481,841

Recommendation: Recommend approval of a Housing Tax Credit Allocation not to exceed \$481,841 annually for ten years, subject to

conditions.

TDHCA Bond Issuance:

Bond Amount:

\$0

Recommendation:

**HOME Activity Funds:** 

Loan Amount:

\$0

HOME CHDO Operating Expense Grant:

Grant Amount:

\$0

Recommendation:

DATE: January 22, 2007 PROGRAM: 4% HTC FILE NUMBER: 07401

## **DEVELOPMENT NAME**

## **Gulfway Manor Apartments**

	APPLICANT								
Name:	GW Affordable Housing, LP			Daniel (	O'Dea				
Address:	1717 West Sixth Street, Suite 315								
City	Austin		State:	TX	Zip:	78703			
Phone:	(512) 494-8200 <b>Fax:</b> (512)	<b>Fax:</b> (512) 494-8201			lphihousii	ng.com			
	KEY	PARTICIP	ANTS						
Name:	Delphi Housing of Corpus Christi	Title:	1% Managing Ge	eneral Partne	r of Applicar	nt			
Name:	Delphi Community Housing 2006, LP	Title:	Developer						
Name:	DAHG 2006, LP	Title	100% Owner of O	GP					
Name:	Delphi Affordable Housing Group, Inc	Title:	60% Owner of D	AHG 2006, 1	LP / 70% Ow	oner of Developer			
Name:	Daniel O'Dea	Title:	40% Owner of D 100% Owner of I			vner of Developer / ng Group, Inc			

	PROPERTY LOCATION										
<b>Location:</b>	1702-1752 Trey Way Lane										
City:	Corpus Christi			<b>Zip:</b> 78412							
County:	Nueces	Region:	10	<b>◯</b> QCT <b>□</b> DDA							

		REQUEST		
<b>Program</b>	<u>Amount</u>	<b>Interest Rate</b>	<b>Amortization</b>	<u>Term</u>
HTC	\$485,286*	N/A	N/A	N/A
Proposed Use of Funds:	Acquisition/rehab	Type:	Multifamily	
Target Population:	Family	Other:	Urban/Exurban / At-Risk	

^{*} Revised from \$473,036 on January 9, 2007.

 $\boxtimes$ 

## RECOMMENDATION

RECOMMEND APPROVAL OF A HOUSING TAX CREDIT ALLOCATION NOT TO EXCEED \$481,841 ANNUALLY FOR TEN YEARS, SUBJECT TO CONDITIONS.

## CONDITIONS

- 1. Receipt, review, and acceptance of a notice of reservation for private activity tax-exempt bonds from the Texas Bond Review Board prior to TDHCA Board approval.
- 2. Receipt, review, and acceptance of clearance letters for the lead based paint, asbestos, and mold and evidence that all other Phase I Environmental Site Assessment and subsequent environmental investigation report recommendations have been carried out is a condition of this report.
- 3. Should the terms and rates of the proposed debt or syndication change, the transaction should be reevaluated and an adjustment to the credit/allocation amount may be warranted.

### **REVIEW of PREVIOUS UNDERWRITING REPORTS**

No previous reports. The Applicant submitted an application to the Bond Review Board but as of the date of this report has not yet received a reservation for tax exempt bonds. While it is expected that the Applicant will receive a reservation it is premature to issue a determination notice for tax credits before a reservation is received. Receipt, review, and acceptance of a notice of reservation for private activity tax-exempt bonds from the Texas Bond Review Board prior to TDHCA Board approval.

	DEVELOPMENT SPECIFICATIONS											
IMPROVEMENTS												
Total Units: 1	<u>151</u>	# Res Bldg	s <u>13</u>	# Non-Res Bldgs	<u>2</u>	Age:	<u>34</u> yrs	Vacant	0.66%	at	11/30/2006	
Net Rentable S	Net Rentable SF:         130,786         Av Un SF:         866         Common Area SF:         4,555         Gross Bldg SF:         135,341											
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 modest buildings.

## STRUCTURAL MATERIALS

The structures are constructed on concrete slabs. According to the plans provided in the application the exterior is 30% masonry veneer, 10% cement fiber, and 60% stucco. The interior wall surfaces are drywall and the roofs are finished with composite shingles.

#### **UNIT FEATURES**

The interior flooring will be carpet and resilient covering. Threshold criteria for the 2007 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 microwave, an ice maker in the refrigerator, a self-cleaning oven, a ceiling fixture in each room, an individual heating and air conditioning unit, an individual water heater, and eight-foot ceilings.

## **ONSITE AMENITIES**

In order to meet threshold criteria for total units of 150 or more, the Applicant has elected to provide a barbecue and picnic table for every 50 units, a community laundry room with at least one front-loading washer, an enclosed sun porch or covered community porch, a furnished community room, a gazebo with sitting area, two children's playgrounds equipped for 5 to 12 year olds/two tot lots/one of each, and a tennis court, a basketball court or a volleyball court.

Uncovered Parking: 118 spaces Carports: 151 spaces Garages: 0 spaces

### PROPOSAL and DEVELOPMENT PLAN DESCRIPTION

<u>Description</u>: Gulfway Manor Apartments is a 15-unit per acre acquisition and rehabilitation development located in southeast Corpus Christi. The development was built in 1970 and is comprised of 13 evenly distributed residential buildings as follows:

No. of Buildings	No. of Floors	<u>1BR</u>	<u>2BR</u>	<u>3BR</u>	<u>4BR</u>
4	2		8	8	
3	2			8	
1	2	8			
1	2			4	4
1	2	8	8		
1	2	4	11		
2	2				8

The development includes a 1,086-square foot community building with a community room and kitchen area and a separate 2,017-square foot laundry and maintenance building. The leasing offices consist of 726-square feet and are located in a one of the residential buildings toward the front of the property.

**Existing Subsidies:** The property currently operates under a Section 8 HAP contract providing project-based rental assistance for 100% of the units. The contract has the unusual feature of having two rent levels for each unit type. The contract was renewed on December 1, 2006 for one year, and upon expiration, the Applicant intends on seeking a 20 year renewal contract for all units.

Development Plan: The buildings are currently 99.34% occupied and in moderate condition. The Applicant has provided the following relocation plan for implementation during construction: "GM Affordable Housing, L.P. plans to allow vacancy to be increased such that at construction commencement there will be 25 vacant units in which to begin interior rehabilitation. Each of the buildings is expected to take approximately two months to complete. GW Affordable Housing, L.P. will be distributing a letter approximately one month prior to closing informing the residents of the scope of the improvements to be completed. The letter will offer residents either a bonded moving company to transfer them to the new unit, or to offer the tenants \$300 upon timely completion of the move themselves. There will be a \$75 utility transfer and hookup charge allowance that will also be paid for by GW Affordable Housing, L.P. Two weeks prior to the tenant's move date, management will provide them with moving boxes. ... During the rehabilitation phase, management will be instructed to cease taking new leases until occupancy is below 80%. At that time we will instruct management to keep the property at approximately an 80% occupancy level. Optimal construction speed can be attained with 20% vacant units."

The property condition assessment prepared by Dominion and dated August 25, 2006 provides the following scope of work:

#### SITE

∉ General Sitework: Replace sidewalks, installation of new parking for persons with disabilities, repair fencing, installation of carports, repair/patch parking lot

### **BUILDING EXTERIORS**

∉ Residential Buildings: Replace door and frames, replace door hardware, remove existing siding and replace with Hardi panel siding, paint all new siding and existing stucco, remove and replace various landings and stairways

## INTERIOR RENOVATION

- ∉ Doors: Replace interior apartment doors and some door frames, new hardware throughout
- ∉ Windows: Install new vinyl horizontal blinds throughout, replacement of all windows throughout
- ∉ Walls/ Ceiling: Repair wall and ceiling drywall, install greenrock behind all tubs, install ceiling sheetrock in mechanical closets, retexture and paint all interior walls and ceilings
- ∉ Base & Trim: Remove existing base and replace with wood base throughout, remove and replace shelf and rods in closets, remove and replace all windows stools
- ∉ Floors: Install VCT in kitchens, bathrooms, hallways and hallway closets, remove and install new carpet in all living rooms and bedrooms
- ∉ HVAC Equipment: Remove and replace various condensers (13 SEER), replace all furnaces/Blowers, install new thermostats, provide combustion air in all mechanical closets, clean all duct work throughout, install new HVAC supply, return and wall-grills throughout.
- ∉ Bathroom: Remove and replace all accessories, replace all medicine cabinets with reversible doors
- ∉ *Kitchen:* Install and finish kitchen cabinets in all units, install plastic laminate countertop with matching back and side splashes, install new kitchen sinks and faucets, provide paneling along stove wall and behind all stoves
- ∉ Appliances: Replace refrigerators, replace range hoods with microwave/range hood combination, install hot water heaters, install new ranges, install garbage disposals, install dishwashers
- ∉ Electrical (conduit not required):Install arch fault per code, provide wiring and connections for garbage disposals, provide power for new dishwasher, add G.F.I. outlet protection in kitchens, move existing GFCI in bathrooms to allow for medicine cabinet, replace all existing light fixtures, replace all plugs, switches, and cover plates, install new 125 amp panels, replace exhaust fans in bathrooms,

- install hardwired smoke detectors, provide wiring for switched controlled ceiling fans/light fixtures, add TV and Telephone outlets in all bedrooms
- *Plumbing:* Replace all bath vanities and vanity fixtures, replace all tubs, tub valves and tub trim, install new 3 or 5 piece tub surrounds with soap-dish, replace all toilets and hubs, replace all stop valves at fixtures, install water line for ice maker, provide supply line for new dishwasher

#### Miscellaneous

- ∉ Add 6" of blown insulation in attics of all apartment buildings and community building.
- ∉ Convert various units for accessibility

## **Abatement Summary**

∉ Provide for removal and monitoring of asbestoses containing materials. These items include minimal tile abatement, minimal soffit removal and the disposal of lead based paint materials.

## Laundry/Maintenance and Community Building

- *Exterior:* Replace gutters and downspouts, replace existing entry doors, replace all sheetrock in water heater room, remove existing siding and trim and replace with Hardi panel siding and trim, paint exterior

SITE ISSUES										
SITE DESCRIPTION										
<b>Total Size:</b>	é 10.0 acres	Scattered sites?	☐ Yes ⊠ No							
Flood Zone:	Zone C	Within 100-year floodplain?	☐ Yes ⊠ No							
<b>Current Zoning:</b>	A-1 / Apartment House District	Needs to be re-zoned?	☐ Yes ☒ No ☐ N/A							
	SITE and NEIGHBORHO	OOD CHARACTERISTICS								
Christi's centra  Adjacent Lane		of Corpus Christi Bay in Nue	eces County.							
∉ North: reta	ail development immediately adjacent a	nd multifamily residential be	eyond;							
<b>∉ South:</b> mu	ltifamily residential immediately adjace	ent and multifamily residenti	al beyond;							
<b>∉ East:</b> Trey	Way Lane immediately adjacent and si	ingle family residential beyo	nd; and							
∉ West: reta	l development immediately adjacent an	d Airline Road and single fa	mily residential beyond.							
one mile of the <b>Public Trans</b>	ccess to the site is from two drives alon site and provides access to other parts of portation: Public transportation to Authority and the nearest linkage is with	of the city, region, and state. the area is provided by	Corpus Christi Regional							
<b>Shopping &amp; Services:</b> A major supermarket, a shopping mall, other retail stores and restaurants, banks, places of worship, and public primary and secondary schools are all located within one mile of the site.										
	TDHCA SITE	INSPECTION								
Inspector:	Manufactured Housing Staff	<b>Date:</b> 1/10/2	2007							
Overall Assessme	ent: Excellent Acceptable Que	stionable Poor Unaccepta	ble							
Comments:										

## HIGHLIGHTS of SOILS & HAZARDOUS MATERIALS REPORT(S)

A Phase I Environmental Site Assessment report dated May 5, 2006 was prepared by Astex Environmental Services and contained the following findings and recommendations:

#### **Findings:**

- **Noise:** The ESA provider found that noise is not a factor (p. 30).
- € Floodplain: "Based on the Federal Emergency Management Agency Flood Insurance Rate Map Number

- 485464 0303 C, effective date: July 19, 1985, the subject property is located in areas of minimal flooding, Zone C" (p. 10).
- Asbestos-Containing Materials (ACM): "Based on the analytical results and subsequent 'point count' re-analyses, the following conclusions and recommendations are offered: The following materials must be classified as ASBESTOS CONTAINING and if repair or renovation plans require removal or disturbance of this material, a Texas licensed Asbestos Abatement Contractor must be called in under the direction of a Texas licensed Asbestos Consultant. a. ALL 12" floor tile and associated black mastic adhesive located through the dwelling units and clubhouse, b. ALL exterior transite TM soffit material throughout, c. ALL exterior porch ceilings. All other building materials not specifically identified above may be considered non asbestos containing and no special handling is required prior to renovation. The Texas Asbestos Health Protection Rules (TAHPR) require all abatement projects with greater than 160 square feet or 260 linear feet be designed (specifications and drawings) by a Texas licensed Asbestos Designer...and all projects must be monitored by a Texas Licensed Project Manager/ Air Monitor. In the interim, this material must be managed in place through implementation of an Operations and Maintenance (O&M)" (p. 17).
- Lead-Based Paint (LBP): "One hundred sixty-four (164) [A-Ray Fluorescence] readings were conducted, one (1) of which was a calibration confirmation. All interior surfaces were found to be free of lead based paint (LBP). All exterior painted surfaces were found to be free of lead based paint (LBP) with the exception of the original exterior metal doors and jambs that were identified as lead containing. Eleven (11) exterior doors were sampled and eight (8) were identified as containing lead on either inside painted surfaces or exterior painted surfaces or on both surfaces. Nine (9) exterior doorjambs were sampled and seven (7) were identified as containing lead. All other painted surfaces were found to be free of lead based paint." "Based on the randomness of the sampling, the following surfaces or building components must be considered *POSITIVE* or lead based paint containing: exterior entry doors (both inside and outside surfaces) [and] exterior entry doorjambs. These materials were noted to be in good condition with minimal peeling and flaking having been observed and can be managed in place through implementation of a LBP Operations and Maintenance Plan (O&M)" (p. 19).
- ∉ Lead in Drinking Water: "On April 18, 2006 Astex Environmental Services representative, Mr. Benjamin Hernandez, Texas Lead Inspector, #2060428, conducted limited testing on the drinking water from twelve (12) randomly selected dwelling units on the subject site. ... All levels were found to be well below the EPA Drinking Water Standard of 0.015 mg/L or 15 ppb. No further action or sampling should be required" (p. 20).
- **Radon:** "The City of Corpus Christi falls within the EPA Radon Zone 3 (lowest potential − less than 2 pCi/L) therefore no physical sampling was deemed necessary and no further action should be required" (p. 18).
- Recognized Environmental Concerns (RECs): "This assessment revealed the following on-site recognized environmental conditions in connection with the subject property. Limited amounts of asbestos containing materials, i.e. original 12" floor tile and associated mastic adhesive and soffit materials were identified and can be managed in place through an Asbestos Operations and Maintenance Plan (O&M). All slab type exterior front doors were identified as containing lead based paint but can be managed in place through and LBP Operations and Maintenance Plan (O&M). Limited amounts of visible mold or evidence of water intrusion were identified within twenty three (23) inspected units, primarily within the HVAC closets" (p. 32).

<u>Recommendations</u>: The Applicant submitted an Operations and Maintenance Plan for Lead Based Paint and Asbestos Containing Materials dated March 22, 2006. Subsequently, on December 26, 2006, the Applicant

submitted a signed letter from Astex Environmental Services indicating, "These O&M Plans are currently in full force and effect until rehab of the units takes place. Upon completion of the rehab, the appropriate O&M will remain in place in accordance with the Texas asbestos, lead and mold regulations. ... At completion of each phase of the rehab, asbestos, lead based paint and mold clearance letters will be provided indicating that the specific areas have passed clearance and are safe for occupancy."

Receipt, review, and acceptance of clearance letters for the lead based paint, asbestos, and mold and evidence that all other Phase I Environmental Site Assessment and subsequent environmental investigation report recommendations have been carried out is a condition of this report.

### **INCOME SET-ASIDE**

The Applicant has elected the 40% at 60% or less of area median gross income (AMGI) set-aside. To qualify for 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 (§ 1372.0321).

MAXIMUM ELIGIBLE INCOMES									
1 Person 2 Persons 3 Persons 4 Persons 5 Persons 6 Persons									
60% of AMI	\$20,220	\$23,160	\$26,040	\$28,920	\$31,260	\$33,540			

#### **MARKET HIGHLIGHTS**

A market feasibility study dated April 10, 2006 was prepared by O'Connor & Associates ("Market Analyst"). An addenda letter dated August 15, 2006 provides and update of the market conditions, and a revision to the market study in order to comply with Department guidelines was submitted on January 4, 2007. The revised market study and supplemental information included the following findings:

<u>Definition of Revised Primary Market Area (PMA)</u>: "The subject is located in Corpus Christi, a city located on the Texas gulf coast between Houston and Mexico. The subject is located within the southeastern portion of Corpus Christi, with the primary market area generally bound by Corpus Christi Bay on the north, Weber Road on the west, Oso Creek and Holly Road on the South, and Cottonwood Drive and Oso Bay on the east. All areas of this defined area are within six miles of the subject" (p. 19). This area encompasses approximately 23 square miles and is equivalent to a circle with a radius of 2.7 miles.

**Population:** The estimated 2006 population of the PMA was 96,434 and is expected to increase by 1% (0.2% annually) to approximately 97,410 by 2011. Within the primary market area there were estimated to be 37,131 households in 2006.

<u>Total Market Demand</u>: The Market Analyst utilized a household size-appropriate adjustment rate of 99% (p. 75). The Analyst's income band of \$18,583 to \$33,540 and income specific tenure rates results in an income eligible tenure appropriate adjustment rate of 9.09% (p. 72). The Market Analyst indicates a turnover rate of 60% applies based on IREM data (p. 72).

In addition, the Market Analyst included demand for 621 units from Section 8 voucher holders. Due to the Underwriter's use of an income band extending to \$0, as a result of the project based rental subsidy, demand from Section 8 voucher holders is effectively included in turnover demand. Therefore, the Underwriter did not include demand from this source. Also of note, it is unclear whether the Market Analyst's data used to derive the income specific tenure rates is applicable for the subject PMA. While the Underwriter understands the tendency to understate demand when including higher income households, the use of a PMA specific tenure rate is more appropriate. Therefore, the Underwriter has used a tenure appropriate adjustment rate of 42%.

MARKET DEMAND SUMMARY									
Market Analyst Underwriter									
Type of Demand	Units of Demand	% of Total Demand	Units of Demand	% of Total Demand					
Household Growth	5	<1%	9	<1%					
Resident Turnover	2,004	76%	3,039	100%					
Other Sources: Section 8	621	24%	N/A						
TOTAL DEMAND	2,630	100%	3,048	100%					

p. 75

<u>Inclusive Capture Rate</u>: The Market Analyst calculated an inclusive capture rate of 9.92% based upon 2,630 units of demand and 261 unstabilized affordable housing in the PMA (including the subject) (p. 76). The Underwriter calculated an inclusive capture rate of 4.95% based upon a revised supply of 151 unstabilized comparable affordable units divided by a revised demand estimate for 3,048 affordable units.

However, the subject development is currently 99.34% occupied with a rental subsidy, and it is likely the existing tenants will choose to remain at the property. Therefore, an inclusive capture rate calculation is not a meaningful tool for determining the feasibility of the subject development.

<u>Unit Mix Conclusion</u>: "The unit mix is appropriate and will complement the local affordable housing market" (p. 11). Per the 2007 Real Estate Analysis Rules and Guidelines, the Market Analyst must derive an inclusive capture rate for each unit type and income restriction. However, the subject application was submitted prior to the TDHCA Board's approval of the 2007 Real Estate Analysis Rules and Guidelines on December 14, 2006.

**Market Rent Comparables:** The Market Analyst surveyed five comparable apartment properties.

RENT ANALYSIS (net tenant-paid rents)									
Unit Type (% AMI)	Proposed	Program Max	Differential	Est. Market	Differential				
1-Bedroom (60%)	\$614	\$542	\$72	\$675	-\$61				
1-Bedroom (60%)	\$618	\$542	\$76	\$675	-\$57				
2-Bedroom (60%)	\$722	\$651	\$71	\$765	-\$43				
2-Bedroom (60%)	\$726	\$651	\$75	\$765	-\$39				
3-Bedroom (60%)	\$873	\$752	\$121	\$985	-\$112				
3-Bedroom (60%)	\$878	\$752	\$126	\$985	-\$107				
4-Bedroom (60%)	\$1,022	\$838	\$184	\$1,105	-\$83				
4-Bedroom (60%)	\$1,029	\$838	\$191	\$1,105	-\$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)

<u>Primary Market Occupancy Rates:</u> "The overall occupancy rate for apartment projects for the subject's market has increased slightly from 93.9% in March 2006 to the current occupancy of 94.7% (July 2006) according to Apartment MarketData." Based on the rent role for the subject property dated November 30, 2006, the property has a 99.34% occupancy rate.

Absorption Projections: "Considering the strong absorption history of similar properties and the lack of available quality affordable units in this market, and also recognizing that the subject is currently operating at 100% occupancy as a low-income project, we project that the subject property will remain close to stabilized occupancy during rehabilitation, and will return to stabilized occupancy by completion of rehabilitation, or immediately thereafter" (p. 12).

<u>Unstabilized</u>, <u>Under Construction</u>, <u>and Planned Development</u>: "Based on our research, there are no affordable housing projects currently proposed, under construction, or unstabilized in the subject's primary market. There is one approved for construction (Hampton Port [#05166], a rolling acquisition/rehab at stabilized occupancy. The subject project has 151 units, all of which will be rent restricted. Since the subject complex is fully occupied, and will remain close to stabilized occupancy during rehabilitation, the subject units would not be included in the capture rate calculation. However, for analysis purposes, we have included all the subjects units and the Hampton Port units to yield a theoretical capture rate" (p. 76). While included in

the Market Analyst's calculation, the Underwriter has confirmed that Hampton Port

is not within the boundaries of the revised PMA. In addition, the development is an acquisition/rehab project; therefore, the units from the Hampton Port development were not included in the Underwriter's capture rate calculation. Of note however, while not in the subject's revised PMA, Hampton Port is located within one mile of the subject development.

Market Impact: "Based on the high occupancy levels of the existing properties in the market, along with the strong recent absorption history, and considering that the subject is already operating at 100% occupancy as an affordable housing project, we project that the subject property will have minimal sustained negative impact upon the existing apartment market. Any negative impact should be of reasonable scope and limited duration" (p. 84).

<u>Market Study Analysis/Conclusions</u>: The Underwriter found the market study provided sufficient information on which to base a funding recommendation.

### **OPERATING PROFORMA ANALYSIS**

<u>Income</u>: The Applicant's projected rents collected per unit are equal to the Applicant's current Section 8 HAP contract rents. The property appears to operate under one HAP contract. However, the HAP contract indicates two contract rent levels for each unit type, which is not typical for this type of property. The Applicant intends on renewing the current HAP contract rents following rehabilitation. The property will continue to operate as an all-utilities-paid property. The Applicant's secondary income and vacancy and collection loss estimates are in-line with the Department's guidelines. Additionally, the Applicant included secondary income of \$15 per unit per month for optional cable television service, which is also reflected in the HAP contract provided. The Applicant's estimate of effective gross income is within 5% of the Underwriter's estimate.

Expenses: The Applicant's total annual operating expense projection at \$5,330 per unit is within 5% of the Underwriter's estimate of \$5,385, derived from actual operating history of the development, the TDHCA database, and third-party data sources. However, a number of the Applicant's estimates differ significantly from the Underwriter's estimates, including: general and administrative (\$18K or 44% lower); repairs and maintenance (\$15K or 23% lower); property tax (\$46K or 51% higher); and reserve for replacements (\$8K or 17% lower). The Applicant's reserve for replacement's estimate (\$250 per unit) is below the Department's current minimum of \$300 per unit for acquisition/rehab transactions, which is supported by the property condition assessment (PCA). The Underwriter used the TDHCA standard and PCA supported \$300 per unit amount. Additionally, the Applicant understated TDHCA compliance fees. Lastly, the property will operate as an all-utilities-paid property which results in substantially higher utility and water, sewer, and trash expenses than comparable properties. The Underwriter's estimates of utilities and water, sewer and trash account for the unique utility structure.

<u>Conclusion</u>: The Applicant's estimates of effective gross income, operating expenses, and net operating income are each within 5% of the Underwriter's estimates. Therefore, the Applicant's Year One proforma is used to determine the development's debt capacity and debt coverage ratio (DCR). The Applicant's proforma results in a Year One DCR within the Department's guideline.

**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 Applicant's base year effective gross income, expense, and net operating income were utilized resulting in a debt coverage ratio that remains above 1.15 and continued positive cashflow. Therefore, the development can be characterized as feasible for the long-term.

ACQUISITION VALUATION INFORMATION								
APPRAISED VALUE								
Land Only: 9.5421 acres	\$420,000	Date of Valuation:	4/10/2006					
Existing Building(s): "as is"	\$6,070,000	Date of Valuation:	4/10/2006					
Total Development: "as is"	\$6,490,000	Date of Valuation:	4/10/2006					
Appraiser: Ross P Welshimer	Firm: O'Connor	& Associates City:	Houston					
	APPRAISAL ANALYSIS/C	ONCLUSIONS						
An appraisal, provided by the purchaser, was performed by O'Connor & Associates and dated April 10, 2006.  A letter dated December 28, 2006 from O'Connor & Associates states that there have been no substantial changes in the market since completion of the appraisal report and the appraisal conclusions still apply. The current "as-is" value is most important in the valuation and underwriting of this property because it should								

support the purchase price of the subject. For the "as-is" valuation, the primary approach used was the income capitalization approach. Four land sales dating from 2002 to 2005 for 5.7 acres to 21.3 acres were used to

determine the underlying value of the land. As a result, the value attributed to the existing buildings is \$6,070,000 or 94% of the total appraised value of the property. **ASSESSED VALUE** Land: 10 acres \$435,600 Assessment for the Year of: 2006

**Building:** \$3,837,620 Valuation by: Nueces County Appraisal District

**Total Assessed Value:** \$4,273,220 Tax Rate: 2.875488

## **EVIDENCE of SITE or PROPERTY CONTROL**

Purchase and sale agreement (Lot 30, Block 2 Gulfway-Airline Park) **Type of Site Control:** Valid through Board Date? ⊠ Yes □ No **Contract Expiration:** 12/31/2006 and one 4-month extension

**Acquisition Cost:** \$5,000,000 Other: ☐ Yes ⊠ No Gulfway Limited Partnership Related to Development Team? Seller:

## **CONSTRUCTION COST ESTIMATE EVALUATION**

Acquisition Value: The Applicant provided a purchase and sale agreement for the purchase of the subject property indicating a price of \$5,000,000, which is equal to the total acquisition cost claimed by the Applicant. The Applicant is claiming acquisition credits for the property and has attributed a value of \$4,500,000 to the existing buildings. The Underwriter has determined a building value of \$4,500,000 after evaluation of the third-party appraisal and tax assessment.

**Sitework Cost:** Since this is a proposed rehabilitation the associated sitework costs are minimal. The Applicant has estimated sitework costs of \$466 per unit, which is 9% lower than the estimate in the Property Condition Assessment (PCA) submitted by the Applicant.

Direct Construction Cost: The Applicant's direct construction cost estimate is \$96K or 3% higher than the estimate provided in the Property Condition Assessment (PCA). The underwriting analysis will reflect the PCA value.

Fees: The Applicant's contingency exceeds the maximum allowed by HTC guidelines by a total of \$52,960 based on their own construction costs. Consequently, the Applicant's eligible cost in this area has been reduced by the same amount with the overage effectively moved to ineligible costs. The Applicant's fees for the developer were set at the maximums allowed by TDHCA guidelines, but with the reduction in eligible basis discussed above the eligible basis portion of these fees now exceed the maximum by \$7,943 and have been reduced by the same amount in order to recalculate the appropriate requested credit amount.

Conclusion: The Underwriter's cost schedule was derived from the third-party Property Condition Assessment (PCA) provided by the Applicant and the information presented in the application. The PCA was

well documented and appeared to cover the scope of work provided by the Applicant. Thus, the Underwriter's development cost schedule, as derived from the PCA, will be used to determine the development's need for permanent funds and to calculate eligible basis. An eligible basis of \$11,404,888 supports annual tax credits of \$481,841. 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:	Davis-Penn Mortga	ge		Contact:	Ray Landry				
Interim:	\$8,239,000	Interest Rate:	5.45%, fixed, lender's	estimate	Amort:	24 months			
Permanent:	\$8,239,000	Interest Rate:	5.45%, fixed, lender's	estimate	Amort:	450 months			
Documentati	on: Signed Te	rm Sheet LOI	Firm Commitment	Condition	al Commitment   A	Application			
Comments:	Comments:								
TAX CREDIT SYNDICATION									
Source:	PNC MultiFamily C	Capital		Contact:	Gayle Mangane	llo			
Proceeds:	\$4,707,772	Net Syndication	<b>Rate:</b> 98%	Anticipated	HTC: \$485,2	86/year			
Documentati	on: Signed Te	rm Sheet 🔀 LOI [	Firm Commitment	Condition	al Commitment 🔲 A	Application			
Comments:									
			OTHER						
Amount:	\$200,000	Source:	Negative Arbitrag	ge					
Amount:	\$680,440	Source:	Deferred Develop	per Fee					
		FINANCIN	IG STRUCTURE ANAL	YSIS					

Interim to Permanent Bond Financing: The Applicant anticipates receiving a Priority 2 Private Activity Bond allocation from the Texas Bond Review Board with the bonds to be issued by the Cameron County HFC to be placed with PNC MultiFamily Capital. PNC MultiFamily provided a term sheet that is consistent with the terms and amounts reflected in the sources and uses of funds portion of the application. The development qualifies for tax credits as a Private Activity Bond transaction because it is at least 51 percent financed by tax-exempt private activity bonds and has chosen to further qualify as a Priority 2 development (§ 1372.0321, Texas Government Code).

**HTC Syndication:** The tax credit syndication commitment is consistent with the terms reflected in the sources and uses of funds listed in the application.

<u>Cash Equity</u>: The sources and uses of funds exhibit reflects \$200K in negative arbitrage will be used to fill a portion of the gap in financing; the Underwriter has included this amount in the deferred developer fee in the recommended financing structure.

<u>Deferred Developer's Fees</u>: The Applicant's proposed deferred developer's fees of \$680,440 amount to 45% of the total fees.

**Financing Conclusions:** The Underwriter's total development cost estimate less the permanent loan of \$8,239,000 indicates the need for \$5,400,620 in gap funds. Based on the submitted syndication terms, a tax credit allocation of \$556,706 annually would be required to fill this gap in financing. Of the three possible tax credit allocations, Applicant's request (\$485,286), the gap-driven amount (\$556,706), and eligible basis-derived estimate (\$481,841), the eligible basis-derived estimate of \$481,841 is recommended resulting in proceeds of \$4,674,351. The Underwriter's recommended financing structure indicates the need for \$726,269 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 Developer are related entities. These are common relationships for HTC-funded developments.

## APPLICANT'S/PRINCIPALS' FINANCIAL HIGHLIGHTS, BACKGROUND, and EXPERIENCE

### **Financial Highlights:**

- ∉ The Applicant, General Partner, owner of the GP, and Developer are single-purpose entities created for the purpose of receiving assistance from TDHCA and therefore have no material financial statements.
- ₹ The 60% owner of DAHG 2006 and 70% owner of the developer, LP, Delphi Affordable Housing Group, Inc, submitted an unaudited financial statement as of November 30, 2006 reporting total assets of \$3.5M and consisting of \$28K in cash, \$1.5M in current receivables, \$653K in long term receivables, \$250K in real property, and \$992K in partnership interests. Liabilities totaled \$1.2M, resulting in a net worth of \$2.3M.
- ∉ The 40% of DAHG 2006 and 30% owner of the developer, Daniel F O'Dea, submitted an unaudited financial statement as of November 30, 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

- ∉ Potential environmental risks exist regarding asbestos, lead based paint, and mold.
- ∉ The property's project-based rent subsidy is subject to Federal funding and may not be renewed as anticipated.

Underwriter:		Date:	January 22, 2007
	Cameron Dorsey		
Reviewing Underwriter:		Date:	January 22, 2007
	Lisa Vecchietti		
Director of Real Estate Analysis:		Date:	January 22, 2007
	Tom Gouris		

## **MULTIFAMILY COMPARATIVE ANALYSIS**

Gulfway Manor Apartments, Corpus Christi, HTC 4%, #07401										
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, Tsh
TC 60%/Sec.8	18	1	1	600	\$542	\$614	\$11,052	\$1.02	\$141.00	\$69.00
TC 60%/Sec.8	2	1	1	600	542	618	1,236	1.03	141.00	69.00
TC 60%/Sec.8	31	2	1	726	651	722	22,382	0.99	181.00	75.00
TC 60%/Sec.8	20	2	1	726	651	726	14,520	1.00	181.00	75.00
TC 60%/Sec.8	52	3	2	986	752	873	45,396	0.89	222.00	88.00
TC 60%/Sec.8	8	3	2	986	752	878	7,024	0.89	222.00	88.00
TC 60%/Sec.8	14	4	2	1,130	838	1022	14,308	0.90	281.00	101.00
TC 60%/Sec.8	6	4	2	1,130	838	1029	6,174	0.91	281.00	101.00
TOTAL:	151		AVERAGE:	866	\$701	\$809	\$122,092	\$0.93	\$205.24	\$82.81
INCOME		Total Net Re	entable Sq Ft:	130,786		TDHCA	APPLICANT		Comptroller's Region	10
POTENTIAL GROSS RENT					\$1,465,104	\$1,465,104		IREM Region	Corpus Christi	
Secondary In	come		Р	er Unit Per Month	\$15.00	27,180	18,120	\$10.00	Per Unit Per Month	
Other Suppor	rt Income: C	Cable				27,180	27,180	\$15.00	Per Unit Per Month	

INCOME Total Net Re	ntable Sq Ft:	<u>130,786</u>		TDHCA	APPLICANT	(	Comptroller's Region	10
POTENTIAL GROSS RENT				\$1,465,104	\$1,465,104		IREM Region	Corpus Christi
Secondary Income	Р	er Unit Per Month:	\$15.00	27,180	18,120	\$10.00	Per Unit Per Month	
Other Support Income: Cable				27,180	27,180	\$15.00	Per Unit Per Month	
POTENTIAL GROSS INCOME				\$1,519,464	\$1,510,404			
Vacancy & Collection Loss	% of Poten	itial Gross Income:	-7.50%	(113,960)	(113,280)	-7.50%	of Potential Gross I	ncome
Employee or Other Non-Rental Units	or Concession	ons		0	0			
EFFECTIVE GROSS INCOME				\$1,405,504	\$1,397,124			
<u>EXPENSES</u>	% OF EGI	PER UNIT	PER SQ FT			PER SQ FT	PER UNIT	% OF EGI
General & Administrative	2.85%	\$266	0.31	\$40,092	\$22,500	\$0.17	\$149	1.61%
Management	5.00%	465	0.54	70,275	69,856	0.53	463	5.00%
Payroll & Payroll Tax	8.54%	794	0.92	119,962	114,583	0.88	759	8.20%
Repairs & Maintenance	4.73%	441	0.51	66,542	51,060	0.39	338	3.65%
Utilities	13.07%	1,216	1.40	183,663	181,200	1.39	1,200	12.97%
Water, Sewer, & Trash	4.18%	390	0.45	58,815	54,300	0.42	360	3.89%
Property Insurance	4.81%	448	0.52	67,592	68,500	0.52	454	4.90%
Property Tax 2.875488	6.45%	600	0.69	90,658	137,119	1.05	908	9.81%
Reserve for Replacements	3.22%	300	0.35	45,300	37,750	0.29	250	2.70%
Other: compl fees;cbl;secur	5.00%	465	0.54	70,236	67,971	0.52	450	4.87%
TOTAL EXPENSES	57.85%	\$5,385	\$6.22	\$813,136	\$804,839	\$6.15	\$5,330	57.61%
NET OPERATING INC	42.15%	\$3,923	\$4.53	\$592,368	\$592,285	\$4.53	\$3,922	42.39%
DEBT SERVICE								
First Lien Mortgage	36.73%	\$3,419	\$3.95	\$516,206	\$516,206	\$3.95	\$3,419	36.95%
Negative Arbitrage	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	5.42%	\$504	\$0.58	\$76,162	\$76,079	\$0.58	\$504	5.45%
AGGREGATE DEBT COVERAGE RA	TIO			1.15	1.15			
RECOMMENDED DEBT COVERAGE	RATIO				1.15			

### **CONSTRUCTION COST**

CONSTRUCTION CO.	<u> </u>								
<u>Description</u>	<u>Factor</u>	% of TOTAL	PER UNIT	PER SQ FT	TDHCA	APPLICANT	PER SQ FT	PER UNIT	% of TOTAL
Acquisition Cost (site or	bldg)	36.66%	\$33,113	\$38.23	\$5,000,000	\$5,000,000	\$38.23	\$33,113	36.16%
Off-Sites		0.00%	0	0.00	0	0	0.00	0	0.00%
Sitework		0.56%	510	0.59	77,040	70,364	0.54	466	0.51%
Direct Construction		26.52%	23,954	27.66	3,616,998	3,712,516	28.39	24,586	26.85%
Contingency	10.00%	2.71%	2,446	2.82	369,404	431,248	3.30	2,856	3.12%
General Req'ts	6.00%	1.62%	1,468	1.69	221,642	226,973	1.74	1,503	1.64%
Contractor's G & A	2.00%	0.54%	489	0.56	73,881	75,658	0.58	501	0.55%
Contractor's Profit	6.00%	1.62%	1,468	1.69	221,642	226,973	1.74	1,503	1.64%
Indirect Construction		2.74%	2,479	2.86	374,374	374,374	2.86	2,479	2.71%
Ineligible Costs		8.86%	8,007	9.24	1,209,060	1,209,060	9.24	8,007	8.74%
Developer's G & A	2.00%	1.45%	1,314	1.52	198,346	201,608	1.54	1,335	1.46%
Developer's Profit	13.00%	9.45%	8,538	9.86	1,289,248	1,310,454	10.02	8,679	9.48%
Interim Financing		3.39%	3,062	3.53	462,312	462,312	3.53	3,062	3.34%
Reserves		3.85%	3,481	4.02	525,672	525,672	4.02	3,481	3.80%
TOTAL COST		100.00%	\$90,329	\$104.29	\$13,639,620	\$13,827,212	\$105.72	\$91,571	100.00%
Construction Cost Reca	p	33.58%	\$30,335	\$35.02	\$4,580,608	\$4,743,732	\$36.27	\$31,415	34.31%

**SOURCES OF FUNDS** First Lien Mortgage \$63.00 60.40% \$54,563 Negative Arbitrage 1.47% \$1,325 \$1.53 HTC Syndication Proceeds 34.52% \$31,177 \$36.00 Deferred Developer Fees 4.99% \$4,506 \$5.20 Additional (Excess) Funds Req'd -1.38% (\$1,242) (\$1.43)

RECOMMENDED \$8,239,000 \$8,239,000 \$8,239,000 200,000 200,000 0 4,707,772 4,707,772 4,674,351 680,440 680,440 726,269 (187,592) 0 \$13,639,620 \$13,827,212 \$13,639,620

Developer Fee Available \$1,487,594 % of Dev. Fee Deferred 49% 15-Yr Cumulative Cash Flow \$2,173,232

TOTAL SOURCES

### MULTIFAMILY COMPARATIVE ANALYSIS (continued)

## Gulfway Manor Apartments, Corpus Christi, HTC 4%, #07401

## PAYMENT COMPUTATION

Primary	\$8,239,000	Amort	450
Int Rate	5.45%	DCR	1.15
Secondary	\$200,000	Amort	

Int Rate		Subtotal DCR	1.15
Additional	\$4.707.772	Amort	

Additional	\$4,707,772	Amort	
Int Rate		Aggregate DCR	1.15

## RECOMMENDED FINANCING STRUCTURE APPLICANT'S NO

 Primary Debt Service
 \$516,206

 Secondary Debt Service
 0

 Additional Debt Service
 0

 NET CASH FLOW
 \$76,079

Primary	\$8,239,000	Amort	450
Int Rate	5.45%	DCR	1.15

Secondary \$200,000		Amort	0
Int Rate	0.00%	Subtotal DCR	1.15

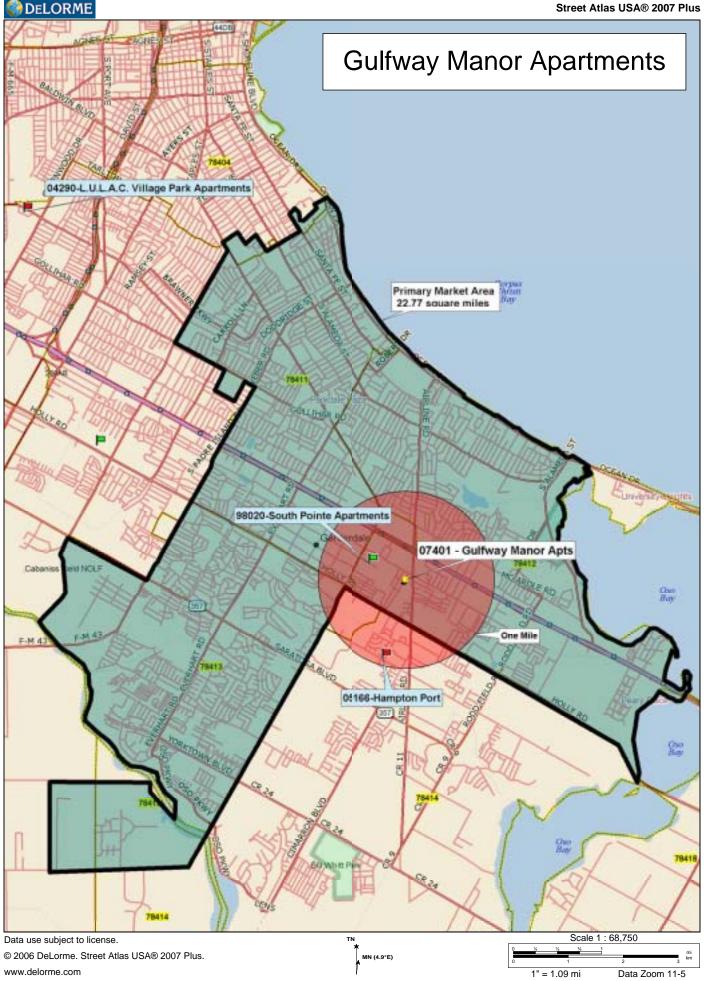
Additional \$4,707,772		Amort	0
Int Rate	0.00%	Aggregate DCR	1.15

## 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
POTENTIA	AL GROSS R	ENT	\$1,465,104	\$1,509,057	\$1,554,329	\$1,600,959	\$1,648,987	\$1,911,628	\$2,216,101	\$2,569,069	\$3,452,614
Secondar	ry Income		18,120	18,664	19,224	19,800	20,394	23,642	27,408	31,774	42,701
Other Su	pport Income	: Cable	27,180	27,995	28,835	29,700	30,591	35,464	41,112	47,660	64,051
POTENTIA	AL GROSS IN	NCOME	1,510,404	1,555,716	1,602,388	1,650,459	1,699,973	1,970,735	2,284,622	2,648,503	3,559,366
Vacancy	& Collection I	Loss	(113,280)	(116,679)	(120,179)	(123,784)	(127,498)	(147,805)	(171,347)	(198,638)	(266,952)
Employee	e or Other No	n-Rental U	. 0	0	0	0	0	0	0	0	0
EFFECTIV	E GROSS IN	NCOME	\$1,397,124	\$1,439,037	\$1,482,209	\$1,526,675	\$1,572,475	\$1,822,930	\$2,113,275	\$2,449,865	\$3,292,414
EXPENSE	S at	4.00%						0 1			
General 8	& Administrati	ive	\$22,500	\$23,400	\$24,336	\$25,309	\$26,322	\$32,025	\$38,963	\$47,404	\$70,170
Managen	nent		69,856	71951.8603	74110.41606	76333.72854	78623.7404	91146.46386	105663.7325	122493.2257	164620.6524
Payroll &	Payroll Tax		114,583	119,166	123,933	128,890	134,046	163,087	198,421	241,409	357,345
Repairs 8	& Maintenanc	e	51,060	53,102	55,226	57,436	59,733	72,674	88,419	107,576	159,238
Utilities			181,200	188,448	195,986	203,825	211,978	257,904	313,780	381,761	565,100
Water, Se	ewer & Trash	ı	54,300	56,472	58,731	61,080	63,523	77,286	94,030	114,402	169,343
Insurance	e		68,500	71,240	74,090	77,053	80,135	97,497	118,620	144,319	213,628
Property	Tax		137,119	142,603	148,307	154,240	160,409	195,162	237,445	288,888	427,625
Reserve	for Replacem	nents	37,750	39,260	40,830	42,464	44,162	53,730	65,371	79,534	117,729
Other			67,971	70,690	73,517	76,458	79,516	96,744	117,704	143,205	211,978
TOTAL EX	PENSES		\$804,839	\$836,334	\$869,068	\$903,089	\$938,449	\$1,137,256	\$1,378,416	\$1,670,991	\$2,456,775
NET OPER	RATING INCO	OME	\$592,285	\$602,704	\$613,141	\$623,586	\$634,026	\$685,674	\$734,859	\$778,874	\$835,638
D	EBT SERVIC	CE									
First Lien F	inancing		\$516,206	\$516,206	\$516,206	\$516,206	\$516,206	\$516,206	\$516,206	\$516,206	\$516,206
Second Lie	en		0	0	0	0	0	0	0	0	0
Other Fina	incing		0	0	0	0	0	0	0	0	0
NET CASH	H FLOW		\$76,079	\$86,498	\$96,935	\$107,380	\$117,820	\$169,468	\$218,653	\$262,668	\$319,432
DEBT CO	VERAGE RA	TIO	1.15	1.17	1.19	1.21	1.23	1.33	1.42	1.51	1.62

## HTC ALLOCATION ANALYSIS -Gulfway Manor Apartments, Corpus Christi, HTC 4%, #07401

	APPLICANT'S TOTAL	TDHCA TOTAL	APPLICANT'S ACQUISITION	TDHCA ACQUISITION	APPLICANT'S REHAB/NEW	TDHCA REHAB/NEW
CATEGORY	AMOUNTS	AMOUNTS	ELIGIBLE BASIS	ELIGIBLE BASIS	ELIGIBLE BASIS	ELIGIBLE BASIS
(1) Acquisition Cost						
Purchase of land	\$500,000	\$500,000	04.500.000	04 500 000 l		
Purchase of buildings	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000		
(2) Rehabilitation/New Construction Cost	¢70.004	Ф <b>77</b> 040	-1	1	<b>#70.004</b>	Ф <b>77</b> 040
On-site work	\$70,364	\$77,040			\$70,364	\$77,040
Off-site improvements	<u> </u>					
(3) Construction Hard Costs  New structures/rehabilitation hard costs	\$3,712,516	\$3,616,998	1	<b>I</b>	\$3,712,516	\$3,616,998
(4) Contractor Fees & General Requirements	\$3,712,310	<b>Ф</b> 3,010,990			\$3,712,510	<b>Ф</b> 3,010,990
Contractor overhead	\$75,658	\$73,881			\$75,658	\$73,881
Contractor profit	\$226,973	\$221,642			\$226,973	\$221,642
General requirements	\$226,973	\$221,642			\$226,973	\$221,642
(5) Contingencies	\$431,248	\$369,404			\$378,288	\$369,404
(6) Eligible Indirect Fees	\$374,374	\$374,374			\$374,374	\$374,374
(7) Eligible Financing Fees	\$462,312	\$462,312			\$462,312	\$462,312
(8) All Ineligible Costs	\$1,209,060	\$1,209,060		•	· · ·	
(9) Developer Fees	. , , , ,		\$675,000	\$675,000	\$829,119	\$812,594
Developer overhead	\$201,608	\$198,346				
Developer fee	\$1,310,454	\$1,289,248				
(10) Development Reserves	\$525,672	\$525,672				
TOTAL DEVELOPMENT COSTS	\$13,827,212	\$13,639,620	\$5,175,000	\$5,175,000	\$6,356,576	\$6,229,888
Deduct from Basis:		ı		•		
All grant proceeds used to finance costs in eligible b	pasis					
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)				<b>*</b>		*
TOTAL ELIGIBLE BASIS			\$5,175,000	\$5,175,000	\$6,356,576	\$6,229,888
			<del>+-,,</del>		1000/	4000
High Cost Area Adjustment				Ø5 475 000	130%	
TOTAL ADJUSTED BASIS			\$5,175,000	\$5,175,000	\$8,263,549	\$8,098,854
TOTAL ADJUSTED BASIS Applicable Fraction			\$5,175,000 100%	100%	\$8,263,549 100%	\$8,098,854 100%
TOTAL ADJUSTED BASIS Applicable Fraction TOTAL QUALIFIED BASIS			\$5,175,000 100% \$5,175,000	100% \$5,175,000	\$8,263,549 100% \$8,263,549	\$8,098,854 100% \$8,098,854
TOTAL ADJUSTED BASIS Applicable Fraction TOTAL QUALIFIED BASIS Applicable Percentage			\$5,175,000 100% \$5,175,000 3.63%	100% \$5,175,000 3.63%	\$8,263,549 100% \$8,263,549 3.63%	\$8,098,854 100% \$8,098,854 3.63%
TOTAL ADJUSTED BASIS Applicable Fraction TOTAL QUALIFIED BASIS Applicable Percentage TOTAL AMOUNT OF TAX CREDITS		0.0704	\$5,175,000 100% \$5,175,000 3.63% \$187,853	100% \$5,175,000 3.63% \$187,853	\$8,263,549 100% \$8,263,549 3.63% \$299,967	\$8,098,854 100% \$8,098,854 3.63% \$293,988
TOTAL ADJUSTED BASIS Applicable Fraction TOTAL QUALIFIED BASIS Applicable Percentage TOTAL AMOUNT OF TAX CREDITS	cation Proceeds	0.9701	\$5,175,000 100% \$5,175,000 3.63%	100% \$5,175,000 3.63%	\$8,263,549 100% \$8,263,549 3.63%	\$8,098,854 100% \$8,098,854 3.63%
TOTAL ADJUSTED BASIS Applicable Fraction TOTAL QUALIFIED BASIS Applicable Percentage TOTAL AMOUNT OF TAX CREDITS	cation Proceeds		\$5,175,000 100% \$5,175,000 3.63% \$187,853	100% \$5,175,000 3.63% \$187,853 \$1,822,362	\$8,263,549 100% \$8,263,549 3.63% \$299,967	\$8,098,854 100% \$8,098,854 3.63% \$293,988
TOTAL ADJUSTED BASIS Applicable Fraction TOTAL QUALIFIED BASIS Applicable Percentage TOTAL AMOUNT OF TAX CREDITS	cation Proceeds		\$5,175,000 100% \$5,175,000 3.63% \$187,853 \$1,822,362 Tax Credits (Eligib	100% \$5,175,000 3.63% \$187,853 \$1,822,362	\$8,263,549 100% \$8,263,549 3.63% \$299,967 \$2,909,986	\$8,098,854 100% \$8,098,854 3.63% \$293,988 \$2,851,989
TOTAL ADJUSTED BASIS Applicable Fraction TOTAL QUALIFIED BASIS Applicable Percentage TOTAL AMOUNT OF TAX CREDITS	cation Proceeds		\$5,175,000 100% \$5,175,000 3.63% \$187,853 \$1,822,362 Tax Credits (Eligib Synd	100% \$5,175,000 3.63% \$187,853 \$1,822,362 ble Basis Method) lication Proceeds	\$8,263,549 100% \$8,263,549 3.63% \$299,967 \$2,909,986 \$487,819 \$4,732,348	100% \$8,098,854 3.63% \$293,988 \$2,851,989 \$481,841
TOTAL ADJUSTED BASIS Applicable Fraction TOTAL QUALIFIED BASIS Applicable Percentage TOTAL AMOUNT OF TAX CREDITS	cation Proceeds		\$5,175,000 100% \$5,175,000 3.63% \$187,853 \$1,822,362 Tax Credits (Eligib Sync	100% \$5,175,000 3.63% \$187,853 \$1,822,362 sle Basis Method)	\$8,263,549 100% \$8,263,549 3.63% \$299,967 \$2,909,986 \$487,819	\$8,098,854 100% \$8,098,854 3.63% \$293,988 \$2,851,989 \$481,841
TOTAL ADJUSTED BASIS Applicable Fraction TOTAL QUALIFIED BASIS Applicable Percentage TOTAL AMOUNT OF TAX CREDITS	cation Proceeds	Total	\$5,175,000 100% \$5,175,000 3.63% \$187,853 \$1,822,362 Tax Credits (Eligib Sync	\$5,175,000 \$5,175,000 3.63% \$187,853 \$1,822,362 Ble Basis Method) Stration Proceeds Sested Tax Credits Stration Proceeds	\$8,263,549 100% \$8,263,549 3.63% \$299,967 \$2,909,986 \$487,819 \$4,732,348 \$485,286	\$8,098,854 100% \$8,098,854 3.63% \$293,988 \$2,851,989 \$481,841



## **Applicant Evaluation**

Project ID # <b>07401</b> Name	e: Delphi Community Housing	City:
LIHTC 9% ☐ LIHTC 4% ✓	HOME ☐ BOND ☐ HTF ☐	SECO   ESGP  Other
☐ No Previous Participation in Texas	☐ Members of the develop	pment team have been disbarred by HUD
	_	
National Previous Participation (	Certification Received:	$\square$ Yes $\blacksquare$ No
Noncompliance Reported on Nat	ional Previous Participation Certification:	$\square$ Yes $\square$ No
	Portfolio Management and Compliance	
Total # of Projects monitored: 5	Projects in Material Noncompliance	# in noncompliance: 0
Projects zero to nine: 4	Yes No 🗸	Projects not reported Yes
grouped ten to nineteen: 1	# monitored with a score less than thirty:	5 in application No 🗸
by score twenty to twenty-nine: 0	# not yet monitored or pending review:	2 # of projects not reported 0
Portfolio Monitoring	Single Audit	Portfolio Analysis
Not applicable	Not applicable	Not applicable
Review pending	Review pending	No unresolved issues
No unresolved issues	No unresolved issues	Not current on set-ups
Unresolved issues found	Issues found regarding late cert	Not current on draws
Unresolved issues found that	Issues found regarding late audit $\Box$	Not current on match
warrant disqualification (Comments attached)	Unresolved issues found that warrant disqualification	
Reviewed by Patricia Murphy	(Comments attached)	Date1/3/2007
Multifamily Finance Production	Single Family Finance Production	Real Estate Analysis (Workout)
Not applicable	Not applicable	Not applicable
Review pending	Review pending	Review pending
No unresolved issues	No unresolved issues	No unresolved issues
Unresolved issues found	Unresolved issues found	Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)	Unresolved issues found that warrant disqualification (Comments attached)	Unresolved issues found that warrant disqualification (Comments attached)
Reviewer S. Roth	Reviewer Sandy M. Garcia	Reviewer David Burrell
Date 1/3/2007	Date 12/22/2006	Date 1 /5 /2007
Community Affairs	Office of Colonia Initiatives	Financial Administration
No relationship	Not applicable ✓	No delinquencies found
Review pending	Review pending	Delinquencies found
No unresolved issues	No unresolved issues	-
Unresolved issues found	Unresolved issues found	
Unresolved issues found that warrant disqualification (Comments attached)	Unresolved issues found that warrant disqualification (Comments attached)	
Reviewer EEF	Reviewer Maria Cazares	Reviewer Melissa M. Whitehead
Date 12/22/2006	Date 1/9/2007	Date 1/10/2007

## MULTIFAMILY FINANCE PRODUCTION DIVISION BOARD ACTION REQUEST

**February 1, 2007** 

## **Action Item**

Presentation, Discussion and Possible Issuance of Determination Notices for Housing Tax Credits associated with Mortgage Revenue Bond Transactions with other Issuers.

## **Requested Action**

Approve, Amend or Deny the staff recommendation for Rockwell Manor Apartments.

## **Summary of the Transaction**

Background and General Information: The application was received on November 17, 2006. The Issuer for this transaction is Cameron County HFC. The development is an acquisition/rehabilitation and will consist of 126 total units targeting the general population, with all units affordable. The site is currently zoned for such a development. The Compliance Status Summary completed on January 9, 2007 reveals that the principals of the general partner have no properties in material noncompliance. The bond priority for this transaction is:

Set aside 100% of units that cap rents at 30% of 60% AMFI (MUST receive 4% Housing Tax Credits

Census Demographics: The development is located at 2735 Rockwell Drive in Brownsville. Demographics for the census tract (131.06) include AMFI of \$23,228; the total population is 4,320; the percent of population that is minority is 93.33%; the percent of population that is below the poverty line is 42.33%; the number of owner occupied units is 635; the number of renter units is 594 and the number of vacant units is 51. The percentage of population that is minority for the entire City of Brownsville is 92% (Census information from FFIEC Geocoding for 2006).

*Public Comment:* The Department has received no letters of support or opposition.

## **Recommendation**

Staff recommends the Board approve the issuance of a Determination Notice of \$364,165 in Housing Tax Credits for Rockwell Manor Apartments.



## MULTIFAMILY FINANCE PRODUCTION DIVISION

## February 1, 2007

# Development Information, Public Input and Board Summary Rockwell Manor Apartments, TDHCA Number 07402

						, . –				
			<u>BA</u> :	SIC DEVE	LOPMEN	T INFORMATIO	<u> NC</u>			
Site Address:	2735	Rockwell Ri	ive				Developme	nt #:	074	02
City:	Brown	nsville		Region:	11		Population Serv	ved:	Fam	ily
County:	Came	eron		Zip Code	: 7852	0	Allocat	tion:	Urban/Exurba	an
HOME Set Asi	des:		☐ Pres	ervation	□ Gen	eral	Purpose/Acti	ivity:	ACQ/	'R
Bond Issuer:		Cameron	County HF0	<b>C</b>						
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										
			0	WNER A	ND DEVE	LOPMENT TEA	M			
Owner:				rdable Ho						
Owner Contac	t and F	Phone	Daniel F	. O'Dea			(512) 494-820	00		
Developer:			Delphi C	ommunity	/ Housing	2006, L.P.				
Housing Gene	eral Co	ntractor:	Репсо С	onstructio	on, Inc.					
Architect:			The Hill	Firm, Inc.						
Market Analys	t:		O'Conno	or & Assoc	ciates					
Syndicator:			PNC Mu	ltifamily C	apital					
Supportive Se	rvices:		Texas In	ter-Faith	Managen	nent Company	•			
Consultant:			N/A							
				UNIT/BUIL	DING IN	FORMATION				
<u>30% 40% 50</u>	<u> 60</u>	<u>0% Eff 1</u>	BR 2 BR 3	3 BR 4 BI	R <u>5 BR</u>	Total Res	tricted Units:			124
0 0	0 1	24 0	18 32	60 16	0	Market Ra	ate Units:			0
Type of Buildir	ng:		s or more p	,	g		nployee Units:			2
☐ Duplex			hed Reside				elopment Units:		<b>**</b>	126
☐ Triplex		☐ Single	e Room Occ	cupancy			elopment Cost: f Residential Buil	diaaa	\$9,781	•
☐ Fourplex		☐ Town!					r Residential Buil gh Total Units:	ungs	•	11 0
							w Total Units:			0
		Note:	If Development	Cost =\$0, an	Underwriting	Report has not been	completed.			
				FUNDIN	IG INFOR	MATION				
				Applica Reque		Departmen Analysis	t <u>Amort</u>	Ter	m Rate	
4% Housing	Tax Cr	edits with Bo	onds:	\$387,3	84	\$364,165	5 0		0 0.00%	
TDHCA Bond	d Alloca	ation Amoun	ıt:		\$0	\$0	0		0.00%	
HOME Activi	ty Func	d Amount:			\$0	\$0	0		0.00%	
HOME CHDO Operating Grant Amount:				\$0	\$0	)				



## MULTIFAMILY FINANCE PRODUCTION DIVISION

## February 1, 2007

## Development Information, Public Input and Board Summary Rockwell Manor Apartments, TDHCA Number 07402

## PUBLIC COMMENT SUMMARY

Guide: "O" = Oppose, "S" = Support, "N" = Neutral, "NC" or Blank = No comment

State/Federal Officials with Jurisdiction:

TX Senator: Lucio, District 27

NC

US Representative: Ortiz, District 27, NC

TX Representative: Oliveira, District 37

NC

US Senator:

NC

Local Officials and Other Public Officials:

Mayor/Judge:

Resolution of Support from Local Government

Ben Medina, Director Planning and Community

Development, City of Brownsville - The Consolidated Plan for the City of Brownsville states that affordable multifamily

units are a priority.

Individuals/Businesses: In Support:

In Opposition

0

Neighborhood Input:

## **General Summary of Comment:**

The Department has received no letters of support and no letters of opposition.

### **CONDITIONS OF COMMITMENT**

- 1. Receipt, review and acceptance of clearance letters for the lead based paint, asbestos, and mold and evidence that all other Phase I Environmental Site Assessment and subsequent environmental investigation report recommendations have been carried out is a condition of this
- 2. Receipt, review and acceptance of documentation from HUB of approval of increased Section 8 HAP contract rents and restructuring of the IRP subsidy.
- 3. Receipt, review and acceptance of a firm commitment for the IRP debt.
- 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/allocation amount may be warranted.



## MULTIFAMILY FINANCE PRODUCTION DIVISION February 1, 2007

## Development Information, Public Input and Board Summary Rockwell Manor Apartments, TDHCA Number 07402

## RECOMMENDATION BY THE EXECUTIVE AWARD AND REVIEW ADVISORY COMMITTEE IS BASED ON:

4% Housing Tax Credits:

Credit Amount:

\$364,165

Recommendation: Recommend approval of a Housing Tax Credit Allocation not to exceed \$364,165 annually for ten years, subject to

conditions.

TDHCA Bond Issuance:

Bond Amount:

\$0

Recommendation:

**HOME Activity Funds:** 

Loan Amount:

\$0

HOME CHDO Operating Expense Grant:

Grant Amount:

\$0

Recommendation:

DATE: January 22, 2007 PROGRAM: 4% HTC FILE NUMBER: 07402

## **DEVELOPMENT NAME**

## **Rockwell Manor Apartments**

APPLICANT						
Name:	RM Affordable Housing, LP		Contact:	Daniel O'Dea		
Address:	1717 West 6 th Street, Suite 315					
City	Austin		State:	TX <b>Zip:</b> 78703		
Phone:	(512) 494-8200 <b>Fax:</b> (512)	494-8201	Email:	dan@delphihousing.com		
	KEY F	PARTICIPANT	S			
Name:	Delphi Housing of Brownsville, LLC	<b>Title:</b> 1.03	1.01% Managing General Partner of Applicant			
Name:	DAHG 2006, LP	Title: 100	% Owner of C	GP .		
Name:	Delphi Community Housing 2006, LP	Title: Dev	eloper			
Name:	Delphi Affordable Housing Group, Inc	Title: 60%	60% Owner of DAHG 2006, LP / 70% Owner of Developer			
Name:	Daniel F O'Dea	Title: 40%	6 Owner of DA	AHG 2006, LP / 30% Owner of Developer		
	·			<u> </u>		

		PROPERTY LOCATIO	N	
<b>Location:</b>	2735 Rockwell Drive			
City:	Brownsville			<b>Zip:</b> 78520
County:	Cameron	Region:	11	<b>◯</b> QCT <b>□</b> DDA

		REQUEST		
<u>Program</u>	<b>Amount</b>	Interest Rate	<b>Amortization</b>	<u>Term</u>
HTC	\$387,384	N/A	N/A	N/A
<b>Proposed Use of Funds:</b>	Acquisition/rehab	Type:	Multifamily	
Target Population:	Family	Other:	Urban/Exurban	
	-		·	

### RECOMMENDATION

 $\boxtimes$ 

RECOMMEND APPROVAL OF A HOUSING TAX CREDIT ALLOCATION NOT TO EXCEED \$364,165 ANNUALLY FOR TEN YEARS, SUBJECT TO CONDITIONS.

### CONDITIONS

- 1. Receipt, review, and acceptance of clearance letters for the lead based paint, asbestos, and mold and evidence that all other Phase I Environmental Site Assessment and subsequent environmental investigation report recommendations have been carried out;
- 2. Receipt, review, and acceptance of documentation from HUD of approval of increased Section 8 HAP contract rents and restructuring of the IRP subsidy;
- 3. Receipt, review, and acceptance of a firm commitment for the IRP debt; and
- 4. Should the terms and rates of the proposed debt or syndication change, the transaction should be reevaluated and an adjustment to the credit/allocation amount may be warranted.

### **REVIEW of PREVIOUS UNDERWRITING REPORTS**

No previous reports.

### **IMPROVEMENTS**

**Total Units:** # Res Bldgs # Non-Res Bldgs Age: 34 yrs Vacant: 12% 11/30/2006

**Net Rentable SF:** 107,933 Av Un SF: 857 Common Area SF: 3,005 **Gross Bldg SF:** 110,938

### 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 modest buildings.

#### STRUCTURAL MATERIALS

The structures are constructed on concrete slabs. According to the plans provided in the application the exterior is 49% masonry veneer, 12% cement fiber, and 39% stucco. The interior wall surfaces will be drywall and the roofs are finished with composite shingles.

## **UNIT FEATURES**

The interior flooring will be carpet and resilient covering. Threshold criteria for the 2007 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 microwave, an ice maker in the refrigerator, a self-cleaning oven, a ceiling fixture in each room, an individual heating and air conditioning unit, an 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 a barbecue or picnic table for every 50 units, community laundry room, an enclosed sun porch or covered community porch, a furnished community room, a gazebo with sitting area, and two children's playgrounds equipped for 5 to 12 year olds/two tot lots/one of each.

**Uncovered Parking:** 50 **Carports:** 125 Garages: spaces spaces 0 spaces

### PROPOSAL and DEVELOPMENT PLAN DESCRIPTION

Description: Rockwell Manor Apartments is a 13-unit per acre acquisition and rehabilitation development located in Brownsville. The development was built in 1974 and is comprised of 11 evenly distributed residential buildings as follows:

No. of Buildings	No. of Floors	<u>1BR</u>	<u>2BR</u>	<u>3BR</u>	<u>4BR</u>
2	2		·		8
4	2		8	8	
2	2			8	
1	2	16			
1	2			12	
1	2	2			

The development includes construction of a new 1,120-square foot community building that will include a community room, business center, leasing office, and kitchen. Building eleven currently houses office space, a maintenance room, a laundry room, and a one-bedroom unit. The existing office space will be converted to a one-bedroom unit attached to the maintenance and laundry areas. It appears that the two one-bedroom units in building eleven will be employee occupied units.

Existing Subsidies: The property currently operates under a Section 8 HAP contract providing project-based rental assistance for 100% of the units. The Applicant is seeking renewal of the HAP contract for a 20 year period with an increase in the gross contract rents. The Applicant provided an email letter from HUD dated December 22, 2006 indicating HUD's receipt of the Applicant's request for an IRP Decoupling package and rent restructuring package. The letter states that the Applicant's request is currently being processed. In

general, the increased rents requested by the Applicant appear to be below the market rates determined by the Market Analyst. However, of note, the increased rent for the two-bedroom units is \$14 higher than the comparable market rent determined by the Market Analyst. While of concern, the market study documents several comparable units with rents higher than the increased rent requested by the Applicant and therefore it is possible that HUD would approve the new higher rents. In order to benefit from the IRP after the restructuring is complete, the increased rents must be at a level below the market.

The property currently receives an interest rate reduction payment (IRP) provided through Federal Housing Administration – Section 236. The Applicant is seeking a decoupling of the IRP from the existing debt and collateralization of the IRP with a new loan through Davis-Penn Mortgage. Based on the restructuring plan submitted to HUD, the average annual payment is estimated to be \$88,590. The annual subsidy will be deferred during the rehabilitation period and is expected to begin on December 1, 2007 and continue at the same rate through November 1, 2014. Receipt, review, and acceptance of documentation from HUD of approval of increased Section 8 HAP contract rents and restructuring of the IRP subsidy is a condition of this report.

**Development Plan:** The buildings were 88% occupied as of November 30, 2006 and are in moderate condition. The Applicant has not provided a tenant relocation plan, but explains, "RM Affordable Housing, L.P. plans to allow vacancy to be increased such that at construction commencement there will be 25 vacant units in which to begin interior rehabilitation. Each of the buildings is expected to take approximately two months to complete. ... Optimal construction speed can be attained with 20% vacant units." In addition, the Applicant provided a sample of the notification that will be given to current tenants.

The property condition assessment prepared by Dominion Due Diligence Group and dated March 30, 2006 provides the following rehabilitation scope of work:

### SITE

∉ General Sitework: Replace site concrete sidewalk, provide allowance for two (2) signs, install additional concrete at mailboxes, scope all sewer lines, provide new tot lot with fall zone, locate and evaluate the condition of existing shut off vales, install a gazebo, install planting areas, install public telephone, install BBQ grills and picnic tables, install new parking for persons with disabilities, repair fencing

### **BUILDING EXTERIORS**

∉ Residential Buildings: Replace gutters and downspouts throughout, replace existing siding with Hardiplank siding, replace exterior trim, replace 50% of existing roofs, remove existing mansard siding and replace with metal roofing, replace exterior flood lights, replace 80% of the entry unit doors and jambs, install weather stripping at all exterior doors, install new door hardware, remove existing mailboxes at each unit and cover, install new aluminum building numbers, install new unit numbers, replace stairways and landings, paint all new metal stairs, paint new siding, stucco and trim, paint existing siding, stucco and trim

### INTERIOR RENOVATION

- ∉ Doors: Replace 20% of interior doors and frames, replace 40% of closet doors, install new door hardware
- ∉ Windows: Replace all windows, install new vinyl horizontal blinds
- ∉ Walls/Ceiling: Provide allowance for repairing drywall, install water resistant gypsum board behind tubs, replace all sheetrock in bathrooms, replace ceiling sheetrock in mechanical closet, retexture all interior units, walls and ceilings, paint all unit interiors, install wood base throughout, replace 40% of all shelf and rods, replace all windows stools
- ∉ Floors: Remove not well bonded VCT, patch and repair all cracks or holes, install VCT in kitchens, bathrooms and hallways, install new carpet in all living rooms and bedrooms
- ∉ HVAC: Replace all condensers (14 SEER), replace all furnaces/Blowers, install new thermostats, provide combustion air in all mechanical closets, replace all mechanical closet doors, clean all duct work, replace all plenums, install new HVAC supply, return and wall grills
- ∉ Bathroom: Replace all accessories, replace all medicine cabinets with reversible doors, provide allowance for necessary repairs at tubs
- ∉ Kitchens: Install kitchen cabinets all units, install plastic-laminate countertop, install new kitchen

- sinks and faucets, provide paneling along stove wall and behind all stoves
- ∉ Appliances: Replace refrigerators with ice maker, replace range hoods with microwave/range hood combination, install new ranges, install garbage disposals, install dishwashers
- € Electrical: Disconnect power and control wiring from the existing furnace/air conditioner unit in each apartment to allow for removal, provide new disconnect and reconnect both power and control circuits, install new 100-amp electrical service panels, install arc fault per code, provide wiring and connections garbage disposals, add G.F.I. outlet protection in kitchen and bath, replace all existing light fixtures, replace all plugs, switches, and cover plates, replace exhaust fans in bathrooms, install hardwired smoke detectors, provide wiring and connections ceiling fans/light fixtures, provide new ceiling fans/light fixtures, install compression wire fittings on aluminum neutral wire at panels, add TV and Telephone outlets in bedrooms
- ∉ Plumbing: Replace all bath vanities and vanity fixtures, replace all tubs, tub valves and tub trim, install new 3 or 5 piece tub surrounds with integral soapdish and grab bars, replace all toilets and hubs, replace all stop valves at fixtures, install water line for ice maker, provide supply line for new dishwasher, provide allowance for misc. water supply line repairs

#### **BUILDING MISCELLANEOUS**

- ∉ Add 6" of blown insulation in attics of all buildings to achieve an R-30 rating.
- ∉ Convert various units for accessibility

#### ABATEMENT SUMMARY

∉ Includes a \$100,000 allowance for the removal and monitoring of asbestos containing materials. These items include existing tile, tile mastic, drywall texture and drywall joint compound.

## OFFICE/LAUNDRY/MAINTENANCE BUILDING (OLM)

- ∉ Exterior: Replace gutters and downspouts, remove existing siding and replace with Hardiplank siding, replace all trim, replace existing mansard siding and replace with metal roofing, replace exterior flood light, paint exterior of building, replace all windows, replace existing dbl. front entry door, replace all sheetrock in water heater room, remove existing ramps at laundry and office entry and replace with HC, replace handrails at entry ramp and install at laundry, replace gutters and downspouts on OLM building, replace O.H. door and personnel door at Maintenance shop
- ∉ Interior: Overlay existing VCT flooring with new VCT flooring, convert existing office to new 1-bedroom unit, install new carpet, paint all trim, walls and ceilings

### VII. SITE MISCELLANEOUS

- ∉ Install 125 carports throughout the property.
- € Construct New Office/Community Building.
- ∉ Repair circular brick planters and add sidewalks around planters.

SITE ISSUES					
SITE DESCRIPTION					
<b>Total Size:</b>	9.634 acres	Scattered sites?	☐ Yes ⊠ No		
Flood Zone:	Zone B	Within 100-year floodplain?	☐ Yes ⊠ No		
<b>Current Zoning:</b>	Apartment "H"	Needs to be re-zoned?	☐ Yes ⊠ No ☐ N/A		
SITE and NEIGHBORHOOD CHARACTERISTICS					

<u>Location</u>: The site is an irregular shaped parcel located at the northwest corner of Rockwell Drive and Shidler Drive approximately 1.5 miles north of Brownsville's central business district in Cameron County.

## **Adjacent Land Uses:**

- € North: a Resaca (river channel) immediately adjacent and single family residential beyond;
- € South: Rockwell Drive immediately adjacent and commercial and single family residential beyond;
- ∉ East: Rockwell Drive immediately adjacent and multifamily residential complexes beyond; and
- ∉ West: Shidler Road immediately adjacent and retail beyond.

<u>Site Access</u>: Access to the site is available from two points along Rockwell Drive. Highway 83 / Highway 77 is located one quarter mile west of the subject property and provides access to other areas of the city, region,

and state.					
<b>Public Transportation:</b> The availability of public transport	rtation was not identified in the application				
materials.					
Shopping & Services: A major supermarket, other retail st	Shopping & Services: A major supermarket, other retail stores and restaurants, primary and secondary				
public schools, banks, places of worship, and recreational facility	ities are all located within one mile of the site.				
TDHCA SITE INSPECT	ION				
Inspector: Manufactured Housing Staff	<b>Date:</b> 5/15/2006				
Overall Assessment:					
Comments:					
LUCHUCUTE of COLLE & LIAZADDOLIC M	AATERIALE DEDORT(E)				
HIGHLIGHTS of SOILS & HAZARDOUS MATERIALS REPORT(S)					

A Phase I Environmental Site Assessment report dated March 22, 2006 was prepared by Astex Environmental Services and contained the following findings and recommendations:

## **Findings:**

- **Noise:** The ESA provider found that noise is not a factor (p. 29).
- **Floodplain:** "Based on the Federal Emergency Management Agency Flood Insurance Rate Map Number 4800103 0010 B, effective date: December 1, 1978, the subject property is located in 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 foot or where the contributing drainage is less than one square mile; or areas protected by levees from the base flood" (p. 8).
- Asbestos-Containing Materials (ACM): "A comprehensive investigation of potential asbestos containing building materials within the dwelling units and common use areas was conducted during this assessment and all of the 12" floor tile (select patterns/color) and associated black mastic found throughout the dwelling units was found to be asbestos containing as well as the cementious soffit material found throughout the site. These materials can be managed in place under an Operations and Maintenance Plan" (p. 1).
- ∠Ead-Based Paint (LBP): "A limited lead based paint survey was conducted for this assessment and at least two hundred forty-nine (249) XRF readings were taken, one (1) of which was a calibration confirmation. Based on the randomness of the sampling the slab type exterior entrance doors (both inside and outside) must be considered positive for lead based paint: All other interior and/or exterior painted surfaces were found to be free of lead based paint" (p. 1). The exterior entrance doors "were noted to be in good condition with minimal peeling and flaking having been observed and can be managed in place through implementation of a LBP Operations and Maintenance Plan (O&M)" (p. 20).
- ∠ Lead in Drinking Water: "On April 18, 2006 Astex Environmental Services representative, Mr. Benjamin Hernandez, Texas Lead Inspector, #2060428, conducted limited testing on the drinking water from twelve (12) randomly selected dwelling units on the subject site. ... The sample results indicate that water from the Office bathroom is greater than the level permitted under the Drinking Water Standard (15 ppb). Additional confirmation sampling is scheduled from this area and will be reported under separate cover" (p. 20).
- **Radon:** "The City of Brownsville falls within the EPA Radon Zone 3 (lowest potential − less than 2 pCi/L) therefore no physical sampling was deemed necessary and no further action should be required" (p. 19).
- Other: "During the inspection particular attention was given to visible mold growth or signs of water intrusion into the units. Fourteen (14) of the twenty (20) inspected units were noted to have mold or water damage to some degree, primarily restricted to the HVAC closets or bathrooms. The mold or water intrusions were small spots (superficial) or stains to the entire HVAC closets and ductwork.... Prior to renovation the General Contractor should consult a Texas licensed Mold Assessment Consultant to insure compliance with the Texas Mold and Remediation Rules dated May 2004" (p. 22).
- Recognized Environmental Concerns (RECs): "This assessment revealed the following on-site recognized environmental conditions in connection with the subject property. Limited amounts of

asbestos containing materials were identified and can be managed in place through an Asbestos Operations and Maintenance Plan (O&M). All slab type exterior front doors were identified as containing lead based paint but can be managed in place through and LBP Operations and Maintenance Plan (O&M). At least three (3) of the property owned and operated electrical transformers were noted to have staining on the transformer case, pad or adjacent soil and should be investigated further. A slightly elevated level of lead in water was identified within the Office and additional testing should be conducted. Fourteen (14) of the twenty (20) inspected units were noted to have visible mold (minor to significant) or water damage primarily within the HVAC closets or bathrooms" (p. 32).

Recommendations: The Applicant submitted an Operations and Maintenance Plan for Lead Based Paint and Asbestos Containing Materials dated March 22, 2006. Subsequently, on December 26, 2006, the Applicant submitted a signed letter from Astex Environmental Services indicating, "These O&M Plans are currently in full force and effect until rehab of the units takes place. Upon completion of the rehab, the appropriate O&M will remain in place in accordance with the Texas asbestos, lead and mold regulations. ... At completion of each phase of the rehab, asbestos, lead based paint and mold clearance letters will be provided indicating that the specific areas have passed clearance and are safe for occupancy."

Receipt, review, and acceptance of clearance letters for the lead based paint, asbestos, and mold and evidence that all other Phase I Environmental Site Assessment and subsequent environmental investigation report recommendations have been carried out is a condition of this report.

## INCOME SET-ASIDE

The Applicant has elected the 40% at 60% or less of area median gross income (AMGI) set-aside. To qualify for 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 (§ 1372.0321).

MAXIMUM ELIGIBLE INCOMES						
	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons
60% of AMI	\$18,120	\$20,700	\$23,280	\$25,860	\$27,900	\$30,000

## **MARKET HIGHLIGHTS**

A revised market feasibility study dated December 26, 2006 was prepared by O'Connor & Associates ("Market Analyst") and included the following findings:

Secondary Market Information: The Market Analyst did not include a secondary market area.

<u>Definition of Primary Market Area (PMA)</u>: "The revised primary market area consists of zip code 78521, which encompasses southeast Brownsville. The PMA extends out to the Gulf of Mexico, but the majority of the PMA's population resides within the Brownsville city limits" (p. Add). This area encompasses approximately 96 square miles and is equivalent to a circle with a radius of 5.5 miles.

**Population:** The estimated 2006 population of the PMA was 99,211 and is expected to increase by 12.6% (2.5% annually) to approximately 111,721 by 2011. Within the primary market area there were estimated to be 26,361 households in 2006.

<u>Total Market Demand</u>: The Market Analyst utilized a household size-appropriate adjustment rate of 92% (p. Add). The Analyst's income band of \$8,160 to \$30,000 and income specific tenure rates result in an income eligible tenure appropriate adjustment rate of 21% (p. Add). The Market Analyst indicates a turnover rate of 60% applies based on IREM data (p. Add).

In addition, the Market Analyst included demand for 75 units from Section 8 voucher holders. Due the to Underwriter's use of an income band extending to \$0, as a result of the project based rental subsidy, demand from Section 8 voucher holders is effectively included in turnover demand. Therefore, the Underwriter did not include demand from this source. Also of note, it is unclear whether the Market Analyst's data used to derive the income specific tenure rates is applicable for Brownsville. While the Underwriter understands the tendency to understate demand when including higher income households, the use of a PMA specific tenure rate is more appropriate. Therefore, the Underwriter has used a tenure appropriate adjustment rate of 38%.

MARKET DEMAND SUMMARY						
	Market Analyst		Underwriter			
Type of Demand	Units of Demand	% of Total Demand	Units of Demand	% of Total Demand		
Household Growth	140	4%	126	4%		
Resident Turnover	3,075	93%	2,957	96%		
Other Sources: Section 8	75	1%	N/A			
TOTAL DEMAND	3,290	100%	3,083	100%		

p. Add

<u>Inclusive Capture Rate</u>: The Market Analyst calculated an inclusive capture rate of 14.71% based upon 3,290 units of demand and 484 unstabilized affordable housing in the PMA (including the subject) (p. Add). The Underwriter calculated an inclusive capture rate of 15.64% based upon a revised supply of 482 unstabilized comparable affordable units divided by a revised demand estimate for 3,083 affordable units.

However, the subject development is currently 88% occupied with a rental subsidy, and it is likely the existing tenants will choose to remain at the property. Therefore, an inclusive capture rate calculation is not a meaningful tool for determining the feasibility of the subject development.

<u>Unit Mix Conclusion</u>: The Market Analyst draws no specific unit mix conclusion; although, the Analyst concludes that the subject will have a competitive advantage in the market as a result of the superior condition of the property and amenities. Per the 2007 Real Estate Analysis Rules and Guidelines, the Market Analyst must derive an inclusive capture rate for each unit type and income restriction. However, the subject application was submitted prior to the TDHCA Board's approval of the 2007 Real Estate Analysis Rules and Guidelines on December 14, 2006.

<u>Market Rent Comparables</u>: The Market Analyst surveyed five comparable apartment properties in the market area.

RENT ANALYSIS (net tenant-paid rents)						
Unit Type (% AMI)	Proposed	Program Max	Differential	Est. Market	Differential	
1-Bedroom (60%)	\$494	\$441	\$53	\$510	-\$16	
2-Bedroom (60%)	\$594	\$502	\$92	\$580	\$14	
3-Bedroom (60%)	\$670	\$584	\$86	\$690	-\$20	
4-Bedroom (60%)	\$759	\$662	\$97	\$800	-\$41	

(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:** "According to *Multi-Housing Market Condition Report, January 2006*, prepared by Apartment MarketData Research Services, LLC, projects constructed in the Brownsville submarket during the 2000's are currently averaging 97.2% occupancy" (p. 40). "There are 11 HUD projects totaling 925 units. ...All HUD projects in Brownsville [except those currently undergoing rehabilitation] are 100% occupied" (p. 44).

Absorption Projections: "Considering the strong absorption history of similar properties and the lack of available quality affordable units in this market, and also recognizing that the property is currently operating at 100% occupancy as a low-income project, we project that the property will remain close to stabilized occupancy during rehabilitation, and will return to stabilized occupancy by close of construction, or immediately thereafter" (p. 40).

<u>Unstabilized</u>, <u>Under Construction</u>, <u>and Planned Development</u>: "Based on our research, there are three affordable housing projects currently proposed, under construction, approved for construction, or unstabilized in the subject's primary market. La Villita Phase I [TDHCA #03029], although at 99% occupancy, has not been stabilized for a period of one year; therefore, this project is classified as unstabilized per the TDHCA definition. Phase I has 128 units, of which all 128 are rent-restricted. La Villita Phase II [TDHCA #05125] is just breaking ground, and will have 80 units, of which all 80 will be rent-restricted. Providence at Boca Chica is also just breaking ground, and will have 158 units, of which 151 will be rent-restricted" (p. 77). In addition to the developments identified by the Market Analyst, Cunningham Manor Apartments received a 2006 allocation of 9% tax credits. However, the property is an acquisition/rehabilitation development and will not

be included in the capture rate calculation. Lastly, it is important to note that all of the unstabilized properties discussed above are within one mile of the subject property.

<u>Market Impact</u>: "Based on the high occupancy levels of the existing properties in the market, along with the strong recent absorption history, and considering that the subject is already operating at 100% occupancy as an affordable housing project, we project that the subject property will have minimal sustained negative impact on the existing apartment market. Any negative impact should be of reasonable scope and limited duration" (p. 85).

<u>Market Study Analysis/Conclusions</u>: The Underwriter found the market study provided sufficient information on which to base a funding recommendation.

### **OPERATING PROFORMA ANALYSIS**

<u>Income</u>: The Applicant's projected rents collected per unit are equal to the Applicant's anticipated Section 8 HAP contract rents. As indicated above, the Applicant has requested an increase in the current HAP contract rents from HUD as part of a restructuring package. The requested rent increase per unit ranges from \$4 to \$51 depending on unit type, which results in a subsidy increase of approximately \$27K or 3% annually. Tenants will be required to pay electric costs.

The Applicant's secondary income and vacancy and collection loss estimates are in line within the Department's guidelines. In addition, the property receives an IRP subsidy, which has been included as a source of secondary income. The Underwriter's IRP subsidy is the estimated average annual IRP derived from the IRP schedule in the Applicant's restructuring plan. The Applicant's estimate of effective gross income is within 5% of the Underwriter's estimate.

**Expenses:** The Applicant's total annual operating expense projection at \$4,135 per unit is within 5% of the Underwriter's estimate of \$4,111, derived from actual operating history of the development, the TDHCA database, and third-party data sources. However, the Applicant's estimates of a couple line items differ significantly from the Underwriter's, including: payroll and payroll tax (\$23K or \$22% lower); and property tax (\$19K or 33% lower). The PCA indicates that the Applicant's reserve for replacements estimate of \$300 per unit is sufficient.

<u>Conclusion</u>: The Applicant's estimates of effective gross income, operating expenses, and net operating income are each within 5% of the Underwriter's estimates. Therefore, the Applicant's Year One proforma is used to determine the development's debt capacity and debt coverage ratio (DCR). The Applicant's proforma results in a Year One DCR within the Department's guideline.

**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 Applicant's base year effective gross income, expense, and net operating income were utilized resulting in a debt coverage ratio that remains above 1.15 and continued positive cashflow. Therefore, the development can be characterized as feasible for the long-term.

ACQUISITION VALUATION INFORMATION					
APPRAISED VALUE					
Land Only: 9.634 acres	\$590,000	Date of Valuation:	12/27/2006		
Existing Building(s): "as is"	\$2,190,000	Date of Valuation:	12/27/2006		
Total Development: "as is"	\$2,780,000	Date of Valuation:	12/27/2006		
Appraiser: Simon J Luttman	Firm: O'Connor & A	ssociates City:	Houston		

#### APPRAISAL ANALYSIS/CONCLUSIONS

An updated appraisal, provided by the purchaser, was performed by O'Connor & Associates and dated December 27, 2006. The current "as-is" value is most important in the valuation and underwriting of this property because it should support the purchase price of the subject. For the "as-is" valuation, the primary approach used was the income capitalization approach. The income approach takes into account the current HAP contract and the IRP payment. Four land sales dating from 2003 to 2005 for 4.9 acres to 12.3 acres were

used to determine the underlying value of the land. As a result, the value attributed to the existing buildings is \$2,190,000 or 79% of the total appraised value of the property

ASSESSED VALUE						
Land:	\$233,040	Assessment for the Year of: 2006				
Building:	\$1,890,017	Valuation by: Cameron County Appraisal Distr		aisal District		
Total Assessed Value:	\$2,123,057	Tax Rate:	2.661355	2.661355		
EVIDENCE of SITE or PROPERTY CONTROL						
<b>Type of Site Control:</b> Purchase and sale agreement (9.634 acres)						
Contract Expiration:	12/01/2006 and one 4-month extension		lid through Board Date?	Yes No		
Acquisition Cost:	\$2,800,000	Ot	her:			
Seller: Rockwell Manor Limited Partnership			lated to Development Team?	☐ Yes ⊠ No		

#### **CONSTRUCTION COST ESTIMATE EVALUATION**

Acquisition Value: The Applicant provided a purchase and sale agreement for the purchase of the subject property indicating a price of \$2,800,000, which is equal to the total acquisition cost claimed by the Applicant. The Applicant is claiming acquisition credits for the property and has attributed a value of \$2,447,760 to the existing buildings. The Underwriter has determined a building value of \$2,205,755 which was calculated as 79% of the contract price of \$2,800,000, which is proportionately consistent with the appraisal submitted by the Applicant. As a result, the acquisition eligible basis used to determine the eligible acquisition tax credit amount including the proportionate developer fee is \$2,814,924 or \$278,305 less than the Applicant's claimed acquisition basis.

<u>Sitework Cost</u>: Since this is a proposed rehabilitation the associated sitework costs are minimal. The Applicant has estimated sitework costs of \$1,221 per unit. The Applicant's estimate is \$86K or 127% higher than the estimate in the Property Condition Assessment (PCA) submitted by the Applicant. The underwriting analysis will reflect the PCA value.

<u>Direct Construction Cost</u>: The Applicant's direct construction cost estimate is \$15K or <1% higher than the estimate provided in the Property Condition Assessment (PCA). The underwriting analysis will reflect the PCA value.

<u>Fees</u>: 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 the third-party Property Condition Assessment (PCA) provided by the Applicant and the information presented in the application. The PCA was well documented and appeared to cover the scope of work provided by the Applicant. Thus, the Underwriter's development cost schedule, as derived from the PCA, will be used to determine the development's need for permanent funds and to calculate eligible basis. An eligible basis of \$8,302,371 supports annual tax credits of \$364,165. 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.

### TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS MULTIFAMILY UNDERWRITING ANALYSIS

		FINA	NCING STRUCTURE					
		INTERIM TO PE	RMANENT BOND FIN	IANCING				
Source:	Davis-Penn Mo	rtgage		Contact:	Ray Landry			
Principal:	\$4,899,800	Interest Rate:	5.25%, fixed		Amort:	420 months		
IRP Loan Pri	in: \$480,900	Interest Rate:	5.25%, fixed		Amort:	80 months		
Documentation	on: Signed X T	erm Sheet LOI	Firm Commitment	Condition	al Commitment   A	Application		
Comments:								
TAX CREDIT SYNDICATION								
Source:	PNC MultiFamily	Capital	Contact:	Gayle Manganel	llo			
Proceeds:	\$3,869,538	Net Syndication	Rate: 101%	Anticipate	d HTC: \$387,38	84/year		
Documentation	on: Signed T	erm Sheet 🛭 LOI [	Firm Commitment [	Condition	al Commitment   A	Application		
Comments:								
OTHER								
Amount:	\$219,338	Source:	Operating Reserves					
Amount:	\$226,464	Source:	Rental Income During Construction					
Amount:	\$485,623	Deferred Develo	Deferred Developer Fee					
	FINANCING STRUCTURE ANALYSIS							

<u>Interim to Permanent Bond Financing</u>: The Applicant has received a reservation of Mortgage Revenue Bonds from the Cameron County Housing Finance Corporation (CHFC). Davis-Penn Mortgage Co. has provided a commitment letter with amounts and terms consistent with the sources and uses of funds portion of the application. The development qualifies for tax credits as a Private Activity Bond transaction because it is at least 51 percent financed by tax-exempt private activity bonds and has chosen to further qualify as a Priority 2 development (§ 1372.0321, Texas Government Code).

Interest Reduction Payment Loan: The commitment letter from Davis-Penn Mortgage indicates a \$480,900 loan (a portion of the total bond financing) to cover the remaining stream of IRP payments. The commitment indicates the loan will be fully amortized over the remaining term of approximately 80 months, and at a rate of 5.25%. The final amount of the loan and terms will be determined at a later date based upon the scheduled closing. However, the Underwriter has estimated a loan amount of \$518,007 and a term of 84 months based on the net present value of future payments indicated in HUD's IRP schedule submitted by the Applicant and the Applicant's documentation for an IRP subsidy restructuring. The Underwriter's estimated loan amount is reflected in the recommended financing structure. Receipt, review, and acceptance of a firm commitment for the IRP debt is a condition of this report.

**HTC Syndication:** The tax credit syndication commitment is consistent with the terms reflected in the sources and uses of funds listed in the application.

<u>Cash Equity</u>: The Applicant has indicated \$219,338 in operating reserves will be used to during construction and funded after completion of the rehabilitation.

<u>Income During Construction</u>: The Applicant included \$226,464 in anticipated rental income received during the construction phase; the Underwriter has included this amount in deferred developer fee in the recommended financing structure. Of note, the Applicant intends upon operating at 80% occupancy through the construction period.

<u>Deferred Developer's Fees:</u> The Applicant's proposed deferred developer's fees of \$485,623 amount to 43% of the total fees.

**Financing Conclusions:** The Underwriter's total development cost estimate less the permanent loan of \$4,899,800 and adjusted IRP loan of \$518,007 indicates the need for \$4,363,753 in gap funds. Based on the submitted syndication terms, a tax credit allocation of \$436,463 annually would be required to fill this gap in

## TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS MULTIFAMILY UNDERWRITING ANALYSIS

financing. Of the three possible tax credit allocations, Applicant's request (\$387,384), the gap-driven amount (\$436,463), and eligible basis-derived estimate (\$364,165), the eligible basis-derived estimate of \$364,165 is recommended resulting in proceeds of \$3,640,919. The Underwriter's recommended financing structure indicates the need for \$903,599 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 Developer are related entities. These are common relationships for HTC-funded developments.

#### APPLICANT'S/PRINCIPALS' FINANCIAL HIGHLIGHTS, BACKGROUND, and EXPERIENCE

#### **Financial Highlights:**

- The Applicant, General Partner, owner of the GP, and Developer are single-purpose entities created for the purpose of receiving assistance from TDHCA and therefore have no material financial statements.
- ₹ The 60% owner of DAHG 2006 and 70% owner of the developer, LP, Delphi Affordable Housing Group, Inc, submitted an unaudited financial statement as of November 30, 2006 reporting total assets of \$3.5M and consisting of \$28K in cash, \$1.5M in current receivables, \$653K in long term receivables, \$250K in real property, and \$992K in partnership interests. Liabilities totaled \$1.2M, resulting in a net worth of \$2.3M.
- ∉ The 40% of DAHG 2006 and 30% owner of the developer, Daniel F O'Dea, submitted an unaudited financial statement as of November 30, 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

- € Potential environmental risks exist regarding asbestos, lead based paint, and mold.
- ∉ The property's project-based rent subsidy is subject to Federal funding and may not be renewed as anticipated.

Underwriter:		Date:	January 22, 2007
	Cameron Dorsey		
Reviewing Underwriter:		Date:	January 22, 2007
	Lisa Vecchietti		
Director of Real Estate Analysis:		Date:	January 22, 2007
	Tom Gouris		

#### **MULTIFAMILY COMPARATIVE ANALYSIS**

#### Rockwell Manor Apartments, Brownsville, HTC 4%, #07402

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,Gas
TC 60%/Sec.8	16	1	1	559	\$485	\$494	\$7,904	\$0.88	\$44.00	\$76.15
TC 60%/Sec.8	32	2	1	682	582	594	19,008	0.87	80.00	86.15
TC 60%/Sec.8	60	3	2	961	672	670	40,200	0.70	88.00	99.15
TC 60%/Sec.8	16	4	2	1,142	750	759	12,144	0.66	88.00	113.15
EO	1	1	1	559			0	0.00	44.00	76.15
EO	1	1	1	674			0	0.00	44.00	76.15
TOTAL:	126		AVERAGE:	857	\$625	\$629	\$79,256	\$0.73	\$79.68	\$94.34
	120				Ψ023					
INCOME			entable Sq Ft:	107,933		TDHCA	APPLICANT	(	Comptroller's Region	11
POTENTIAL		ENI	_	er Unit Per Month:	\$15.00	\$951,072 22.680	\$951,072 15,120	\$10.00	IREM Region	
Secondary In Other Suppor		P Payment		rer Unit Per Month:	\$15.00	88,590	89,369	\$59.11	Per Unit Per Month Per Unit Per Month	
POTENTIAL		•				\$1,062,342	\$1,055,561	ψου. Τ	T CT OTHET CT MOTHET	
Vacancy & C	ollection Los	ss	% of Poter	ntial Gross Income:	-7.50%	(79,676)	(72,468)	-6.87%	of Potential Gross Incom	me
Employee or			or Concession	ons		0	0			
EFFECTIVE	GROSS IN	NCOME				\$982,666	\$983,093			
EXPENSES			% OF EGI	PER UNIT	PER SQ FT			PER SQ FT	PER UNIT	% OF EGI
General & Ac			3.79%	\$296	0.34	\$37,234	\$32,775	\$0.30	\$260	3.33%
Management			4.33%	338	0.39	42,526	44,686	0.41	355	4.55%
Payroll & Pay			10.58%	825	0.96	103,937	81,280	0.75	645	8.27%
Repairs & Ma	aintenance		4.89%	381	0.45	48,031	43,500	0.40	345	4.42%
Utilities			3.77%	294	0.34	37,071	40,000	0.37	317	4.07%
Water, Sewe			7.73%	603	0.70	75,988	72,000	0.67	571	7.32%
Property Insu			6.06%	473	0.55	59,549	75,601	0.70	600	7.69%
Property Tax		2.661355	5.98%	466	0.54	58,770	78,206	0.72	621	7.96%
Reserve for F Other: compl			3.85% 1.73%	300 135	0.35 0.16	37,800 17,040	37,800 15,150	0.35 0.14	300 120	3.85% 1.54%
TOTAL EXP		ity	52.71%	\$4,111	\$4.80	\$517,946	\$520,998	\$4.83	\$4,135	53.00%
NET OPERA			47.29%	\$3,688	\$4.31	\$464,720	\$462,094	\$4.28	\$3,667	47.00%
DEBT SERV			47.2070	φο,σσσ	ψ4.01	ψ101,120	Ψ102,001	Ψ4.20	ψο,σον	47.0070
Davis Penn Fi			31.16%	\$2,430	\$2.84	\$306,184	\$391,834	\$3.63	\$3,110	39.86%
Davis Penn IRP		9.02%	\$703	\$0.82	88,590	0	\$0.00	\$0	0.00%	
Additional Financing		0.00%	\$0	\$0.00	0	0	\$0.00	\$0	0.00%	
NET CASH F	FLOW		7.12%	\$555	\$0.65	\$69,946	\$70,260	\$0.65	\$558	7.15%
AGGREGATE	DEBT COV	ERAGE RA	TIO			1.18	1.18			
RECOMMEND			RATIO				1.17			
CONSTRUC	TION COS	<u> </u>								
Descrip	otion	Factor	% of TOTAL	PER UNIT	PER SQ FT	TDHCA	APPLICANT	PER SQ FT	PER UNIT	% of TOTAL
Acquisition C	cost (site or b	oldg)	28.63%	\$22,222	\$25.94	\$2,800,000	\$2,800,000	\$25.94	\$22,222	28.11%
Off-Sites			0.00%	0	0.00	0	0	0.00	0	0.00%
Sitework			0.69%	537	0.63	67,615	153,800	1.42	1,221	1.54%
Direct Const	ruction		34.70%	26,936	31.44	3,393,920	3,409,042	31.58	27,056	34.22%
Contingency		10.00%	3.54%	2,747	3.21	346,154	356,284	3.30	2,828	3.58%
General Req		6.00%	2.12%	1,648	1.92	207,692	213,771	1.98	1,697	2.15%
Contractor's		2.00%	0.71%	549	0.64	69,231	71,257	0.66	566	0.72%
Contractor's		6.00%	2.12%	1,648	1.92	207,692	213,771	1.98	1,697	2.15%
Indirect Cons			2.96%	2,301	2.69	289,903	289,903	2.69	2,301	2.91%
Ineligible Co			6.80%	5,283	6.17	665,607	665,607	6.17	5,283	6.68%
Developer's		2.00%	1.48%	1,146	1.34	144,389	151,741	1.41	1,204	1.52%
Developer's		13.00%	9.59%	7,449	8.70	938,529	986,320	9.14	7,828	9.90%
Interim Finar	icing		4.41%	3,425	4.00	431,491	431,491	4.00	3,425	4.33%
Reserves TOTAL COS	т		2.24%	1,741 \$77,631	2.03	219,338 \$9,781,560	219,338 \$9,962,325	2.03	1,741	2.20%
Construction		2	43.88%	\$77,631 <b>\$34,066</b>	\$90.63 <b>\$39.77</b>	\$4,292,303	\$4,417,925	\$92.30 <b>\$40.93</b>	\$79,066 <b>\$35,063</b>	100.00% 44.35%
	-		<b>43.00%</b>	φυ <del>ν</del> ,υυσ	φ33.11	ψ <del>4</del> ,232,3U3	ψ <del>ν,ν</del> ι1,320		φ33,003	44.33%
SOURCES C			E0 000/	£20.007	<b>CAF AC</b>	\$4 900 900	\$4 900 900	RECOMMENDED \$4,800,800	B	o Avell-El
Davis Penn Fi			50.09%	\$38,887	\$45.40	\$4,899,800	\$4,899,800	\$4,899,800	Developer Fe	
Davis Penn IR			4.92%	\$3,817 \$30,711	\$4.46 \$25.95	480,900 3 869 538	480,900 3 869 538	3 640 919	\$1,138	
HTC Syndicati	on Proceeds	•	39.56%	\$30,711	\$35.85	3,869,538	3,869,538	3,640,919	% of Dev. Fe	e Deletred
Cash Equity	Jones Foos		2.32%	\$1,797 \$2,954	\$2.10 \$4.50	226,464 485,623	226,464 485,623	903 599	79'	0/4
Deferred Deve Additional (Exc		Reg'd	4.96%	\$3,854 (\$1,435)	\$4.50 (\$1.67)	485,623 (180,765)	485,623	903,599	15-Yr Cumulati	
,		rvey u	-1.85%	(\$1,435)	(\$1.67)	` ' '				
TOTAL SOURCES						\$9,781,560	\$9,962,325	\$9,962,325	\$1,632	ا،ن.,

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07402 Rockwell Manor Apartments.xls Print Date1/23/2007 10:55 AM

#### MULTIFAMILY COMPARATIVE ANALYSIS (continued)

#### Rockwell Manor Apartments, Brownsville, HTC 4%, #07402

#### PAYMENT COMPUTATION

Primary	\$4,899,800	Amort	420
Int Rate	5.25% DCR		1.52
Secondary	\$480,900	Amort	80
Int Rate	5.25%	Subtotal DCR	1.18
Additional	\$3,869,538	Amort	
Int Rate		Aggregate DCR	1.18

#### RECOMMENDED FINANCING STRUCTURE APPLICANT'S NO

Primary Debt Service	\$306,184
Secondary Debt Service	88,590
Additional Debt Service	0
NET CASH FLOW	\$67,320

Primary	\$4,899,800	Amort	420
Int Rate	5.25%	DCR	1.51

Secondary	\$518,007	Amort	84
Int Rate	5.25%	Subtotal DCR	1.17

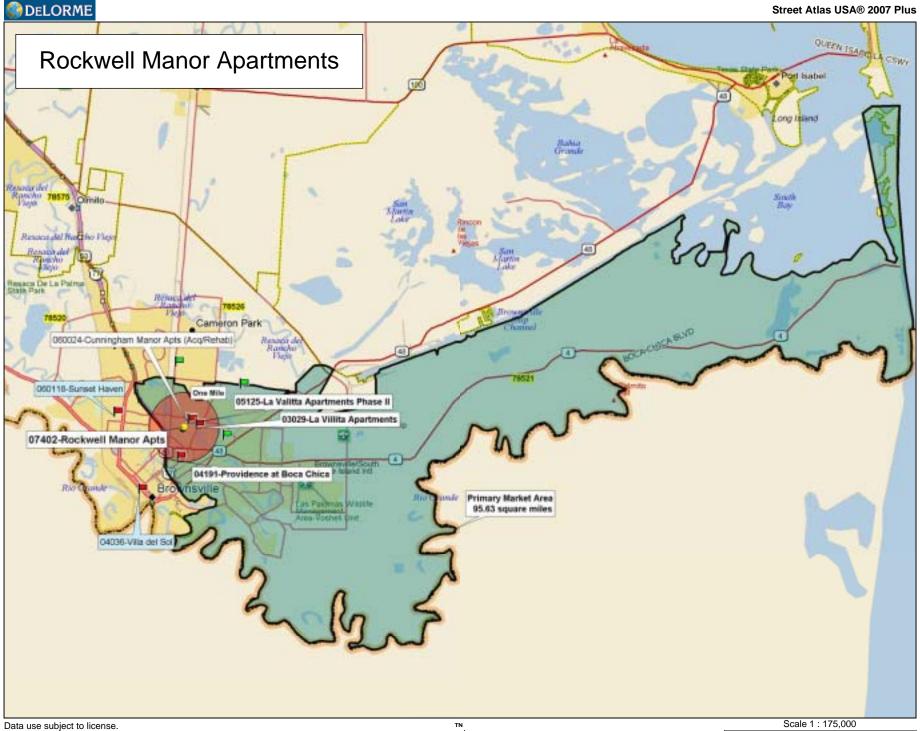
Additional	\$3,869,538	Amort	0
Int Rate	0.00%	Aggregate DCR	1.17

#### 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
POTENTIA	AL GROS	S RENT	\$951,072	\$979,604	\$1,008,992	\$1,039,262	\$1,070,440	\$1,240,933	\$1,438,582	\$1,667,711	\$2,241,263
Seconda	ry Income	•	15,120	15,574	16,041	16,522	17,018	19,728	22,870	26,513	35,631
Other Su	pport Inc	ome: IRP Payme	88,590	88,590	88,590	88,590	88,590				
POTENTIA	AL GROS	S INCOME	1,054,782	1,083,767	1,113,623	1,144,374	1,176,047	1,260,661	1,461,452	1,694,224	2,276,895
Vacancy	& Collect	ion Loss	(72,468)	(81,283)	(83,522)	(85,828)	(88,204)	(94,550)	(109,609)	(127,067)	(170,767)
Employe	e or Othe	r Non-Rental Un	0	0	0	0	0	0	0	0	0
EFFECTI\	/E GROS	S INCOME	\$982,314	\$1,002,485	\$1,030,101	\$1,058,546	\$1,087,844	\$1,166,112	\$1,351,843	\$1,567,157	\$2,106,128
EXPENSE	S at	4.00%									
General	& Adminis	strative	\$32,775	\$34,086	\$35,449	\$36,867	\$38,342	\$46,649	\$56,756	\$69,052	\$102,214
Manager	ment		44,686	45567.8445	46823.13518	48116.08459	49447.82249	53005.48971	61447.89001	71234.94581	95733.81046
Payroll &	Payroll T	ax	81,280	84,531	87,912	91,429	95,086	115,687	140,751	171,245	253,484
Repairs 8	& Mainter	ance	43,500	45,240	47,050	48,932	50,889	61,914	75,328	91,648	135,661
Utilities			40,000	41,600	43,264	44,995	46,794	56,932	69,267	84,274	124,746
Water, S	ewer & Ti	rash	72,000	74,880	77,875	80,990	84,230	102,478	124,681	151,693	224,543
Insurance	е		75,601	78,625	81,770	85,041	88,442	107,604	130,916	159,280	235,773
Property	Tax		78,206	81,334	84,588	87,971	91,490	111,312	135,427	164,768	243,897
Reserve	for Repla	cements	37,800	39,312	40,884	42,520	44,221	53,801	65,457	79,639	117,885
Other			15,150	15,756	16,386	17,042	17,723	21,563	26,235	31,919	47,248
TOTAL EX	KPENSES	3	\$520,998	\$540,932	\$562,002	\$583,902	\$606,665	\$730,946	\$886,266	\$1,074,752	\$1,581,185
NET OPE	RATING	NCOME	\$461,315	\$461,553	\$468,099	\$474,643	\$481,178	\$435,166	\$465,577	\$492,404	\$524,943
	DEBT SEI	RVICE									
First Lien	Financing		\$306,184	\$306,184	\$306,184	\$306,184	\$306,184	\$306,184	\$306,184	\$306,184	\$306,184
Second Li	ien		88,590	88,590	88,590	88,590	88,590				
Other Fina	ancing	_	0	0	0	0	0	0	0	0	0
NET CASI	H FLOW	_	\$66,541	\$66,778	\$73,325	\$79,869	\$86,404	\$128,981	\$159,393	\$186,220	\$218,758
DEBT CO	VERAGE	RATIO	1.17	1.17	1.19	1.20	1.22	1.42	1.52	1.61	1.71

#### HTC ALLOCATION ANALYSIS -Rockwell Manor Apartments, Brownsville, HTC 4%, #07402

	APPLICANT'S	TDHCA	APPLICANT'S	TDHCA	APPLICANT'S	TDHCA
v	TOTAL	TOTAL	ACQUISITION	ACQUISITION	REHAB/NEW	REHAB/NEW
CATEGORY (1) Acquisition Cost	AMOUNTS	AMOUNTS	ELIGIBLE BASIS	ELIGIBLE BASIS	ELIGIBLE BASIS	ELIGIBLE BASIS
Purchase of land	\$352,240	\$594,245				
Purchase of failule	\$2,447,760	\$394,245 <b> </b> \$2,205,755	\$2,447,760	\$2,205,755		
(2) Rehabilitation/New Construction Cost	φ2,447,700	\$2,205,755	\$2,447,760	\$2,205,755		
On-site work	\$153,800	\$67,615			\$153,800	\$67,615
Off-site work  Off-site improvements	\$133,000	φ07,013			\$155,600	φ07,013
(3) Construction Hard Costs						
New structures/rehabilitation hard costs	\$3,409,042	\$3,393,920			\$3,409,042	\$3,393,920
(4) Contractor Fees & General Requirements	ψ3,+03,0+2	ψ0,000,020			ψ0,400,042	ψ0,000,020
Contractor overhead	\$71,257	\$69,231		I	\$71,257	\$69,231
Contractor profit	\$213,771	\$207,692			\$213,771	\$207,692
General requirements	\$213,771	\$207,692			\$213,771	\$207,692
(5) Contingencies	\$356,284	\$346,154			\$356,284	\$346,154
(6) Eligible Indirect Fees	\$289,903	\$289,903			\$289,903	\$289,903
(7) Eligible Financing Fees	\$431,491	\$431,491			\$431,491	\$431,491
(8) All Ineligible Costs	\$665,607	\$665,607			<del>*************************************</del>	<b>*</b> 10 1, 10 1
(9) Developer Fees	+===,===	<b>¥</b> 222,000		\$330,863		\$752,055
Developer overhead	\$151,741	\$144,389	\$48,955	, , , , , , , , ,	\$102,786	+ - /
Developer fee	\$986,320	\$938,529	\$318,209		\$668,111	
(10) Development Reserves	\$219,338	\$219,338			, ,	
TOTAL DEVELOPMENT COSTS	\$9,962,325	\$9,781,560	\$2,814,924	\$2,536,619	\$5,910,215	\$5,765,752
	<del>+</del> 0,000_,000	<b>4</b> 0,100,1000	<del></del>	<del>+</del> =,000,000	<del>+</del> + + + + + + + + + + + + + + + + + +	<b>4</b> 0,1.00,1.00
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			\$2,814,924	\$2,536,619	\$5,910,215	\$5,765,752
High Cost Area Adjustment					130%	130%
TOTAL ADJUSTED BASIS			\$2,814,924	\$2,536,619	\$7,683,280	\$7,495,478
Applicable Fraction			100%	100%	100%	100%
TOTAL QUALIFIED BASIS			\$2,814,924	\$2,536,619	\$7,683,280	\$7,495,478
Applicable Percentage			3.63%	3.63%	3.63%	3.63%
TOTAL AMOUNT OF TAX CREDITS			\$102,182	\$92,079	\$278,903	\$272,086
	ication Proceeds	0.9998	\$102,182 <b>\$1,021,612</b>			\$272,086 <b>\$2,720,311</b>
	ication Proceeds			\$92,079 <b>\$920,608</b>	\$278,903	
	ication Proceeds		\$1,021,612 Tax Credits (Eligib	\$92,079 <b>\$920,608</b>	\$278,903 <b>\$2,788,470</b>	\$2,720,311
	ication Proceeds		\$1,021,612 Tax Credits (Eligib Sync	\$92,079 <b>\$920,608</b> ble Basis Method)	\$278,903 <b>\$2,788,470</b> <b>\$381,085</b>	\$2,720,311 \$364,165
	ication Proceeds		\$1,021,612 Tax Credits (Eligib Sync Reque	\$92,079 \$920,608 ole Basis Method) lication Proceeds	\$278,903 \$2,788,470 \$381,085 \$3,810,082	\$2,720,311 \$364,165
	ication Proceeds	Total	\$1,021,612 Tax Credits (Eligib Sync Reque	\$92,079 \$920,608 ble Basis Method) lication Proceeds ested Tax Credits lication Proceeds	\$278,903 \$2,788,470 \$381,085 \$3,810,082 \$387,384	\$2,720,311 \$364,165



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## **Applicant Evaluation**

Project ID # <b>07402</b> Name	: Rockwell Manor	City: Brownsville						
LIHTC 9% ☐ LIHTC 4% 🗹	HOME ☐ BOND ☐ HTF ☐	SECO   ESGP  Other						
☐ No Previous Participation in Texas	$\square$ Members of the develop	ment team have been disbarred by HUD						
National Previous Participation C	National Previous Participation Certification Received: V/A Yes No							
Noncompliance Reported on Nati	onal Previous Participation Certification:	☐ Yes ☐ No						
	<b>Portfolio Management and Compliance</b>							
Total # of Projects monitored: 6	Projects in Material Noncompliance	# in noncompliance: 0						
	Yes ☐ No ✓	Projects not reported Yes						
Projects zero to nine: 5 grouped ten to nineteen: 1	# monitored with a score less than thirty:	in application No						
by score twenty to twenty-nine: 0	# not yet monitored or pending review:	1 # of projects not reported 0						
Portfolio Monitoring	Single Audit	Portfolio Analysis						
Not applicable	Not applicable	Not applicable						
Review pending	Review pending	No unresolved issues						
No unresolved issues	No unresolved issues	Not current on set-ups						
Unresolved issues found	Issues found regarding late cert	Not current on draws						
Unresolved issues found that	Issues found regarding late audit	Not current on match						
warrant disqualification (Comments attached)	Unresolved issues found that warrant disqualification							
Reviewed by Patricia Murphy	(Comments attached)	Date 1/3/2007						
Multifamily Finance Production	Single Family Finance Production	Real Estate Analysis (Workout)						
Not applicable	Not applicable	Not applicable						
Review pending	Review pending	Review pending						
No unresolved issues	No unresolved issues	No unresolved issues						
Unresolved issues found	Unresolved issues found	Unresolved issues found						
Unresolved issues found that warrant disqualification (Comments attached)	Unresolved issues found that warrant disqualification (Comments attached)	Unresolved issues found that warrant disqualification (Comments attached)						
Reviewer S. Roth	Reviewer Sandy M. Garcia	Reviewer David Burrell						
Date 1/3/2007	Date 12/22/2006	Date 1/4/2007						
Community Affairs	Office of Colonia Initiatives	Financial Administration						
No relationship	Not applicable	No delinquencies found						
Review pending	Review pending	Delinquencies found						
No unresolved issues	No unresolved issues							
Unresolved issues found	Unresolved issues found							
Unresolved issues found  Unresolved issues found that warrant disqualification (Comments attached)								
Unresolved issues found that warrant disqualification	Unresolved issues found Unresolved issues found that warrant disqualification	Reviewer Melissa M. Whitehead						

# THIS ITEM HAS BEEN PULLED FROM THE AGENDA

# MULTIFAMILY FINANCE PRODUCTION DIVISION BOARD ACTION REQUEST

**February 1, 2007** 

#### **Action Item**

Waiver of the Certification Requirement of Tax Exempt Bond Applications with local issuers with New Docket Numbers for the Gardens of DeCordova, Gardens of Weatherford, Woodside Manor Senior Community and Lakes of Goldshire.

#### **Requested Action**

Approve, amend or deny the request for a waiver of the certification requirement for tax exempt bond applications with local issuers with new docket numbers from the Bond Review Board found in §49.12(f)(1) of the 2007 Qualified Allocation Plan and Rules (QAP), specifically that the new docket numbers must be issued in the same program year as the original docket number.

#### **Background**

#### Woodside Manor Senior Community (#060421)

The Woodside Manor Senior Community was awarded 4% Housing Tax Credits at the August 30, 2006 Board meeting and therefore has a docket number that was issued in 2006. The Private Activity Bond reservation expiration date was November 3, 2006 and the Applicant asserts that due to circumstances beyond their control relating to the engineer's misinterpretation of the flood plain requirements they were unable to close by this date. The applicant anticipates having a new docket number issued by the Bond Review Board in 2007. The Issuer for this transaction is Montgomery County HFC. The development is new construction and will consist of 220 total units targeting the elderly population and will be located in Conroe, Montgomery County. The Department did not receive any letters of opposition or support for this development.

#### Gardens of DeCordova (#060420)

The Gardens of DeCordova was awarded 4% Housing Tax Credits and HOME CHDO Rental Development funds at the October 12, 2006 Board meeting and therefore has a docket number that was issued in 2006. The Private Activity Bond reservation expiration date was December 8, 2006 and the Applicant asserts that due to circumstances beyond their control they were unable to close by this date. The applicant anticipates having a new docket number issued by the Bond Review Board in 2007. The Issuer for this transaction was Northwest Central Texas HFC and the HOME award was \$1,194,376. The development is new construction and will consist of 76 total units targeting the elderly population and will be located in Granbury. The Department received opposition letters from the city and individuals in the community and a support letter was received by the County Commissioner.

#### **Gardens of Weatherford (#060419)**

The Gardens of Weatherford was awarded 4% Housing Tax Credits and HOME CHDO Rental Development funds at the October 12, 2006 Board meeting and therefore has a docket number that was issued in 2006. The Private Activity Bond reservation expiration date was December 8, 2006 and the Applicant asserts that due to circumstances beyond their control they were unable to close by this date. The applicant anticipates having a new docket number issued by the Bond Review Board in 2007. The Issuer for this transaction was Northwest Central Texas HFC and the HOME award was \$1,144,376. The development is new construction and will consist of 76 total units targeting the elderly population and will be located in Weatherford. The Department did not receive any letters of opposition or support on this development.

#### Lakes of Goldshire (#060429)

The Lakes of Goldshire was awarded 4% Housing Tax Credits at the November 9, 2006 Board meeting and therefore has a docket number that was issued in 2006. The Private Activity Bond reservation expiration date was January 14, 2007 and the Applicant asserts that due to circumstances beyond their control they were unable to close by this date. The applicant anticipates having a new docket number issued by the Bond Review Board in 2007. The Issuer for this transaction is Fort Bend County HFC. The development is new construction and will consist of 160 total units targeting the general population and will be located in Rosenberg. The Department received one letter of support from State Senator Ken Armbrister, one letter of opposition from Lamar CISD and a city resolution of opposition. Subsequent to the November Board meeting, the Department has received additional letters of opposition.

These requests were originally an agenda item on the December 14, 2006 Board agenda for Gardens of Weatherford, Gardens of DeCordova and Lakes of Goldshire, however, the item was tabled to the February 1, 2007 Board meeting. Subsequent to the December Board meeting one additional applicant requested a waiver for Woodside Manor Senior Community.

Pursuant to §49.12(f)(1) of the 2007 QAP, in the event the bonds are not closed prior to the reservation expiration date, the new docket number issued by the Bond Review Board must be issued in the same program year as the original docket number in order to have the Determination Notice reinstated. The applicants are requesting a waiver of this requirement because the only change will be the docket number and the application will not require full review again. The applicants will be required to certify that their application satisfies the requirements of the 2007 QAP and will be verified by staff. Staff notes if there is opposition, the application must be presented to the Board for reinstatement. §49.12(f)(1) further states "...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 unless there is public opposition...".

#### Recommendation

Staff recommends the Board waive §49.12(f)(1) of the 2007 QAP, which would allow the applicants to be able to have a new docket number issued from the Bond Review Board in a different year from the original docket number and certify that the application satisfies the requirements of the 2007 Qualified Allocation Plan and Rules (QAP).

Because there is no opposition to the Gardens of Weatherford and Woodside Manor Senior Community, the applicants will not be required to be presented to the Board again and the determination of the Housing Tax Credits may be reinstated by staff through the certification.

The Gardens of DeCordova and Lakes of Goldshire both originally had opposition and will be required to be presented to the Board again for reinstatement of the Determination of Housing Tax Credits.

10e

#### Texas Department of Housing and Community Affairs (TDHCA) - Dec. 14, 2006

I am Dr. Dan Ives and reside at 2500 Pecan Drive Rosenberg, Texas

On behalf of 9,270 economically disadvantaged students (Low SES) who represent 44% of the total enrollment of the Lamar Consolidated ISD, I come before you as a Retired Lamar CISD Superintendent of Schools and as a resident of the City of Rosenberg in <u>opposition</u> to TDHCA Agenda Item 10:e) "Waiver of the Certification Requirement of Tax Exempt Bond Applications with New Docket Numbers" for the Lakes of Goldshire (Project 060429) as per 2007 QAP 49.12(f)(1). In respect to such reference, it is duly noted that "the application is not required to be presented to the Board again (unless there is public opposition)." There is!

On November 9, 2006, it is contended that a Lakes of Goldshire representative presented a position to the Board that misinterpreted TDHCA rules for housing tax credits and submitted a certification by a Fort Bend County Official which is not deemed to be applicable to a low income tax credit multi-family housing project to be located in the "local municipality" of the City of Rosenberg. In respect to such misrepresentation and the untimely document submittal to TDHCA, the Board waived TDHCA rules and the project was approved. It is noted that such action was in conflict with the position of the staff that had recommended that the Board deny the Lakes of Goldshire application. Reference is made to 2006 QAP 50.12(b) and the mandatory requirements of the subsection of 50.9(h)(7)(B).

Compelling rationale follows: Within one-mile of the Lakes of Goldshire site, there are fifteen apartment complexes with 2,360 multi-family rental units with 1,151 students residing in such multi-family housing, which is 81% of the students residing in multi-family complexes within the entire 345 sq. miles of Lamar CISD.

All five elementary schools located in Rosenberg, plus two elementary schools in Richmond serve all the children residing in Rosenberg. These seven schools have an overall average of 75% of their students receiving free and reduced priced meals. It is terribly unfair to these children currently attending our schools to have more low income housing units being constructed that deteriorate, diminish, dilute and deter the resources of our school district to teach and educate children who are in need of a great deal of extra help. It is quite devastating and demoralizing to students, teachers and parents to be impacted with more low rent housing. We do not need to create additional burdens that impact and minimize the opportunity for our Low SES youngsters to succeed.

The details of this commentary are documented in the attached letter over-nighted on December 4, 2006 to TDHCA appealing the Board's decision on Nov. 9. It is noted that the Board may use discretionary factors in making decisions as per QAP 50.10(a)(2)(J) which notes "the anticipated impact on local school districts."

Lastly, it is felt that there are compelling circumstances and a preponderance of evidence for sufficient cause for TDHCA to deny this waiver request by the Lakes of Goldshire.

Thank You!

LAKES OF Goldshine 060429

TESTIMONY SJEM. THEN FON Feb. 1, 2007 TOHCA
MEETING Agenda. Danher

December 4, 2006

Ms. Brooke Boston Multifamily Finance Division Director Texas Department of Housing and Community Affairs 507 Sabine Austin, Texas 78701

Re: Tax Credit Development – Complaint and Appeal Project 060429

Lakes of Goldshire

Dear Ms. Boston:

On behalf of 9,270 economically disadvantaged students (Low SES) who represent 44% of the total enrollment of the Lamar Consolidated ISD, I (Dr. Dan Ives, Retired Lamar CISD Superintendent of Schools and resident of the City of Rosenberg) specifically request that an item for action be placed on the December TDHCA Board meeting agenda for December 14, 2006 or as soon as possible thereafter to rescind the Housing Tax Credit commitment approved on November 9, 2006 for the Lakes of Goldshire, Project 060429 based on the following:

- 1.1 A Lakes of Goldshire representative presented a position that misinterpreted TDHCA rules and submitted a certification not applicable to a project that is located in a local municipality. On the basis of such representation, TDHCA rules were waived and the project was approved. It is noted that such action was in conflict with the position of TDHCA Administrator Gerber and TDHCA Legal Counsel Hamby as per the attached excerpt from the transcript of the November 9 TDHCA Board meeting. (See Pencil Notes #1, #2, & #3, Attachment A.1-10) It is also pointed out that the TDHCA staff previously had recommended in the Board agenda, which was posted on the TDHCA web site, that the Lakes of Goldshire application be denied.
- 1.2 Reference is made to the "Certification of Consistency with the Consolidated Plan" (Exhibit #1) by the Fort Bend County Community Development Department Director which was not timely submitted by the Lakes of Goldshire under TDHCA rules. If such document had been properly and timely submitted, it would have been included in the Board agenda and posted for seven days on the TDHCA web site which would have allowed the general public an opportunity to dispute this "backdoor" approach to circumvent TDHCA rules.
- 1.3 It is further noted that the Consolidated Plan of the Fort Bend County Development Department supports <u>only</u> the (1) Community Development Block Grant Program, (2) Home Program, (3) American Dream Downpayment Initiative Program and (4) Emergency Shelter Grant Program. (See Exhibit #2)



#### COMMUNITY DEVELOPMENT

Fort Bend County, Texas

(281) 341-4410 Fax (281) 341-3762

#### Certification of Consistency with the Consolidated Plan

I certify that the proposed activities/projects in the application are consistent with the jurisdiction's approved Consolidated Plan.

Applicant Name:	NS Lakes of Goldshire, LP
Project Name:	Lakes of Goldshire Townhomes
Location of the Project:	FM 1640 at Reading Road, Rosenberg, Texas
Name of the Federal/State	
Program to which the applicant is applying:	Texas Low Income Housing Tax Credit Program
Name of Certifying Jurisdiction:	Fort Bend County, Texas
Certifying Official of the Jurisdiction Name:	Marilynn Kindell
ivaine.	
Title:	Fort Bend County Community Development Department Director
Signature:	Marikynn Kindell
Date:	November 8, 2006.
certification of consistency with the consolidated plan	Exhibit 1

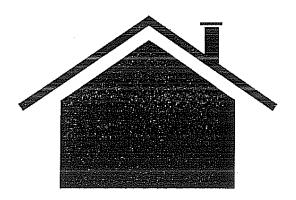
4520 Reading Road, Suite A . Rosenberg, Texas 77471

#### FORT BEND COUNTY

#### FY 2005 CONSOLIDATED PLAN

**SEPTEMBER 1, 2005 - AUGUST 31, 2010** 

# COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM HOME PROGRAM AMERICAN DREAM DOWNPAYMENT INITIATIVE PRORGRAM EMERGENCY SHELTER GRANT PROGRAM



COMMUNITY DEVELOPMENT DEPARTMENT
4520 Reading Road, Suite A
Rosenberg, Texas 77471
(281) 341-4410

Exhib. 72

2.1 In such respect, The 2006 Housing Tax Credit Program Qualified Allocation Plan (QAP) and Rules are cited as follows:

#### 2.2 As per 50.12(b):

Section 50.12. Tax-Exempt Bond Developments: Filing of Applications; Applicability of Rules; Supportive Services; Financial feasibility Evaluation; Satisfaction of Requirements.

(b) Applicability of Rules for Tax-Exempt Bond Developments. Tax-Exempt Bond Development Applications are subject to all rules in this title, with only the exceptions being the following sections: 50.4, 50.7, 50.8, 50.9(i), 50.10(b) and (c), and 50.14(a) and (b) of this title. Such Developments requesting a Determination Notice in the current calendar year must meet all Threshold Criteria requirements stipulated in 50.9(h) of this title. Such Developments which received a Determination Notice in a prior calendar year must meet all Threshold Criteria stipulated in the QAP and Rules in effect for the calendar year in which the Determination Notice was issued; provided, however that such Developments shall comply with all procedural requirements for obtaining Department action in the current QAP and Rules; and such other requirements of the QAP and Rules as the Department determines applicable. Consistency with the local municipality's consolidated plan or similar planning document must be demonstrated in those instances where the city or county has a consolidated plan. ————Remaining paragraph wording does not appear to be an issue in dispute in regard to the Lakes of Goldshire application by the applicant or this complainant. Underlining/emphasis added.

- 2.3 The above QAP paragraph referenced by TDHCA Administrator Gerber in the November 9 Board meeting transcript (Attachment A.1) unequivocally states that the Board would be waiving the requirement of submission of consistency with the consolidated plan letter from the local municipality, per section 50.12(b) of the 2006 QAP. Please see paragraphs 2.6 and 2.7 below reflecting on this mandatory requirement. In addition please refer back to paragraph 1.1.
- 2.4 In respect to the above clause, "Consistency with the local municipality's consolidated plan or similar planning document must be demonstrated in those instances where the city or county has a consolidated plan," it is contended that the local municipality is the City of Rosenberg not Fort Bend County and that any participation by the City of Rosenberg in the Fort Bend County's Consolidated Plan is relevant to only the four programs noted above in paragraph 1.3. Nowhere in Fort Bend County's Consolidated Plan does it actually mention that the City of Rosenberg is a participant in such plan.
- 2.5 It is beyond the most liberal legal imagination that such clause can be interpreted to supplant the mandatory requirements of the QAP as per 50.9h)(7)(B) noted in 50.12(b) above and override the local municipality. If it is deemed such in the matter of the Lakes of Goldshire, then TDHCA has a public responsibility to request an opinion by the Texas Attorney General to clear up this matter.

#### 2.6 As per 50.9(h)(7)(B):

Section 50.9(h) Threshold Criteria. The following Threshold Criteria listed in this subsection are mandatory requirements at the time of Application submission unless specifically indicated otherwise:

- (7) Evidence of readiness to proceed as evidenced by at least one of the items under each of subparagraphs (A)–(D) of this paragraph:
- (B) Evidence from the <u>appropriate local municipal authority</u> that satisfies one of clauses (i) (iii) of this subparagraph. Documentation may be from more than one department of <u>the</u> municipal authority and must have been prepared not more than 6 months prior to the close of the Application Acceptance Period (2306.6705(5)).

- (i) A letter from the chief executive officer of the political subdivision or another local official with appropriate jurisdiction stating that the Development is located within the boundaries of a political subdivision which does not have a zoning ordinance; the letter must also state that the Development fulfills a need for additional affordable rental housing as evidenced in a local consolidated plan, comprehensive plan, or other local planning document; or is no such planning document exists, then the letter from the local municipal authority must state that there is a need for affordable housing.
- (ii) A letter from the chief executive officer of the political subdivision or another local official with appropriate jurisdiction stating that:
  - (I) (Paraphrased) There is no zoning requirement.
  - (II) (Paraphrased) Applicant is in the process of seeking appropriate zoning etc. (N/A)
  - (iii) (Paraphrased) In the case of a Rehabilitation Development etc. (Not Applicable)

#### Underlining/emphasis added

- 2.7 In response, it is contended that the above section and paragraphing of TDHCA rules clearly delineates the mandatory time requirements and authority of the local municipality. There are no references to the need of affordable housing in the Comprehensive Plan of the City of Rosenberg adopted in 1995 which is still in effect. If it was deemed that such document was out of date and not a qualified reference document, then a letter is required from the local municipal authority stating that there was a need for affordable housing.....It Didn't Happen!....Why would a municipality approve a resolution (Exhibit #3) and submit it to TDHCA that opposed the application by the Lakes of Goldshire for tax credits, then turn around and provide evidence of the need for affordable housing as a requirement for tax credit approval???
- 2.8 Please reference the numerous pencil notes added to the excerpted TDHCA Board meeting transcript as per Attachment A.1-10.
- 3.1 There are fifteen (15) apartment complexes located in Richmond/Rosenberg within a one-mile radius of the Lakes of Goldshire project site with 2,360 apartment units with 1,151 students as per a "Demographic Update" professionally developed by Population and Survey Analysts (PASA) for Lamar Consolidated ISD which is dated March 2006. (See Exhibits #4 & #5)
- 3.2 It is noted that Falcon Pointe (.99 students per unit) and Reading Park (.64 students per unit) are very recent projects with low income eligibility programs within the one-mile radius of the Lakes of Goldshire site. In addition, it is deemed that an overwhelming number of the 2,360 units are low rent apartments substantiated by the fact that there is a .5 student to unit ratio.
- 3.3 As per the PASA March 2006 Demographic Update, the following is noted:
- a. There are 1,151 students residing in M-F housing within one-mile of the Goldshire site, which is 81% of the total number of students residing within the entire 345 sq. miles of Lamar CISD. That number is equivalent to 1-1/2 LCISD elementary schools.
- b. There are 2,360 M-F apartment units located within a one-mile radius of the Goldshire site, which is 71% of the units within the entire 345 sq. miles of Lamar CISD.

#### **RESOLUTION R-724**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROSENBERG, TEXAS, OPPOSING THE APPLICATION OF NS LAKES OF GOLDSHIRE, LP, TO THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS FOR HOUSING TAX CREDITS FOR THE LAKES OF GOLDSHIRE TOWNHOMES, ROSENBERG, FORT BEND COUNTY, TEXAS.

WHEREAS, the City of Rosenberg is located in Fort Bend County, Texas, one the fastest growing counties in the United States; and

WHEREAS, the new growth and residential developments within the City provide a variety of housing opportunities for Rosenberg citizens which have satisfied the need for affordable rental housing; and

WHEREAS, the granting of a credit, a reduction, or an exemption from taxation for a multifamily residential development is not necessary to attract new residential developments to the City; and

WHEREAS, the City of Rosenberg wishes to take a public position on the application of NS Lakes of Goldshire, LP (the "Developer), to the Texas Department of Housing and Community Affairs for Housing Tax Credits regarding a proposed multifamily residential development generally located at the south side of FM 1640 between Reading Road and Lamar Drive in Rosenberg, Texas (the "Proposed Project"); now, therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ROSENBERG:

Section 1. The facts and matters set forth in the preamble of this Resolution are hereby found to be true and correct.

Section 2. The City Council of the City of Rosenberg finds and determines that there is an adequate number of affordable housing units within the City of the type proposed in the application of NS Lakes of Goldshire, LP, to the Texas Department of Housing and Community Affairs, and that no additional units are necessary.

Section 3. The City Council of the City of Rosenberg finds that there is no need to provide tax credits or other financial incentives to encourage additional affordable housing units within the City.

Section 4. The City of Rosenberg does hereby decree its opposition to the Proposed Project. The City Secretary is directed to cause copies of this Resolution to be sent to the Developer and to the Texas Department of Housing and Community Affairs.

READ, RASSED, AND APPROVED at a regular meeting of the City Council of the City of Rosenberg the 1 day of 2006.

ATTEST:

Linda Cernosek, CPS, TRMC

City Secretary

APPROVED:

Joe M. Gurecky Mavor

ExhibiT#3

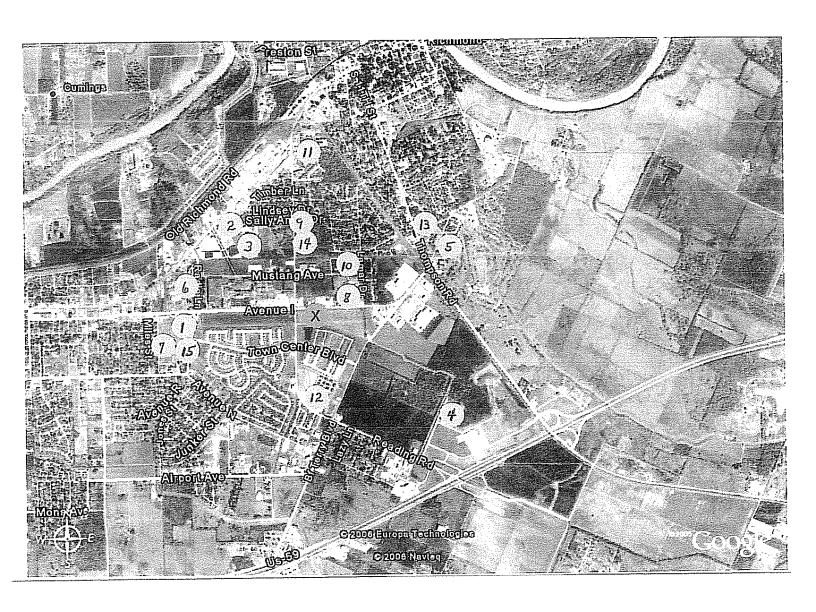
# Multi-Family Complexes within a One-Mile Radius of Lakes of Goldshire Project as of March 2006

M-F Housing	Address	<u>Units</u>	Students
1. Ashton Oaks	1136 Radio Lane, Ros	104	41
2. Briarstone	4719 Reading, Ros	96	29
<ol><li>Brittany Square</li></ol>	4720 Reading, Ros	198	119
<ol><li>Club on the Brazos</li></ol>	3101 Vista, Ros	200	47
<ol><li>Country Club Place</li></ol>	1111 Golfview, Rich	169	15
6. Falcon Pointe	915 Cole, Ros	112	110
7. Kings Arms	1317 Mahlmann, Ros	120	51
8. Lamar Park	1720/1800 FM 1640, Rich	174	131
9. Murray Hill	819 Lane, Ros	80	30
10. Mustang Crossing	1800 Mustang/Lamar, Rich	307	158
11. Pecan Park	1216 Westwood, Ros	272	121
12. Reading Park	5525 Reading, Ros	252	161
13. Town & Country	2111 Thompson, Rich	92	36
14. Victoria Gardens	911/1001 Lane, Ros	152	89
15. Williamsburg	1316 Radio Lane, Ros	32	<u>13</u>
	Totals	2,360	1,151
M-F Housing	Total District	<u>1-Mile</u>	Percent
Students	1,422	1,151	81
Units	3,320	2,360	71
Per Unit	.44	.49	

Resource: PASA

ExhibiT#4

### Multi-Family Complexes within a One-Mile Radius of the Lakes of Goldshire Project as of March 2006



Note: Numbers correspond to M-F Housing Complexes identified in Exhibit #4. Lakes of Goldshire site is indicated by "X".

Exh. 6: T#5

- 3.4 Consequently, it is obvious the Goldshire site is located in a tremendously over-impacted area of apartment complexes that significantly impact schools.
- 3.5 Reference is made to Exhibit #6. This information was presented to the Rosenberg City Council by the President, Michael Richard, of the Lamar Consolidated ISD Board of Trustees. On the basis of this data, it is predicted that the Lakes of Goldshire project will cost the school district almost \$300,000 a year of local tax dollars at today's cost for all time to come while the Lakes of Goldshire Project reaps tax credits of over 6 million dollars over a ten year period.
- 4.1 There are five elementary schools located in Rosenberg, plus two elementary schools in Richmond, Texas that serve children residing in Rosenberg. These seven schools have an overall average of 75% of their students receiving free and reduced priced meals. (See details, Exhibit #7) It is terribly unfair to these children currently attending our schools to have more low income housing units being constructed that deteriorate, diminish, dilute and deter the resources of our school district to teach and educate children who are in need of a great deal of extra help. Lamar CISD is doing a great job, but needs help to maintain a quality educational system.
- 4.2 The Lamar CISD has for many years endorsed a plan for neighborhood elementary schools which is referred to affectionately as the "MOTHERHOOD" plan. Secondary schools, grades 6-12, are zoned for attendance to reflect the over-all student demographics of the whole school district. In addition, there is a philosophy endorsing small schools (enrollment capacity) to better serve and meet the needs of both elementary and secondary students.
- 4.3 Currently, Lamar CISD has a total enrollment of 21,042 students (Fall 2006) with a minority population of 67.5%.
- 4.4 Six of the seven elementary schools, serving students residing in Rosenberg, achieved a "Recognized" status by the Texas Education Agency in 2005-2006 and the seventh school achieved an "Exemplary" status.
- 4.5 It is quite devastating and demoralizing to students, teachers and parents to be impacted with more low income housing, in view of these tremendous academic achievements through a great deal of hard work. It is truly rewarding to observe how the students take pride in their personal accomplishments and the rating of their school. We do not need to create additional burdens that minimize the opportunity for our Low SES youngsters to succeed.

- The position of Lamar CISD is to deny a tax reduction or exemption by resolution, as allowed by law, due to the enormous financial impact of multi-family housing.
- The average student ratio per occupied multi-family unit in LCISD is 0.44.
- The highest ratio of students per occupied apartment unit was found in Rosenberg. (Falcon Pointe @.99; Victoria Gardens @.67; Reading Park @.65; Mustang Apartments@.63)
  - o 823 total units represented by these 4 apartment units
- Cost analysis using Mustang Apartments
  - Net cost to educate .63 students in 307 units (193.41 students) is \$404,807.13.
    - Expenditures costs based on local cost per student of \$2,093.00.
  - Anticipated revenue from M & O taxes from Mustang Apartments is \$59,998.95.
  - Net cost to the district is \$344,808.18.
- Approximately 3,320 total apartment units within LCISD are occupied, with 1,422 students residing in apartments (Information from March 2006 Demographic Report).
- Currently there are 3,623 apartment units available within LCISD with 2,244 of those located in Rosenberg.
- The 2000 US Census noted a total of 3,407 renter-occupied housing units which was 42.9% for Rosenberg while the US percentage was 33.8%.

Exh. 6.7 6

#### Lamar CISD Elementary Schools Serving Students Residing in Rosenberg

Schools	Students	Eco-Disadv*	Percent
Bowie Elem.	644	517	80.3
Jackson Elem.	392	325	82.9
Meyer Elem	660	427	64.7
Ray Elem.	690	498	72.7
Travis Elem.	737	516	70.0
Long Elem.	533	404	75.8
Smith Elem.	<u>675</u>	<u>503</u>	74.5
Totals	4,331	3,190	75

^{*} Economically Disadvantaged

Source: Lamar CISD Peims Edit – Reports Data Review 2006-2007 Fall Collection Dated Nov. 30, 2006

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- 5.1 Lastly, in view of the fact there are still conditions required to be met by the Lakes of Goldshire that will need TDHCA staff approval before proceeding, it is contended that there are compelling circumstances and a preponderance of evidence for sufficient cause to reconsider and rescind the November 9 action of the TDHCA Board in regard to the Lakes of Goldshire, Project 060429 on behalf of the Low SES students currently attending the seven impacted Lamar Elementary Schools serving children living in the City of Rosenberg.
- 5.2 It is recognized that the TDHCA Board exercised its' discretionary authority to waive rules and approve the application for tax credits by the Lakes of Goldshire. Now, it is duly prayed that the TDHCA Board use such discretionary authority to rescind such action on behalf of the economically disadvantaged students who will suffer educationally by more low income housing in an area that is already inundated by low rent housing. It is respectfully requested that the TDHCA stand up for kids in regard to the information submitted herein.

Complaint and Appeal Submitted By:

Dr. Dan Ives 2500 Pecan Drive Rosenberg, Texas 77471 281-344-0496 hm 281-302-5927 cell msdives@sbcglobal.net

cc.
Fort Bend Herald
Houston Chronicle
Don Schwartz, L.L.P.

Excerpted Transcript of a Board Meeting on November 9, 2006 of the Texas Department of Housing and Community Affairs Regarding the Lakes of Goldshire Tax Credit Application for Low Income Housing to be Located in the LOCAL MUNICIPALITY OF THE CITY of ROSENBERG

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MR. GERBER: The third one, Mr. Chairman, is the Lakes of Goldshire, a Priority 3 application, consisting of 160 units, proposed to be built in Rosenberg with Fort Bend County Housing Finance Corporation as the issuer. The 2006 QAP requires the applicant to submit evidence from the local municipality of consistency with the local consolidated plan. As of the date of board posting, the applicant was unable to obtain this evidence. While the city indicated that they do not generally refer to their consolidated plan created in 1995, the City of Rosenberg does have a plan that is still in effect for purposes of compliance with the QAP.

Note

Note

Staff notes that if the board should overturn staff's recommendation, they would be waiving the requirement of submission of consistency with the consolidated plan letter from the local municipality, per Section 50.12(b) of the 2006 QAP. The underwritten credit amount for an award of \$660,812 in Housing Tax Credits.

Note -

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Staff does not recommend approval for the Lakes

of Goldshire development.

MR. CONINE: Now I've got some testimony. Ms. Toni Jackson.

MS. JACKSON: Good afternoon, board members. I sit before you today on behalf of Lakes of Goldshire. We are asking not for a waiver of the rules but for an interpretation regarding the rules.

Under applicable rules for tax-exempt bond developments, it indicates that consistency with local municipality's consolidated or a similar planning document must be demonstrated in those instances where the city or county has a consolidated plan.

Like your staff, we checked into the City of Rosenberg, and the City of Rosenberg, we learned, had a 1995 consolidated plan, however, as they indicated to the staff, that plan has not been in effect and they don't operate under that plan. However, what I have provided to you, we just learned that the County of Fort Bend has a consolidated plan in which the City of Rosenberg incorporated areas are under that consolidated plan.

Therefore, we were asked to submit the information to Fort Bend County which we did, which they did, in fact, review, and they have provided us with a consistency letter, as you have before you. So again, it

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Not True A8 pen 30,9(4)(7)(B)

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is our belief that the Fort Bend County consolidated plan is what we actually, in fact, fall under, and we have provided you that letter of consistency as they have reviewed the plans and all the documents as required by Fort Bend County.

MR. CONINE: Okay. Any questions?

MR. FLORES: Mr. Chairman, this is for you.

Are we in an argument about which plan we're operating under? Do we have to decide that?

MR. CONINE: It sounds like it to me.

MR. FLORES: That's what it sounds like to me.

MR. CONINE: If the City of Rosenberg has a plan but they don't review it or use it, it sounds kind of -- I can't believe they'd even say that, you know, we went through the effort to do a plan ten years ago but we ignore it.

(General laughter.)

MR. CONINE: And do I understand this project meets the definition of that plan, the City of Rosenberg's, or not?

MS. JACKSON: The City of Rosenberg's plan really doesn't speak to anything regarding -- it speaks somewhat to affordability and multifamily but it doesn't go into that distinctively. But we have met all of their

pre

other planning requirements regarding the acreage, the setbacks, those things. In fact, we made some changes to our plans in accordance to their requirements.

MR. CONINE: And I didn't realize that counties have plans, but maybe some down in the Houston area do.

MS. JACKSON: If you are participating jurisdiction, you do have a consolidated plan, and that being getting HOME funds, those types of things, but they have, as you see from the executive summary that I've provided you, it shows the areas in which their plan operates under.

MR. CONINE: Is zoning applicable in this case?

MS. JACKSON: No, it is not.

MR. CONINE: There we go again.

MS. JACKSON: There is no zoning, zoning is not applicable, and your staff just also verified that.

MR. CONINE: Mr. Gerber, I think you were talking about waiving a particular rule, Toni was saying it's more of an interpretation, and I guess I'm concerned about that, and I'm also concerned about submitting the letter here at the last minute which typically goes against our grain a little bit.

Can you reiterate what staff's position is right quick?

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NOTE NOTE

MR. GERBER: If you should overturn the recommendation, you will be, in effect, waiving the requirement of submission of consistency with the consolidated plan letter from the local municipality.

MR. CONINE: But she just submitted one.

MS. JACKSON: And as I state, your rules indicate in those instances where the city or county has a consolidated plan, and that is in the rules.

days ago so we could have it in our board book and all

MS. JACKSON: That is correct, and that we do

that kind of stuff, so we've got a timing issue.

acknowledge.

MR. CONINE: So we're going to have to waive the timing issue if we waive anything. Is that correct, Counsel?

Legalion POSTENOTES MR. HAMBY: Well, actually it's both. And I think, Mr. Chairman, one of the things that our staff has continuously pointed out is that it's the most local community is what we're looking at because we're looking for local control. It's my understanding -- and Ms. Meyer needs to confirm this -- they did actually ask the city and the city did not offer a letter. And so it's not pick the governmental body that you want to, it's the most

local.

MAYOR SALINAS: You didn't ask the city for a

plan?

MS. JACKSON: The city said they did not give those.

MAYOR SALINAS: Why not?

MS. JACKSON: The city does not want affordable housing or tax credits or anything in their jurisdiction, and they don't feel that they have to work under the TDHCA rules.

MAYOR SALINAS: Maybe we don't want to work with them either.

MR. CONINE: I have another witness affirmation form from Navdip Sobti. Would you like to speak?

MR. SOBTI: Yes. Good afternoon, board members, Mr. Chairman, Mr. Gerber. About three months ago we went to the City of Rosenberg and I hired Mr. Jim Shaw from the [indiscernible] Company as my public person to go and talk to the mayor and the city about this project, and they were all very happy about it, they were all for it, and [indiscernible] talk to the Texas Bond Committee at that point also.

Three months passed by, they gave us all their input on the project, what we should. The mayor told Mr.

ON THE RECORD REPORTING (512) 450-0342

Hote )

Jim Shaw why doesn't he go to Fort Bend County and to the school district and ask for some funds for beautification because this comes under a beautification zone.

And then unfortunately, one day Mr. Jim Shaw, says why don't you come to the city with me, I want them to get introduced to the developer.

[PA system garbled.]

MAYOR SALINAS: Is that inside the city of Rosenberg?

MS. JACKSON: Yes, it is inside the city of Rosenberg.

MR. CONINE: Ms. Ray.

MS. RAY: Mr. Chairman, something you said interested me about the minority population in the city of Rosenberg. Do you have any idea what the minority population is in the city of Rosenberg? Perhaps we should ask staff, Mr. Chairman or ask the witness.

MS. JACKSON: The minority population, I actually don't know the exact demographics, but I've been told in terms of the need for affordability it's a very high population.

MS. RAY: That's what I'm interested in.

MS. JACKSON: Right. We have looked at the demographics, our market study, everything shows that

ON THE RECORD REPORTING (512) 450-0342

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there is a great need and they have, in fact, even in the city council meeting that we sat in, talked about the large number of students, over 70 percent of their students are actually on the free lunch program, and they're having a lot of new development, commercial development as well as high end homes, but a large need for affordability because particular the large amount of retail that is being built up in that area.

MS. RAY: My records tell me that there is an extremely high level of minority citizens in the city of Rosenberg and a high percentage in the area where your project is being considered.

MS. JACKSON: Yes, ma'am.

MR. CONINE: Do I understand this is also a townhome type project as opposed to a two-story garden apartment?

MS. JACKSON: That is right.

MR. SOBTI: It's a townhome with attached garage. It's a beautiful project. It's seven to an acre, 22 acres, 160 units, it's a beautiful project. They loved it, it's just bugged me to no end why would they pull it. In a community where 70 percent of the kids in the school district are on reduced rate or free lunches, how can you say that there is no need?

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MAYOR SALINAS: We don't have any tax credits?

MR. CONINE: This is a 4 percent tax credit

bond deal. Fort Bend County HFC is the issuer here.

MS. RAY: Mr. Chairman?

MR. CONINE: Yes, ma'am.

MS. RAY: Are we ready to accept a motion?

MR. CONINE: If there's no other questions of the witness, I'm sure we are.

MS. RAY: Mr. Chairman, I move that we accept the wavier that the developer is asking.

MR. CONINE: There's a motion to grant the waiver.

MAYOR SALINAS: Second.

MR. CONINE: I hear a second. Any further discussion?

MAYOR SALINAS: What if you have problems with your building permit?

MR. SOBTI: [indiscernible].

MAYOR SALINAS: Fort Bend County it's okay

MR. SOBTI: Yes. [Indiscernible].

MR. CONINE: Have we underwritten this yet? So his requested amount of \$660,812 is what we underwrote, subject to conditions. So there's no need to change that

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with?

Note

in the motion other than to indicate in the motion that we are granting those amounts of credits, along with granting the waiver.

MS. RAY: Mr. Chairman, I accept that amendment to the motion.

MR. CONINE: Seeing no further discussion, all those in favor of the motion signify by saying aye.

(A chorus of ayes.)

MR. CONINE: All opposed?

(No response.)

MR. CONINE: Motion carries. 5(e).

MR. GERBER: Chairman, 5(e) has been pulled.

Item 6, going to the mortgage revenue bonds.
Mr. Gerber.

MR. GERBER: Mr. Chairman, item 6(a), this item concerns Idlewilde Apartments. Idlewilde is a Priority 2 bond transaction with TDHCA as the issuer for new construction of a 250-unit development to be located in Houston. The applicant is recommended for \$14,800,000 in bonds with \$1.184,604 in Housing Tax Credits.

It should be noted that the Executive Awards
Review Advisory Committee, EARAC, expressed concerns about
the appropriateness of the primary market area in relation
to the location of the proposed development. We'll be



060429

Multifamily Finance



A Proud Tradition . A Bright Future

A Recognized TEXAS District

September 14, 2006



We're making
it seem
a little smaller,

one student

at a time.

Ms. Brooke Boston Multifamily Finance Production Division Director Texas Department of Housing and Community Affairs 507 Sabine Austin, Texas 78701

Re: Proposed Multifamily Development

Dear Ms. Boston:

We are in receipt of the information on the housing application submitted by the Lakes of Goldshire Apartments proposed at the south side of FM 1640 between Reading Road and Lamar Drive in Rosenberg. We would like to voice our concerns on any rental housing applications that are being proposed under the similar TDHCA program of tax-exempt bonds.

Our concern is that the incentive of tax-exempt bonds is attracting multifamily residential developments that produce large numbers of students. The school district is in difficult economic times and our schools are rapidly reaching, or are at capacity. Funds are not currently available to expand and operate schools in response to this type of multifamily residential developments. Also, we are concerned that this type of development receives a valuation for tax purposes below the level of developments that do not receive incentives. We cannot support any development whereby school taxes are less than what would be received for a regular development.

We have requested that, if incentives are being provided to entice developments into Lamar CISD, consideration should be given by the state to provide supplemental funding to offset the student enrollment impact. We cannot support this program and type of multifamily residential development until this occurs.

Thomas Randle, Ed.D.
Superintendent
of Schools

Thank you for the opportunity to express our opinion.

Sincerely,

832.223.0110 Fax: 832.223.0111 terandle@lcisd.org

Thomas Randle

3911 Avenue I Rosenberg, Texas 77471 cc: Charlie Howard
Dora Olivo
Glenn Hegar
Rodney Ellis
Kyle Janek
Ken Armbrister
Teresa Morales

Thomas Rondle

# Resolution for Lamar C.I.S.D. Board of Trustees .o exercise option (3)(A) of subsection (w) of House Bill 3546

denial of requests for reduction or exemption from ad valorem taxation for developers using tax-exempt bonds for the development of multifamily residential developments.)

Whereas, the Lamar C.I.S.D. is located in Fort Bend County, one of the fastest growing counties in the United States, and

Whereas, the Lamar C.I.S.D. student enrollment is currently growing by over 5% per school year with projections of an increase growth of 6.49% over the next ten years, and

Whereas, the Lamar C.I.S.D is approximately 326 square miles with a large percentage of undeveloped land, which is projected to experience even more rapid growth in the future, and

Whereas, the Lamar C.I.S.D is at the state mandated tax-rate cap of \$1.50 per \$100.00 of valuation and unable to generate additional revenues, and

Whereas, as Lamar C.I.S.D continues to experience state-funding reductions, the local taxpayer is required to accept a larger share of the tax burden, and

Whereas, by granting a reduction or exemption from ad valorem taxation to developers seeking tax-exempt bonds for the purpose of building multifamily residential developments in Lamar C.I.S.D., the district will lose additional revenue, and

Whereas, by granting a reduction or exemption from ad valorem taxation on multifamily residential developments, local property taxes will not be collected for this residential property, and

Whereas, the Lamar C.I.S.D spent approximately \$6,400.00 per student in 2002/03, and

Whereas, this school board wishes to take a public position on any request from a developer of multifamily residential developments seeking a reduction or exemption from ad-valorem taxation.

Now be it resolved, that the Board of Education of the Lamar Consolidated Independent School District does hereby decree that in those cases in which a developer of a multifamily residential development seeks a reduction or exemption from ad valorem taxation, the district shall deny any such request as allowed by law in H.B. 3546, subsection (w)(3)(A).

Adopted this 17th day of February 2004 by the Lamar Consolidated Independent School District Board of Trustees.

Michael Richard, President

Sam Hopkins, Secretary

# MULTIFAMILY FINANCE PRODUCTION DIVISION BOARD ACTION REQUEST

**February 1, 2007** 

### **Action Item**

Extension of the application submission date for several Housing Tax Credit applications that participated in the Texas Bond Review Board Lottery under the Tax Exempt Bond program.

### **Requested Action**

Approve, amend or deny the request for an extension of the submission date of the Housing Tax Credit complete application.

### **Background**

Pursuant to §49.12(a)(1) of the 2007 Qualified Allocation Plan and Rules (QAP) Lottery applications were required to be submitted to the Department on or before December 28, 2006. Six (6) applicants out of twelve (12) that participated in the 2007 Texas Bond Review Board Lottery state that they were unaware of the submission requirements outlined in the QAP because they have not participated in the lottery in the past or because of confusion, specifically that the complete tax credit application was required to be submitted on or before December 28, 2006. Staff notes that all of the applicants requesting this action are listed below and their appropriate fees have been received by the Department:

<u>Development</u>	<u>Issuer</u>	<b>Priority</b>	<u>Applicant</u>
Spencer Manor Senior	Denton County HFC	2	Richard Shaw
Cantrell Manor Senior	Tarrant County HFC	2	Richard Shaw
HomeTowne at Matador Ranch	Tarrant County HFC	2	Kenneth Fambro
Lakeside Apartments	Southeast Texas HFC	2	Uwe Nahuina
Villas at Shaver	Southeast Texas HFC	2	Uwe Nahuina
The Villas at Tomball	Southeast Texas HFC	2	Uwe Nahuina

### Recommendation

Staff recommends the Board deny the requested extensions and uphold the requirements of the QAP. There should be no confusion on this clearly stated requirement. This is not a new requirement and applicants certify that they have read and will follow the QAP.

It should be noted, if the Board denies the extensions it is possible for some of the applicants to resubmit their applications to the Bond Review Board and receive new reservations of bond allocation.

January 11, 2007

Ms. Teresa Morales Texas Department of Housing and Community Affairs 211 E 11th Street Austin, Texas 78701-2410

Re: OHC/Spencer Manor Ltd and OHC/Cantrell Ltd

Dear Ms. Morales:

I would like to request a waiver of the QAP requirement to submit the complete application for the Lottery on December 28, 2006. We were unaware of this requirement, as our bond deals for the past couple of years did not go through the Lottery.

Should you have any questions, please feel free to contact me at (972) 733-0096

Sincerely,

Richard Shaw

RS/mlg

mary\docs\property\Denton Project - Spencer Manor\Waiver Request for QAP Requirement 1-11-07

HOMETOWNE AT MATADOR RANCH, LP 3110 W. SOUTHLAKE BLVD., SUITE 120 SOUTHLAKE, TX 76092 PHONE (817) 742-1851 FAX (817) 742-1852

January 16, 2007

Shannon Roth TDHCA – Multifamily Finance Division 221 East 11th Street Austin, TX 78701

Dear Ms. Roth:

Please allow this letter to serves as an official request to waive or extend the application submission deadline for the Tax-Exempt Bond lottery as outlined in the 2007 Housing Tax Credit Program Qualified Allocation Plans and Rules §49.12 (a)(2).

I apologize for this mistake, our firm has not previously participated in the bond lottery which requires advance notice to TDHCA and was unaware of the documentation deadline rule.

Thank you in advance for processing this request. If you have any questions you may contact me at  $(817) 742-1851 \times 14$ .

Sincerely,

Kenneth W. Fambro General Partner



# Akamai Investments, Inc.

1905 Carriage Club Drive Cedar Park, Texas 78613 512-963-1363 * 512-260-8855

January 9, 2007

Ms. Robbye Meyer Texas Department of Housing and Community Affairs Austin, Texas 78711

RE: 2007 Bond Lottery Application Deadline Waiver Request

Dear Ms. Meyer,

As you know, there has been some confusion regarding the submission deadline for applications for tax credits for the 2007 Bond Lottery. Unfortunately, the deadline was an oversight therefore causing us to miss the appropriate deadline.

At this time, we have submitted all three applications with fees, Lakeside Apartments #07407, The Villas at Shaver #07406 and The Villas at Tomball #07408. All three developments would constitute a total of 676 total low income units and would be brought into service before the end of 2008. We are working dilligently with our development team and Cities' and have put a substantial amount of time and money into these. We would like the opportunity to work with the TDHCA and other agencies to help reach their goals of providing good quality housing for Texans.

We are working to better communicate with all agencies involved to help ensure that this does not recur. As this is the first instance that we have encountered this obstacle, we kindly ask that you waive this deadline to help us to move forward.

We appreciate your time and help with this matter. If there is anything you need from me to help resolve this matter, please don't hesitate to call me at 512-963-1363.

Sincerely,

Uwe Nahuina

# Housing Tax Credit Program Board Action Request February 1, 2007

### **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 <u>TDHCA</u> as the Issuer for a tax exempt bond transaction known as:

Development	Name	Location	Issuer	Total	LI	Total	Applicant	Requested	Recommended
No.				Units	Units	Development	Proposed	Credit	Credit Allocation
							Tax Exempt	Allocation	
							Bond		
							Amount		
07601	Park Place at Loyola	Austin	TDHCA	252	252	\$29,650,098	\$15,000,000	\$1,225,615	\$1,225,615
	Apartments								
060612	Ennis Senior	Ennis	TDHCA	164	164	\$0	\$0	\$0	\$0
	Community								

# MULTIFAMILY FINANCE PRODUCTION DIVISION BOARD ACTION REQUEST

**February 1, 2007** 

### **Action Item**

Presentation, Discussion and Possible Issuance of Multifamily Mortgage Housing Bonds, Series 2007 and Housing Tax Credits with TDHCA as the Issuer for the Park Place at Loyola development.

### **Requested Action**

Approve, Amend or Deny the staff recommendation for the Park Place at Loyola Apartments.

### **Summary of the Park Place at Loyola Apartments Transaction**

Background and General Information: The Bonds will be issued under Chapter 2306, Texas Government Code, the Department's Enabling Statute (the "Statute"), which authorizes the Department to issue its revenue bonds for its public purposes as defined therein. (The Statute provides that 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.) The pre-application for the 2007 Waiting List was received on September 5, 2006. The application was scored and ranked by staff. The application was induced at the October 12, 2006 Board meeting and submitted to the Texas Bond Review Board. The application received a Reservation of Allocation on January 23, 2007. The final date for bond delivery is on or before June 22, 2007, but the anticipated closing date is February 21, 2007. The proposed development will be located in Travis County. The development will be new construction of 252 units targeted to general population. This application was submitted under the Priority 3 category.

Organizational Structure and Compliance: The Borrower is Park Place at Loyola Apartments, LP and is comprised of XX. The Compliance Status Summary completed on January 9, 2007 reveals that the principals of the general partner have a total of one (1) property that has no material noncompliance

Public Hearing: There were 5 people in attendance at the public hearing conducted by the Department for the proposed development on December 18, 2006 and 2 people spoke for the record. Some of the concerns expressed were that the area might see a crime rate increase and that the lack of upkeep and maintenance may have an effect on the surrounding property values. A copy of the transcript is included in this presentation. The Department has not received any letters of support or opposition.

Census Demographics: The proposed site is located at approximately the 6200 block of Loyola Lane, Travis County. Demographics for the census tract (22.02) include AMFI of \$37,584; the total population is 4,250; the percent of the population that is minority is 92.95%; the percent of the population that is below the poverty line is 20.87%; the number of owner occupied units is 680; the number renter occupied units is 566 and the number of vacant units is 151. (FFIEC Geocoding for 2006)

### **Summary of the Financial Structure**

The applicant is requesting the Department's approval and issuance of fixed rate tax-exempt bonds in an amount not to exceed \$15,000,000. The bonds will be unrated and privately placed with MuniMae TE Bond Subsidiary, LLC. MMA will underwrite the transaction using a debt coverage ratio of 1.15 amortized over 40 years. The term of the Bonds will be for 40 years. The construction and lease up period will be for 30 months with the option of four 3 month extensions. The interest rate on the Bonds will be 5.8%, subject to adjustment as set forth in the Indenture.

### Recommendation

Staff recommends the Board approve the issuance of \$15,000,000 in tax exempt Multifamily Housing Mortgage Revenue Bonds, Series 2007 and \$1,225,615 in Housing Tax Credits for the Park Place at Loyola Apartments.

#### RESOLUTION NO. 07-002

RESOLUTION AUTHORIZING AND APPROVING THE ISSUANCE, SALE AND DELIVERY OF MULTIFAMILY HOUSING REVENUE BONDS (PARK PLACE AT LOYOLA) SERIES 2007; 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 construction 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, 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, the Board has determined to authorize the issuance of the Texas Department of Housing and Community Affairs Multifamily Housing Revenue Bonds (Park Place at Loyola) Series 2007 (the "Bonds"), pursuant to and in accordance with the terms of a Trust Indenture (the "Indenture") by and between the Department and The Bank of New York Trust Company, N.A., a national banking association, as trustee (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 Park Place at Loyola, LP, 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 <a href="Exhibit A">Exhibit A</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 October 12, 2006, declared its intent to issue its revenue bonds to provide financing for the Development; and

WHEREAS, it is anticipated that the Department and the Borrower will execute and deliver a Loan and 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 "Loan") to the Borrower to enable the Borrower to finance the costs of acquiring, constructing and equipping the Development and related costs, and (ii) the Borrower will execute and deliver to the Department a promissory 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 the Borrower's obligations under the Note will be secured by a Deed of Trust, Security Agreement and Assignment of Rents and Leases and Financing Statement (the "Deed of Trust") from the Borrower for the benefit of the Department; and

WHEREAS, the Department's interest in the Loan (except for certain reserved rights), including the Note and the Deed of Trust, will be assigned to the Trustee pursuant to an Assignment of Deed of Trust Documents and an Assignment of Note (collectively, the "Assignments") from the Department to the Trustee; 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 Travis County, Texas; 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 (a) the Indenture, the Financing Agreement, the Assignments, the Regulatory Agreement and the Asset Oversight Agreement (collectively, the "Issuer Documents"), and (b) the Deed of Trust and the Note, all of which are attached to and comprise a part of this Resolution; has found the form and substance of the Issuer 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 Article I, to authorize the issuance of the Bonds, the execution and delivery of the Issuer Documents, the acceptance of the Deed of Trust 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:

### 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: (i) the interest rate on the Bonds shall be 5.80% per annum; provided, however, that the interest rate is subject to adjustment following the Initial Remarketing Date by the Remarketing Agent and as otherwise set forth in the Indenture; provided further, 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; (ii) the aggregate principal amount of the Bonds shall be \$15,000,000; and (iii) the final maturity of the Bonds shall occur on February 1, 2047.

<u>Section 1.3--Approval, Execution and Delivery of the Indenture</u>. 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.

<u>Section 1.4--Approval, Execution and Delivery of the Financing Agreement.</u> 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 Travis County, Texas.

<u>Section 1.6--Acceptance of the Deed of Trust and Note</u>. That the Deed of Trust and the Note are hereby accepted by the Department.

<u>Section 1.7--Approval, Execution and Delivery of the Assignments</u>. That the form and substance of the Assignments 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 Assignment of Deed of Trust Documents and that the authorized

representatives of the Department named in this Resolution each are authorized hereby to execute the Assignment of Note and to deliver the Assignments to the Trustee.

<u>Section 1.8--Approval, Execution and Delivery of the Asset Oversight Agreement</u>. 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 1.9--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.

<u>Section 1.10--Exhibits Incorporated Herein</u>. 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 - Deed of Trust

Exhibit F - Note

Exhibit G - Assignments

Exhibit H - Asset Oversight Agreement

Section 1.11--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 1.12--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 of the Department, Deputy Executive Director of Housing Operations of the Department, 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 of Multifamily Finance Production of the Department and the Secretary to the Board.

<u>Section 1.13--Conditions Precedent.</u> 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 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.
- <u>Section 2.2--Approval of Submission to the Attorney General of the State</u>. 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.
- <u>Section 2.3--Certification of the Minutes and Records</u>. 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.
- <u>Section 2.4--Authority to Invest Proceeds</u>. 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.
- <u>Section 2.5--Ratifying Other Actions</u>. 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.
- <u>Section 2.6---Engagement of Other Professionals.</u> That the 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.

### **ARTICLE III**

### CERTAIN FINDINGS AND DETERMINATIONS

<u>Section 3.1--Findings of the Board</u>. 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) <u>Need for Housing Development</u>.

- (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 Borrower will supply well planned and well designed housing for individuals or families of low and very low income or families of moderate income,
- (iii) that the financing of the Development is a public purpose and will provide a public benefit, and
- (iv) that the Development will be undertaken within the authority granted by the Act to the housing finance division and the Borrower.

### (b) <u>Findings with Respect to the Borrower</u>.

- (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 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.

<u>Section 3.3--Sufficiency of Mortgage Loan Interest Rate</u>. That the Board hereby finds and determines that the interest rate on the 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.

<u>Section 3.4--No Gain Allowed</u>. 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.

<u>Section 3.5--Waiver of Rules</u>. 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**

<u>Section 4.1--Limited Obligations</u>. 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.

<u>Section 4.2--Non-Governmental Obligations</u>. 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.

<u>Section 4.3--Effective Date</u>. That this Resolution shall be in full force and effect from and upon its adoption.

<u>Section 4.4--Notice of Meeting</u>. 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.

[Remainder of page intentionally left blank.]

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## PASSED AND APPROVED this 1st day of February, 2007.

By: _	/s/ Elizabeth Anderson
-	Elizabeth Anderson, Chair

Attest: /s/ Kevin Hamby
Kevin Hamby, Secretary

[SEAL]

#### **EXHIBIT A**

### **DESCRIPTION OF DEVELOPMENT**

Owner: Park Place at Loyola LP, a Texas limited partnership

Development: The Development is a 252-unit multifamily facility known as Park Place at Loyola and is located at approximately 6200 Loyola Lane, Austin, Travis County, Texas. The Development will include the reimbursement for the acquisition of and the costs of the construction of a total of 11 residential apartment buildings with a total of approximately 250,100 net rentable square feet and an average unit size of approximately 992 square feet. The unit mix consists of:

56 one-bedroom/one-bath units

108 two-bedroom/two-bath units

88 three-bedroom/two-bath units

252 Total Units

Unit sizes range from approximately 786 square feet to approximately 1106 square feet.

Common areas include an accessible walking path, barbecue grills and picnic tables, controlled gate access, enclosed sun porch or covered community porch/patio, business center, full perimeter fencing, furnished fitness center, children's playscape and swimming pool.



### MULTIFAMILY FINANCE PRODUCTION DIVISION

### February 1, 2007

# Development Information, Public Input and Board Summary Park Place at Loyola, TDHCA Number 07601

	BASIC DEVELOPMEN	IT INFORMATION				
Site Address: 6200 Loyola Lane			Developme	nt #:	07601	
City: Austin	Region: 7	Po	pulation Ser	ved:	Family	
County: Travis	Zip Code: 787	23	Alloca	tion: L	Jrban/Exurban	
HOME Set Asides: CHDO	☐ Preservation ☐ Ger	neral	Purpose/Act	ivity:	NC	
Bond Issuer: TDHCA						
HTC Purpose/Activity	y: NC=New Construction, ACQ=Acquisition	n, R=Rehabilitation, NC/AC	CQ=New Construc	ction and A	cquisition,	
	NC/R=New Construction and Rehabilita		nd Rehabilitation			
Owner:	OWNER AND DEVE Park Place at Loyola, LP	LOPMENT TEAM				
Owner Contact and Phone	Uwe Nahuina	()	512) 219-95(	00		
Developer:	Park Place at Loyola, LP		ing the wild have			
Housing General Contractor:	Xpert Design & Construction	on	rtrusinia Ge	profession. S	116 9414 1411	qu <mark>rt Des</mark>
Architect:	Weber Group, Inc		. erziadzszej r			Manar CA
Market Analyst:	Apartment Market Data		s are we are to a grown		•	
Syndicator:	MMA Financial					- : .: .:
Supportive Services:	Capstone		•			
Consultant:	Not Utilized					
	UNIT/BUILDING IN	FORMATION				
30% 40% 50% 60% Eff 1 I	3R 2BR 3BR 4BR 5BR	Total Restricte	d Units:		25	52
0 0 0 252 0 5		Market Rate U				0
Type of Building:   ✓ 5 units	or more per building	Owner/Employ	ee Units:			0
- Duplox	ed Residence	Total Developr			25	52
	Room Occupancy	·			\$29,650,09	98
☐ Fourplex ☐ Transit			Number of Residential Buildings:			1
LJ Townh	ome	HOME Law To	•			0
Note: If	Development Cost =\$0, an Underwriting	HOME Low To				0
	FUNDING INFO					
	Applicant Request	Department Analysis	Amort	Term	Rate	
4% Housing Tax Credits with Box	nds: \$1,225,615	\$1,225,615	0	0	0.00%	
TDHCA Bond Allocation Amount	\$15,000,000	\$15,000,000	40	40	6.00%	
HOME Activity Fund Amount:	\$0	\$0	0	0	0.00%	
HOME CHDO Operating Grant A	mount: \$0	\$0				



### MULTIFAMILY FINANCE PRODUCTION DIVISION February 1, 2007

### Development Information, Public Input and Board Summary Park Place at Loyola, TDHCA Number 07601

### **PUBLIC COMMENT SUMMARY**

Guide: "O" = Oppose, "S" = Support, "N" = Neutral, "NC" or Blank = No comment

State/Federal Officials with Jurisdiction:

TX Senator: Watson, District 14

NC

US Representative: Doggett, District 25, NC

TX Representative: Dukes, District 46

NC

US Senator:

NC

Local Officials and Other Public Officials:

Mayor/Judge: Will Wynn, Mayor - NC

Resolution of Support from Local Government

Paul Hilgers, Community Development Officer, City of Austin - "Because this project is consistent with the needs and strategies outlined in the Consolidated Plan, the City of Austin supports your application for this project."

Individuals/Businesses: In Support:

In Opposition

**Neighborhood Input:** 

### **General Summary of Comment:**

na en Deserciado com A Bari Public Hearing: Concerns the area might see a crime rate increase and that the lack of tupkeep and maintenance may be a seen and that the lack of tupkeep and maintenance may be a seen as the lack of tupkeep and maintenance may be a seen as the lack of tupkeep and maintenance may be a seen as the lack of tupkeep and maintenance may be a seen as the lack of tupkeep and maintenance may be a seen as the lack of tupkeep and maintenance may be a seen as the lack of tupkeep and maintenance may be a seen as the lack of tupkeep and maintenance may be a seen as the lack of tupkeep and maintenance may be a seen as the lack of tupkeep and maintenance may be a seen as the lack of tupkeep and maintenance may be a seen as the lack of tupkeep and maintenance may be a seen as the lack of tupkeep and the lack of tupkeep and tupk have an effect the surrounding property values.

Number that attended: 5 Number that spoke: 2 Number in support:,3 Number in opposition: 0

Number Neutral: 2

### CONDITIONS OF COMMITMENT

Per §49:12(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 the removal of foundation components, underground propane tank and septic tank has been completed.

Receipt, review and acceptance, prior to start of construction, of a more detailed breakdown of site work costs, as well as a CPA opinion as to eligibility of those costs.

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.



### MULTIFAMILY FINANCE PRODUCTION DIVISION February 1, 2007

### Development Information, Public Input and Board Summary Park Place at Loyola, TDHCA Number 07601

### RECOMMENDATION BY THE EXECUTIVE AWARD AND REVIEW ADVISORY COMMITTEE IS BASED ON:

4% Housing Tax Credits:

Credit Amount:

\$1,225,615

Recommendation: Recommend approval of a Housing Tax Credit Allocation not to exceed \$1,225,615 annually for ten years, subject

to conditions.

TDHCA Bond Issuance:

Bond Amount: .

\$15,000,000

Recommendation: Recommend approval of issuance of \$15,000,000 in Tax Exempt Mortgage Revenue Bonds with a fixed interest

rate of 6.00% and repayment term of 40 years with a 40 year amortization period, subject to conditions.

**HOME Activity Funds:** 

Loan Amount:

\$0

HOME CHDO Operating Expense Grant:

Grant Amount:

\$0

Recommendation:

### Park Place at Loyola

## **Estimated Sources & Uses of Funds**

Sources of Funds	
Series 2007 Tax-Exempt Bond Proceeds	\$ 15,000,000
Tax Credit Proceeds	11,765,000
Deferred Developer's Fee	835,779
Investment Earnings	28,522
<b>Total Sources</b>	\$ 27,629,301

Uses of Funds	
Acquisition and Site Work Costs	\$ 4,269,000
Direct Hard Construction Costs	12,874,216
Other Construction Costs (General Require, Overhead, Profit)	2,730,000
Indirect Construction Costs (Architectural, Engineering, etc)	823,251
Developer Fees and Overhead	3,750,000
Direct Bond Related	256,080
Bond Purchase Costs	328,000
Other Transaction Costs	2,157,262
Real Estate Closing Costs	441,492
Total Uses	\$ 27,629,301

### **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)	10,080
TDHCA Bond Counsel and Direct Expenses (Note 1)	75,000
TDHCA Financial Advisor and Direct Expenses	25,000
Disclosure Counsel (\$5k Pub. Offered, \$2.5k Priv. Placed. See Note 1)	2,500
Trustee Fee	4,750
Trustee's Counsel (Note 1)	4,500
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
Total Direct Bond Related	\$ 256,080

### Park Place at Loyola

Bond Purchase Costs	
MMA Origination & Application Fees	240,000
Borrower Counsel	30,000
Lender Counsel	33,000
Bond Issuance Cost Contingency	25,000
<b>Total Bond Purchase Costs</b>	\$ 328,000
	-
Other Transaction Costs	
Tax Credit Related Costs	60,000
Construction Contingency	812,000
Lease Up Reserves	412,988
Construction Period Interest	766,774
TEFRA Hearing	5,500
Soft Cost Contingency	100,000
<b>Total Other Transaction Costs</b>	\$ 2,157,262
Real Estate Closing Costs	
Title and Recording	128,973
Real Estate Taxes - Construction	75,000
Insurance	227,519
Survey	10,000

Title and Recording	128,973
Real Estate Taxes - Construction	75,000
Insurance	227,519
Survey	10,000
<b>Total Real Estate Costs</b>	\$ 441,492
<b>Estimated Total Costs of Issuance</b>	\$ 3,182,834

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.

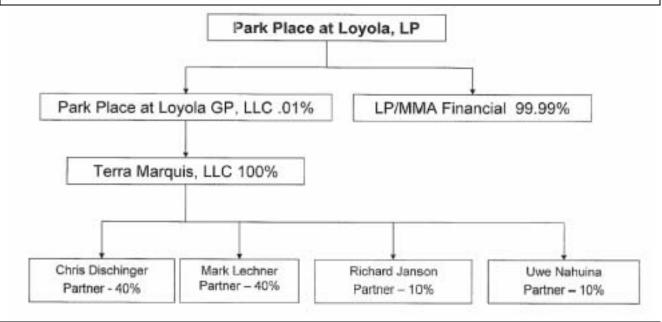
Note 1: These estimates do not include direct, out-of-pocket expenses (i.e. travel). Actual Bond Counsel and Disclosure Counsel are based on an hourly rate and the above estimate does not include on-going administrative fees.

DATE: January 23, 2007 PROGRAM: 4% HTC / MRB FILE NUMBER: 07601

### **DEVELOPMENT NAME**

Park Place at Loyola

APPLICANT											
Name:	Park Place at Loyola, LP						Contact:	Uwe Nahuina			
Address:	9109 B	alcones Club Dri	ive								
City	Austin						State:	TX	Zip:	78750	
Phone:	(512)	963-1363	Fax:	(512)	260-88	555	Email:	akamaitexas@austin.rr.com			
				KEY	PARTICIP	PANTS	3				
Name:	Park Place at Loyola , LP Title: Ow					Own	ner and Devel	oper			
Name:	Park Place at Loyola GP, LLC Title: C			Gen	eral Partner o	f Owner and	d Developer		<u>.</u>		
					_						



# PROPERTY LOCATION Location: 6200 Loyola Lane City: Austin Zip: 78723 County: Travis Region: 7 ☑ QCT ☐ DDA

		REQUEST		
<b>Program</b>	<b>Amount</b>	<b>Interest Rate</b>	<b>Amortization</b>	<u>Term</u>
HTC	\$1,225,615	N/A	N/A	N/A
MRB (Tax-Exempt)	\$15,000,000	6.00%	40 yrs	40 yrs
<b>Proposed Use of Funds:</b>	New construction	Type:	Multifamily	
Target Population:	Family	Other:	Urban/Exurban	

### RECOMMENDATION

- RECOMMEND APPROVAL OF ISSUANCE OF \$15,000,000 IN TAX-EXEMPT MORTGAGE REVENUE BONDS WITH A FIXED INTEREST RATE OF 6.00% AND REPAYMENT TERM OF 40 YEARS WITH A 40-YEAR AMORTIZATION PERIOD, SUBJECT TO CONDITIONS.
- RECOMMEND APPROVAL OF A HOUSING TAX CREDIT ALLOCATION NOT TO EXCEED \$1,225,615 ANNUALLY FOR TEN YEARS, SUBJECT TO CONDITIONS.

### CONDITIONS

- 1. Receipt, review, and acceptance, prior to start of construction, of evidence that the removal of foundation components, underground propane tank and septic tank has been completed.
- 2. Receipt, review, and acceptance, prior to start of construction, of a more detailed breakdown of site work costs, as well as a CPA opinion as to eligibility of those costs.
- 3. Should the terms and rates of the proposed debt or syndication change, the transaction should be reevaluated and an adjustment to the credit allocation amount may be warranted.

### **REVIEW of PREVIOUS UNDERWRITING REPORTS**

No previous reports.

### **DEVELOPMENT SPECIFICATIONS**

### **IMPROVEMENTS**

Total Units:  $\underline{252}$  # Res Bldgs  $\underline{11}$  # Non-Res Bldgs  $\underline{3}$  Age:  $\underline{N/A}$  yrs Vacant:  $\underline{N/A}$  at //

Net Rentable SF: 250,100 Av Un SF: 992 Common Area SF: 4,207 Gross Bldg SF: 254,307

### 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 multifamily buildings.

### STRUCTURAL MATERIALS

The structures will be constructed on a concrete slab. According to the plans provided in the application the exterior will be 94% Hardi siding and 6% Texas stone veneer. 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 2007 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 each bathroom, 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, an individual heating and air conditioning unit, individual water heater, icemaker, covered entries and balconies, at least 9 square feet of storage space, and nine-foot ceilings.

### **ONSITE AMENITIES**

In order to meet threshold criteria for a total of 200 or more units, the Applicant has elected to provide an accessible walking path, a barbecue or picnic table for every 50 units, 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 gazebo with sitting area, one children's playscape equipped for 5 to 12 year olds or one tot lot, a service coordinator's office in addition to leasing offices, and a swimming pool.

Uncovered Parking: 347 spaces Carports: 100 spaces Garages: 42 spaces

### PROPOSAL and DEVELOPMENT PLAN DESCRIPTION

**<u>Description</u>**: Park Place at Loyola is a 15-unit per acre new construction development located in east Austin in Travis County, comprised of 11 evenly distributed garden style residential buildings as follows:

No. of Buildings	No. of Floors	<u>1BR</u>	<u>2BR</u>	<u>3BR</u>
6	3		12	12
2	3	12		8
1	3	8	12	
2	3	12	12	

The development includes a 3,772-square foot community building, a separate 175-square foot pool house, and a separate 260-square foot maintenance building.

1			<u> </u>					
	SITE ISSUES							
	SITE DESCRIPTION							
Total Size:	16.83 acres		Scattered si	tes?	☐ Yes ⊠ No			
Flood Zone:	Zone X		Within 100-	year floodp	lain? Yes No			
Current Zoning:	MF-3-CO		Needs to be	re-zoned?	☐ Yes ☒ No ☐ N/A			
	S	ITE and NEIGHB	ORHOOD CHARA	CTERISTICS	S			
<b>Location:</b> The	property is located	l at 6200 Loyo	la Lane, Austin,	Travis Co	ounty. This is on the outskirts of			
Austin, east of U	J.S.183, between U	J.S. 290 East (t	to the north) and	F.M. 969	(to the south).			
Adjacent Land	Uses:							
∉ North: unde	eveloped property	immediately ac	ljacent and beyo	nd;				
<b>∉ South:</b> Loye	ola Lane immediat	ely adjacent an	d undeveloped p	roperty be	eyond;			
∉ East: undev	eloped property in	nmediately adja	acent and an eler	nentary sc	hool beyond; and			
∉ West: under	veloped property i	mmediately adj	acent and beyon	d.				
Site Access: "T	he subject site ha	s excellent acc	cess via Loyola	Lane. Fr	rom Loyola Lane, one can easily			
connect to U.S.	Highway 183, whi	ch is a major th	noroughfare in ai	nd around	the city of Austin." (p. 24)			
Public Transpo	ortation: Public t	ransportation to	o the area is pr	ovided by	Capital Metro, with the nearest			
linkage located	0.1 mile from the s	ubject site.			_			
<b>Shopping &amp; Se</b>	rvices: Schools, fi	re, police, med	ical facilities, sh	opping, an	d recreation are all located within			
2-5 miles of the	subject site.							
TDHCA SITE INSPECTION								
Inspector:	TDHCA Staff			Date:	12/18/2006			
Overall Assessmen	t: Excellent	Acceptable	Questionable	Poor	Unacceptable			
Comments:								
	HIGHII	& 2 IIO2 to 2TH	ΗΔ7ΔΡΟΟΙΙς ΜΔ	TEDIΔIS DEI	PORT(S)			
HIGHLIGHTS of SOILS & HAZARDOUS MATERIALS REPORT(S)								

A Phase I Environmental Site Assessment report dated November 15, 2006 was prepared by A.E.C., Inc. and supplemented by a letter dated December 29, 2006. The Environmental Analyst reported the following findings and recommendations:

### **Findings**:

- ✓ Noise: "A noise study is not recommended for subject tract. This site is not adjacent to any industrial sites within one mile of subject tract. In addition, the nearest highway, U.S. 183, is approximately ½ mile west of site. There is an inactive rail line approximately 1/8 mile to the west of the subject tract. There are no civil or military air fields within 10 miles of subject tract." (letter 12/29/06)
- Floodplain: "The site is located outside 100-year floodplain boundaries according to FEMA Maps Flood Panel ... dated 2/24/06." (p. 4) The Underwriter performed a physical inspection of the site on January 11, 2007. A creekbed was observed along the west boundary, a "dry pond" indicated on the survey actually contained water, and a "cutout access" indicated on the survey appears to be a trench dug to drain the pond in the direction of the creekbed. The site plan indicates that the entire west side of the property, including the area of the "dry pond", will contain a stormwater detention pond and a water quality pond. All buildings will be constructed on higher ground in the center and east side of the property.

- Asbestos-Containing Materials (ACM): "Asbestos testing should be of minimal concerns. The existing farmhouse has some asbestos shingles and asbestos tiles on a portion of the east side of the house. The owner had a firm by the name of Burcham Environmental Services performing a site assessment on this specific issue." (letter 12/29/06) The Underwriter contacted Burcham Environmental Services (BES) and learned that they are a licensed asbestos consultant agency and laboratory which had been contracted by the Applicant to safely demolish the farmhouse structure and properly remove all debris from the site. BES provided a copy of an "asbestos abatement closeout report" dated January 9, 2007. The report indicated that BES had contracted Sierra Contracting Corp, a licensed asbestos abatement contractor and asbestos transporter. Sierra completed the job on December 28-29, under the supervision of BES.
- **∠ Lead-Based Paint (LBP):** "No testing should be required since the majority of the farmhouse's wood exterior was well worn and had little to no paint on surface." (letter 12/29/06) Kent Burcham of BES reported that BES does not specifically deal with lead-based paint issues. However, he stated that the asbestos abatement performed resulted in the removal of all traces of the structure from the site, eliminating any possible source of lead contamination.
- **∉ Lead in Drinking Water:** "No testing should be required since the farmhouse was on a well adjacent to the east rear of the farmhouse. The small amount of piping that will be removed will not be utilized to provide drinking water. The City of Austin provides all utilities in the full purpose city limits which include this site. This site will have to comply with all City of Austin regulations including building code requirements associated with utilities." (letter 12/29/06)
- Radon: "Radon is generally found in area where the geological strata includes, a granite or limestone strata that includes fractures and voids that can trap this gas. This information is based on soil reports and discussions with Sylvia Pope, P.G. with the City of Austin. The soil in this area consist of black clay alluvium and terrace deposits per report ... generated by Texas Department of Water Resources, June 1983. No testing should be required for the presence of Radon." (letter 12/29/06)
- **€** Other: The Environmental Analyst "located a gas valve in the front yard of (the farmhouse) that probably has an old propane fuel tank that is no longer utilized." (p. 5) The asbestos abatement closeout report provided by BES indicates that "Sierra will return on 1/9 and 1/10/07 to remove foundation components, underground propane tank and septic tank."
- Recognized Environmental Concerns (RECs): "Based on information reviewed and pedestrian survey, any environmental risk associated with development of this site should be negligible due to record information which shows this site has no history of UST's, spills, leaks, illegal dump or fill sites." (p. 6)

**Recommendations:** Receipt, review, and acceptance, prior to start of construction, of evidence that the removal of foundation components, underground propane tank and septic tank has been completed, is a condition of this report.

### INCOME SET-ASIDE

The Applicant has elected the 40% at 60% or less of area median gross income (AMGI) set-aside. Any Qualified Residential Rental Project qualifies as a Priority 3 Private Activity Bond allocation (§1372.0321).

All units will be reserved for low-income tenants. Six units (2% of the total) will be reserved for households earning 50% or less of AMGI; the remaining 246 units will be reserved for households earning 60% or less of AMGI.

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 market feasibility study dated July 19, 2006 was prepared by Apartment MarketData ("Market Analyst"). This study was supplemented by a letter dated January 3, 2007, and a letter accompanied by additional data on January 10, 2007. The Analyst reported the following findings:

**Secondary Market Information:** "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. 32)

<u>Definition of Primary Market Area (PMA)</u>: "For this analysis, we utilized a 'primary market area' encompassing 38.26 square miles. The boundaries of the Primary Market Area are as follows:

North: Braker Lane
East: F.M. 3177
South: Colorado River

West: Cameron Road and Interstate 35." (p. 30)

This area is equivalent to a circle with a radius of 3.5 miles.

**Population:** The estimated 2005 population of the PMA was 89,080 and is expected to increase by 1% to approximately 89,730 by 2006. Within the primary market area there were estimated to be 29,494 households in 2005.

Total Market Demand: The Market Analyst utilized a target household adjustment rate of 100% since the development is targeted at the general population, and a household size-appropriate adjustment rate of 94%. (p. 53) The Analyst used an income range of \$22,834 to \$46,080. The minimum income is based on the maximum program rent of \$666 for a one-bedroom unit and a 35% rent burden on household income. The maximum income is based on the income for a five-person household at 60% of AMGI, assuming 1.5 person-per-bedroom occupancy of a three-bedroom unit. (p. 47) This income band results in an income-eligible adjustment rate of 31%. (p. 51) The tenure appropriate adjustment rate of 61% is specific to the income-eligible population. (p. 51) The Market Analyst indicates a turnover rate of 67% applies based on IREM data for garden-style projects in the Austin area. (p. 52)

MARKET DEMAND SUMMARY						
	Market	Analyst	Underwriter			
Type of Demand	Units of Demand	% of Total Demand	Units of Demand	% of Total Demand		
Household Growth	28	1%	33	1%		
Resident Turnover	3,504	99%	3,570	99%		
TOTAL DEMAND	3,532	100%	3,603	100%		
	Supply of Unstabilized Units	INCLUSIVE CAPTURE RATE	Supply of Unstabilized Units	INCLUSIVE CAPTURE RATE		
	878	24.86%	900	24.98%		

p. 55

Inclusive Capture Rate: The Market Analyst calculated an inclusive capture rate of 24.86% based on a supply of 878 unstabilized affordable housing units in the PMA and total demand for 3,532 units (p. 55) The Analyst's unstabilized supply includes 136 affordable units at the Villas on Sixth Street, 250 units at Rosemont at Old Manor, and 240 units at Eagles Landing, in addition to 252 units at the subject property. The Underwriter calculated an inclusive capture rate of 24.98% based on a revised supply of 900 unstabilized comparable affordable units divided by a revised demand estimate for 3,603 affordable units. (The Analyst included Eagles Landing because it had been less than 12 months since that property had first reported occupancy greater than 90%. By the time the application was submitted, it had been more than 12 months since the first report of 90% occupancy; however, the Underwriter contacted the Property Manager and was informed that "the property has not achieved full 90% occupancy for the last 12-18 months ... this market is still relatively weak." The average monthly occupancy for calendar year 2006 was 88%. Therefore, the Underwriter included Eagles Landing, as well as La Vista de Guadalupe, a 22 unit project which received a 2006 9% HTC award after the market study was completed.) TDHCA guidelines permit an inclusive capture rate of up to 25%.

<u>Unit Mix Conclusion</u>: "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 40.5% one bedrooms, 38.8% two bedrooms, 14.9% three bedrooms, and 5.8% four bedrooms ... The subject project consists of 23.0% one bedroom units, 41.3% two bedroom units, and 35.7% three bedroom units. By comparison, family projects in the trade area offer 56.9% one bedrooms, 36.7% two bedrooms, 5.7% three bedroom units, and 0.7% four bedroom units ... Because of the physical, economic, and functional characteristics of the Private Activity Bond and Low Income Housing Tax Credit programs, it is logical that some variation will exist from market demographic characteristics to the actual physical project. It is our opinion, given current occupancies and the forecasted household growth, that the subject unit mix, for all purposes, will meet the needs of lower and median income families within the sub-market." (pp. 94-95)

Market Rent Comparables: "The competitive sub-market supply and demand analysis conducted by (the Analyst) included 1,185 existing income restricted units and 1,616 conventional units within the Primary Market Area. The report reflects solid demand, as did the overall macro market, for all of the competitive projects in the micro-market reviewed." (p. 98) The Analyst considered 6 conventional properties to determine comparable market rents, several of which are located outside the PMA. "... the subject rents are 0.4% to 11.7% below the rents currently being charged in the marketplace. They are also significantly lower than the maximum allowable rents. At the same time, the proforma rents are priced slightly higher than Rosemont at Hidden Creek (in lease-up). By pricing the units between the adjusted market rents and the rents of Rosemont at Hidden Creek, the most recent 'affordable' lease-up, the developer has chosen a middle ground for his proforma. We expect that this will fair well for (the subject property) as it begins its lease-up." (pp. 99-100)

The Analyst also surveyed 8 income-restricted properties. The average rents reported by this group of properties for one-, two-, and three bedroom-units were 25%, 23%, and 21% below the adjusted market rents originally calculated by the Analyst. The Analyst explained in the letter of January 3: "For projects that do include 60% AMI units and are similar in age, the market rents in the area at the time the projects were initially leased only allowed them to charge a rent equivalent to a 50% AMI program rent. Because of lease terms and the profile of the existing residents, these projects continue to report rents that are lower than the 60% AMI program rent."

The Underwriter conferred with the Analyst regarding the wide range of data between the existing incomerestricted market and the market-rate comparable rents. The Analyst agreed to reconsider the data in order to draw a firmer conclusion of rents that should be achievable in the PMA. The Analyst reexamined the attributes of the market rate properties considered, particularly location relative to the PMA. "Upon further review, I believe that there should be a larger location adjustment for the rent comparables (two and three bedroom units) used to estimate the subject's rents without rent restrictions." (letter 10 January) The revised (lower) estimates of market rents for two- and three-bedroom units were used for the underwriting analysis.

RENT ANALYSIS (net tenant-paid rents)								
Unit Type (% AMI) Proposed Program Max Differential (revised) Market Differential								
1-Bedroom (50%)	\$595	\$593	\$2	\$685	-\$90			
1-Bedroom (60%)	\$682	\$727	-\$45	\$685	-\$3			
2-Bedroom (60%)	\$761	\$859	-\$98	\$815	-\$54			
3-Bedroom (60%)	\$861	\$985	-\$124	\$915	-\$54			

(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 rate for the income restricted one bedrooms is 95.5%, for income restricted two bedrooms it is 93.9%, for income restricted three bedrooms is 95.2% ... and the overall average occupancy for income restricted units is 94.4% ... The occupancy rate for the market rate one bedrooms is 92.1%, for market rate two bedrooms it is 91.9%, the occupancy rate for the market rate three bedroom units is 91.9%, and the overall average occupancy for market rate units is 92.0%." (p. 98)

Absorption Projections: "Today, the PMA is 92.8% occupied overall. Based on occupancy rates currently reported by existing projects, we opine that the market will readily accept the subject's units. Absorption over the previous sixteen years for all unit types is estimated to be 191 units per year. We expect this to continue as the number of new households continues to grow, and as additional rental units become available." (pp. 89-90)

<u>Unstabilized</u>, <u>Under Construction</u>, <u>and Planned Development</u>: The Analyst identified three unstabilized affordable housing projects in the PMA: the Villas on Sixth Street (TDHCA #04003) with 160 units, Rosemont at Hidden Creek (fka Rosemont on Old Manor, TDHCA #04427) with 250 units, and Eagles Landing (TDHCA #02414) with 240 units. The Analyst reports that Eagle's Landing achieved stabilized occupancy in September 2005; this property was included because the market study was completed less than a year later. (p. 10) By the time the application was submitted, it had been more than 12 months since the first report of 90% occupancy; however, the Underwriter contacted the Property Manager and was informed that "the property has not achieved full 90% occupancy for the last 12-18 months ... this market is still relatively weak." Therefore, the Underwriter included Eagles Landing, as well as La Vista de Guadalupe, a 22 unit project which received a 2006 9% HTC award after the market study was completed.

<u>Market Impact</u>: "The site is located in an area in which the demand for 'affordable' housing is high ... The analyst believes that there is a sufficient 'income qualified' population, with significant demand, to support the proforma rents of the project ... As reflected in the market occupancy of 92.8%, the overall demand for apartments is stable. Demand is also considered to be growing within the PMA." (p. 19)

<u>Market Study Analysis/Conclusions</u>: The Underwriter found the market study, supplemented by additional information provided by the Analyst, provided sufficient information on which to base a funding recommendation.

### **OPERATING PROFORMA ANALYSIS**

<u>Income</u>: As discussed above, the Applicant's projected rents collected per unit are lower than the market rents originally determined by the Market Analyst, but the market rents seemed to be higher than expected for the Primary Market Area. The Market Analyst provided revised market estimates for the two- and three-bedroom rents. The Underwriter has used market estimates for all the 60% units; therefore they are not adjusted for utilities. The 50% one-bedroom rent is determined by subtracting the utility allowance provided by the Austin Housing Authority (revised in December 2005) from the maximum program rent. (The Applicant used a 2004 utility allowance.) Tenants will pay electricity costs only.

The Applicant included secondary income of \$20 per unit per month from vending machines, but did not provide any documentation to support this. Underwriting guidelines limit unsubstantiated secondary income to \$15 per unit. The Applicant also included \$100 per month in rental income from 42 garages and \$25 per month for 100 carports. This is considered additional commercial activity; the Underwriter did not include the cashflow from parking facilities in operating income.

The Applicant's estimated losses due to vacancy and collection are consistent with the Department's guideline of 7.5% of potential gross income.

The Applicant's estimate of effective gross income is within 1% of the Underwriter's estimate.

**Expenses:** The Applicant projects total annual operating expenses at \$3,992 per unit. This is 8% lower than the Underwriter's estimate of \$4,345, derived from the TDHCA database and third-party data sources. Several line items in the Applicant's estimate differ significantly from the Underwriter's estimate; these include general & administrative expense (the Applicant's estimate is \$28K lower than the Underwriter's), payroll & payroll tax (the Applicant's estimate is \$26K lower than the Underwriter's), and utilities (the Applicant's estimated total expense for electricity and water, sewer, and trash is a combined \$38K lower than the Underwriter's estimates).

<u>Conclusion</u>: The Applicant's estimated effective gross income and net operating income (NOI) are within 5% of the Underwriter's estimates, but the estimates for total annual expenses differ by more than 5%. Therefore, the Underwriter's NOI estimate will be used to determine the project's debt capacity. The first year proforma and annual debt service of \$990,385 indicate a debt coverage ratio (DCR) of 1.25.

It should be noted that the revised market rent estimates used in the income analysis are still higher than rents observed in much of the LIHTC market, resulting in uncertainty as to what level of rent is realistically achievable. An alternate analysis performed by the underwriter applying rents derived from several nearby tax credit properties resulted in a debt coverage ratio of 1.10, below the minimum level of 1.15 in the 2007 guidelines. In such a case the recommended financing structure would include a reduction in debt and increase in the deferred developer fee.

**Long-Term Feasibility:** The underwriting 30-year proforma applies 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 used, resulting in continued positive cashflow and a debt coverage ratio that remains above 1.15. Therefore, the development can be characterized as feasible for the long-term.

ACQUISITION VALUATION INFORMATION							
ASSESSED VALUE							
Land: 16.826 acres	\$113,576	Assessment for t	Assessment for the Year of: 2006				
Building:	\$1,064	Valuation by: Travis County Appraisal District		y Appraisal District			
Total Assessed Value:	\$114,640	<b>Tax Rate:</b> 2.552					
	EVIDENCE of SITE or PROPERTY CONTROL						
Type of Site Control:	Unimproved commercia	al property contract (9.84	4 acres + 6.982	acres)			
Contract Expiration:	03/15/2007	Valid (	hrough Board D	eate?			
Acquisition Cost:	\$1,350,000	Other					
Seller: Robert L. H	aug, Trustee for Loyola J.	V. Relate	d to Developmen	t Team? Yes No			

### CONSTRUCTION COST ESTIMATE EVALUATION

<u>Acquisition Value</u>: The site cost of \$80,233 per acre is assumed to be reasonable since the acquisition is an arm's-length transaction.

<u>Sitework Cost</u>: The revised development cost schedule submitted on January 18, 2007 included sitework costs in excess of the 2007 maximum guideline of \$9,000 per unit, substantiated by a certified cost estimate from Carl Conley, P.E. The Applicant has been requested to provide a more detailed breakdown of the site costs, as well as a CPA letter indicating whether any portion of the site costs should be considered ineligible. The underwriting analysis has been completed with the total site costs included in eligible basis. If a significant portion of the costs were determined to be ineligible, it could impact the recommended tax credit award.

Receipt, review, and acceptance of a more detailed breakdown of sitework costs, as well as a CPA opinion as to eligibility of those costs, prior to start of construction, is a condition of this report.

<u>Direct Construction Cost</u>: The architectural plans submitted were too small to decipher accurate dimensions, and the CDROM version had insufficient resolution, so the Underwriter had to rely on measurements provided by the Applicant as responses to direct questions. The Applicant submitted an email on January 12, 2007 clarifying the dimensions of the breezeways within the residential buildings; these dimensions were used in the underwriting analysis. On January 18, 2007 the Applicant submitted a revised development cost schedule, summary of sources and uses of funds, and site work costs certification. The Applicant includes \$168,000 for direct construction of carports and garages in eligible basis, and then subtracts the same amount from total development costs as commercial space costs. The Underwriter has deducted this amount from the Applicant's estimated eligible basis and included it under ineligible costs. The Underwriter's analysis also includes estimated carport and garage construction costs as ineligible. The Applicant's direct construction cost estimate (excluding the carport and garage cost) is \$894K (6.8%) higher than the Underwriter's estimate derived from the Marshall & Swift *Residential Cost Handbook*.

<u>Interim Financing Fees:</u> The Underwriter reduced the Applicant's eligible interim financing fees by \$200K to bring the eligible interest expense down to one year of fully drawn interest. This results in an equivalent reduction to the Applicant's eligible basis estimate.

<u>Fees:</u> The Applicant's fees for the contractor and developer were set at the maximums allowed by TDHCA guidelines, but with the reduction in eligible basis due to the misapplication of eligible basis discussed above (i.e. carport and garage construction cost and interim financing fees), the eligible basis portion of these fees now exceed the maximum by a total of \$18,582 and have been reduced by the same amount in order to recalculate the appropriate requested credit amount.

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. The calculated basis of \$26,711,757 is increased by 30% because the region has been designated a Qualified Census Tract. The resulting adjusted eligible basis of \$34,725,284 supports annual tax credits of \$1,260,528. 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:	MMA Financial	Contact: Christopher E. Tawa					
Tax-Exempt:	\$15,000,000 <b>Interest Rate:</b> 6.00%, fixed	Amort: 480 months					
Documentation	n: Signed Term Sheet LOI Firm Commitment	☐ Conditional Commitment ☐ Application					
<b>Comments</b> :	24-month interim construction phase at 6.00% interest-	only					
	TAX CREDIT SYNDICATION						
Source:	MMA	Contact: Greg Voyentzie					
<b>Proceeds:</b>	\$11,765,000 <b>Net Syndication Rate:</b> 96%	Anticipated HTC: \$1,225,615/year					
Documentation	n: Signed Term Sheet LOI Firm Commitment	☐ Conditional Commitment ☐ Application					
<b>Comments</b> :							
OTHER							
Amount: \$2	2,885,098 Source: Deferred Develop	er Fee					
	FINANCING STRUCTURE ANALYSIS						

<u>Interim to Permanent Bond Financing</u>: MMA Financial has agreed to purchase up to \$15 million in tax exempt bonds issued by TDHCA, as indicated in an executed commitment dated January 8, 2007. The Applicant provided a commitment from MMA dated December 18, 2006 to loan up to \$15,005,000 to the Applicant at a fixed interest rate of 6.00%, for a 24 month interim construction phase followed by a 40-year amortization period.

**HTC Syndication:** The tax credit syndication commitment provided with the application indicated a syndication rate of \$0.98 per tax credit dollar, and anticipated total proceeds of \$12,101,216. A revised commitment indicated a reduced syndication rate of \$0.96 per tax credit dollar, resulting in total proceeds of \$11,765,000.

<u>Deferred Developer's Fees</u>: The proposed deferred developer's fees of \$2,885,098 amount to 82% of the total fees proposed.

<u>Financing Conclusions</u>: The Applicant's total development cost estimate less the permanent loan of \$15,000,000 indicates the need for \$14,650,098 in gap funds. Based on the submitted syndication terms, a tax credit allocation of \$1,526,169 annually would be required to fill this gap in financing. Of the three possible tax credit allocations, the Applicant's request (\$1,225,615), the gap-driven amount (\$1,526,169), and the eligible basis-derived estimate (\$1,260,528), the Applicant's request of \$1,225,615 is recommended, resulting in proceeds of \$11,765,000.

The Underwriter's recommended financing structure indicates the need for \$2,885,098 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, 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 (Park Place at Loyola, LP), General Partner (Park Place at Loyola GP, LLC), and the 100% owner of the General Partner (Terra Marquis, LLC) are single-purpose entities created for the purpose of receiving assistance from TDHCA and therefore have no material financial statements.
- ∉ Chris Dischinger, Mark Lechner, Richard Janson, and Uwe Nahuina, the principals of Terra Marquis, LLC, submitted unaudited personal financial statements.

<u>Background & Experience</u>: 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 operating expenses are 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%.
- ∉ Potential environmental risks exist regarding the previous building and the "dry pond" on the site.

Underwriter:		Date:	January 23, 2007
	Thomas Cavanagh		
Reviewing Underwriter:		Date:	January 23, 2007
	Lisa Vecchietti		
Director of Real Estate Analysis:		Date:	January 23, 2007
	Tom Gouris		

### **MULTIFAMILY COMPARATIVE ANALYSIS**

### Park Place at Loyola, Austin,4% HTC, 07601

						, Austin,4% HT				
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 50%	6	1	1	786	\$666	\$593	\$3,558 34.250	\$0.75	\$73.00	\$50.00
TC 60%	50	2	2	786	800 960	\$685 \$815	- ,	0.87	73.00	50.00 57.00
TC 60%	108	3	2	1,007		· ·	88,020	0.81	101.00	
TC 60%	88	3	2	1,106	1109	\$915	80,520	0.83	124.00	84.00
TOTAL:	252		AVERAGE:	992	\$973	\$819	\$206,348	\$0.83	\$102.81	\$64.87
INCOME		Total Net Re	entable Sq Ft:	250,100		TDHCA	APPLICANT	Com	ptroller's Region	7
POTENTIA	L GROSS		•			\$2,476,176	\$2,347,512		IREM Region	Austin
Secondary	Income		1	Per Unit Per Month:	\$15.00	45,360	60,480	\$20.00	Per Unit Per Month	
Other Supp	ort Income:	garages / ca	rports				80,400	\$26.59	Per Unit Per Month	
POTENTIA						\$2,521,536	\$2,488,392			
•	Collection L			ntial Gross Income:	-7.50%	(189,115)	(186,624)	-7.50%	of Potential Gross	ncome
EFFECTIV			s or Concessi	ons		\$2,332,421	¢2 204 769			
EXPENSES		INCOME	% OF EGI	PER UNIT	PER SQ FT	\$2,332,421	\$2,301,768	PER SQ FT	PER UNIT	% OF EGI
	<u>⊆</u> Administrativ	<b></b>		· · · · · · · · · · · · · · · · · · ·		\$111,043	\$83,000		·	
		ve	4.76%	\$441 318	0.44	80,246	92,071	\$0.33	\$329	3.61%
Manageme			3.44%		0.32		·	0.37	365	4.00%
Payroll & Pa	-		10.99%	1,017	1.02	256,338	230,000	0.92	913	9.99%
	Maintenance	)	4.74%	439	0.44	110,567	126,000	0.50	500	5.47%
Utilities			2.14%	198	0.20	49,813	40,000	0.16	159	1.74%
Water, Sew			4.65%	431	0.43	108,525	80,000	0.32	317	3.48%
Property Ins			3.00%	278	0.28	69,951	81,294	0.33	323	3.53%
Property Ta		2.552	9.65%	893	0.90	225,086	191,268	0.76	759	8.31%
	r Replaceme	ents	2.16%	200	0.20	50,400	50,400	0.20	200	2.19%
Other: com			1.42%	131	0.13	33,080	32,000	0.13	127	1.39%
TOTAL EX		^	46.95%	\$4,345	\$4.38	\$1,095,049	\$1,006,033	\$4.02	\$3,992	43.71%
NET OPER		C	53.05%	\$4,910	\$4.95	\$1,237,372	\$1,295,735	\$5.18	\$5,142	56.29%
DEBT SER	VICE		40.400/	<b>6</b> 0.000	Ф0.00	¢000 395	¢000 672	<b>*</b> 0.00	00.004	40.040/
MMA Additional Fi	nancina		42.46% 0.00%	\$3,930 \$0	\$3.96 \$0.00	\$990,385 0	\$990,673	\$3.96 \$0.00	\$3,931 \$0	43.04% 0.00%
Additional Fi	•		0.00%	\$0	\$0.00	0		\$0.00	\$0	0.00%
NET CASH	•		10.59%	\$980	\$0.99	\$246,987	\$305,062	\$1.22	\$1,211	13.25%
AGGREGAT		WERAGE RA		****		1.25	1.31		* ,	
RECOMMEN						1.25	1.01			
CONSTRU						-				
Descri		Factor	% of TOTAL	PER UNIT	PER SQ FT	TDHCA	APPLICANT	PER SQ FT	PER UNIT	% of TOTAL
Acquisition						\$1,350,000	\$1,350,000			
Off-Sites	COSt (Site o	i blug)	4.74% 0.00%	\$5,357 0	\$5.40 0.00	0	0	\$5.40	\$5,357 0	4.55% 0.00%
Sitework			10.84%			3,088,631	3,088,631	0.00		10.42%
Direct Cons	etruction			12,256	12.35			12.35	12,256	
Contingend		F 000/	45.88%	51,898	52.29	13,078,229 808,343	13,972,000 812,000	55.87	55,444	47.12%
General Re	•	5.00%	2.84%	3,208	3.23	970,012	1,025,000	3.25	3,222	2.74%
	•	6.00%	3.40%	3,849	3.88	323,337		4.10	4,067	3.46%
Contractor's		2.00%	1.13%	1,283	1.29		340,000	1.36	1,349	1.15%
		6.00%	3.40%	3,849	3.88	970,012	1,025,000	4.10	4,067	3.46%
Indirect Co			2.41%	2,724	2.74	686,400 1,295,518	686,400	2.74	2,724	2.32%
Ineligible C			4.55%	5,141	5.18		1,251,716	5.00	4,967	4.22%
Developer's		2.00%	1.56%	1,762	1.78	444,125	0	0.00	0	0.00%
Developer's		13.00%	10.13%	11,456	11.54	2,886,815	3,500,000	13.99	13,889	11.80%
Interim Fina	ancing		8.00%	9,053	9.12	2,281,308	2,281,308	9.12	9,053	7.69%
Reserves	CT		1.12%	1,271	1.28	320,285	318,043	1.27	1,262	1.07%
TOTAL CO			100.00%	\$113,107	\$113.97	\$28,503,014	\$29,650,098	\$118.55	\$117,659	100.00%
Constructio		•	67.50%	\$76,344	\$76.92	\$19,238,563	\$20,262,631	\$81.02	\$80,407	68.34%
SOURCES	OF FUND	<u> </u>					<u> </u>	RECOMMENDED	Ī	
MMA			52.63%	\$59,524	\$59.98	\$15,000,000	\$15,000,000	\$15,000,000		ee Available
Additional Fi	nancing		0.00%	\$0	\$0.00	0		0	\$3,48	4,142
HTC Syndica	ation: MMA		41.28%	\$46,687	\$47.04	11,765,000	11,765,000	11,765,000		ee Deferred
Deferred Dev	veloper Fee	S	10.12%	\$11,449	\$11.54	2,885,098	2,885,098	2,885,098	83	3%
Additional (E	xcess) Fund	ds Req'd	-4.02%	(\$4,552)	(\$4.59)	(1,147,084)	0	0	15-Yr Cumula	tive Cash Flow
TOTAL SO	URCES					\$28,503,014	\$29,650,098	\$29,650,098	\$6,56	8,246

TCSheet Version Date 6/5/06tg

### MULTIFAMILY COMPARATIVE ANALYSIS (continued)

Park Place at Loyola, Austin,4% HTC, 07601

### **DIRECT CONSTRUCTION COST ESTIMATE**

Residential Cost Handbook

Average Quality Multiple Residence Basis

CATEGORY	FACTOR	UNITS/SQ FT	PER SF	AMOUNT
Base Cost			\$48.87	\$12,222,723
Adjustments				
Exterior Wall Finish	0.48%		\$0.23	\$58,669
9-Ft. Ceilings	3.06%		1.50	374,015
Garages	\$16.49	8,461	0.56	139,522
Subfloor			(0.75)	(186,741)
Floor Cover			2.22	555,222
Porches/Balconies	\$20.27	66,242	5.37	1,342,660
Plumbing fixtures	\$680	840	2.28	571,200
Built-In Appliances	\$1,675	252	1.69	422,100
Stairs/Fireplaces	\$1,900	88	0.67	167,200
Plumbing rough-ins	\$340	252	0.34	85,680
Heating/Cooling			1.73	432,673
Carports	\$9.20	15,000	0.55	138,000
Comm &/or Aux Bldgs	\$65.36	4,207	1.10	274,980
Fire Sprinklers	\$2.50	250,100	2.50	625,250
SUBTOTAL			68.87	17,223,153
Current Cost Multiplier	1.08		5.51	1,377,852
Local Multiplier	0.87		(8.95)	(2,239,010)
TOTAL DIRECT CONSTRU	CTION COSTS	}	\$65.42	\$16,361,995
Plans, specs, survy, bld prm	3.90%		(\$2.55)	(\$638,118)
Interim Construction Interest	3.38%		(2.21)	(552,217)
Contractor's OH & Profit	11.50%		(7.52)	(1,881,629)
NET DIRECT CONSTRUCT	ION COSTS		\$53.14	\$13,290,031

### **PAYMENT COMPUTATION**

Primary	\$15,000,000	Amort	480
Int Rate	6.00%	DCR	1.25
_			
Secondary	\$0	Amort	
Int Rate	0.00%	Subtotal DCR	1.25
Additional		Amort	
Int Rate		Aggregate DCR	1.25

### RECOMMENDED FINANCING STRUCTURE:

Primary Debt Service	\$990,385
Secondary Debt Service	0
Additional Debt Service	0
NET CASH FLOW	\$246,987

Primary	\$15,000,000	Amort	480
Int Rate	6.00%	DCR	1.25
<u>-</u>			

Secondary	\$0	Amort	0	
Int Rate	0.00%	Subtotal DCR	1.25	

Additional	\$0	Amort	0
Int Rate	0.00%	Aggregate DCR	1.25

### 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	L GROSS RENT	\$2,476,176	\$2,550,461	\$2,626,975	\$2,705,784	\$2,786,958	\$3,230,848	\$3,745,438	\$4,341,990	\$5,835,271
Secondary	Income	45,360	46,721	48,122	49,566	51,053	59,185	68,611	79,539	106,894
Other Supp	port Income: garaç	jes 0	0	0	0	0	0	0	0	0
POTENTIAL	L GROSS INCOM	2,521,536	2,597,182	2,675,098	2,755,350	2,838,011	3,290,033	3,814,049	4,421,529	5,942,165
Vacancy &	Collection Loss	(189,115)	(194,789)	(200,632)	(206,651)	(212,851)	(246,752)	(286,054)	(331,615)	(445,662)
Employee	or Other Non-Ren	tal 0	0	0	0	0	0	0	0	0
EFFECTIVE	GROSS INCOM	\$2,332,421	\$2,402,393	\$2,474,465	\$2,548,699	\$2,625,160	\$3,043,280	\$3,527,996	\$4,089,914	\$5,496,502
EXPENSES	S at 4.00%									
General &	Administrative	\$111,043	\$115,485	\$120,104	\$124,908	\$129,905	\$158,049	\$192,290	\$233,951	\$346,304
Manageme	ent	80,246	82,653	85,133	87,687	90,318	104,703	121,379	140,712	189,105
Payroll & F	Payroll Tax	256,338	266,591	277,255	288,345	299,879	364,849	443,894	540,065	799,429
Repairs &	Maintenance	110,567	114,990	119,589	124,373	129,348	157,372	191,467	232,948	344,821
Utilities		49,813	51,806	53,878	56,033	58,274	70,899	86,260	104,948	155,349
Water, Sev	wer & Trash	108,525	112,865	117,380	122,075	126,958	154,464	187,929	228,645	338,450
Insurance		69,951	72,749	75,659	78,685	81,833	99,562	121,132	147,376	218,152
Property T	ax	225,086	234,090	243,453	253,192	263,319	320,368	389,777	474,223	701,966
Reserve fo	or Replacements	50,400	52,416	54,513	56,693	58,961	71,735	87,276	106,185	157,180
Other		33,080	34,403	35,779	37,211	38,699	47,083	57,284	69,695	103,165
TOTAL EXP	PENSES	\$1,095,049	\$1,138,048	\$1,182,744	\$1,229,202	\$1,277,494	\$1,549,084	\$1,878,690	\$2,278,749	\$3,353,922
NET OPER	ATING INCOME	\$1,237,372	\$1,264,345	\$1,291,721	\$1,319,497	\$1,347,667	\$1,494,196	\$1,649,306	\$1,811,165	\$2,142,581
DEF	BT SERVICE									
First Lien Fi	inancing	\$990,385	\$990,385	\$990,385	\$990,385	\$990,385	\$990,385	\$990,385	\$990,385	\$990,385
Second Lier	n	0	0	0	0	0	0	0	0	0
Other Finan	icing	0	0	0	0	0	0	0	0	0
NET CASH	FLOW	\$246,987	\$273,960	\$301,337	\$329,112	\$357,282	\$503,812	\$658,922	\$820,781	\$1,152,196
DEBT COVI	ERAGE RATIO	1.25	1.28	1.30	1.33	1.36	1.51	1.67	1.83	2.16

	APPLICANT'S TOTAL	TDHCA TOTAL	APPLICANT'S REHAB/NEW	TDHCA REHAB/NEW
CATEGORY	AMOUNTS	AMOUNTS	ELIGIBLE BASIS	ELIGIBLE BASIS
(1) Acquisition Cost	T 4	<u> </u>		
Purchase of land	\$1,350,000	\$1,350,000		
Purchase of buildings				
(2) Rehabilitation/New Construction Cost		<u> </u>	4 1	
On-site work	\$3,088,631	\$3,088,631	\$3,088,631	\$3,088,63
Off-site improvements				
(3) Construction Hard Costs				
New structures/rehabilitation hard costs	\$13,972,000	\$13,078,229	\$13,972,000	\$13,078,22
(4) Contractor Fees & General Requirements				
Contractor overhead	\$340,000	\$323,337	\$340,000	\$323,33
Contractor profit	\$1,025,000	\$970,012	\$1,023,638	\$970,01
General requirements	\$1,025,000	\$970,012	\$1,023,638	\$970,01
(5) Contingencies	\$812,000	\$808,343	\$812,000	\$808,34
(6) Eligible Indirect Fees	\$686,400	\$686,400	\$686,400	\$686,40
(7) Eligible Financing Fees	\$2,281,308	\$2,281,308	\$2,281,308	\$2,281,30
(8) All Ineligible Costs	\$1,251,716	\$1,295,518		
(9) Developer Fees			\$3,484,142	
Developer overhead		\$444,125		\$444,12
Developer fee	\$3,500,000	\$2,886,815		\$2,886,81
(10) Development Reserves	\$318,043	\$320,285		
TOTAL DEVELOPMENT COSTS	\$29,650,098	\$28,503,014	\$26,711,757	\$25,537,21
Deduct from Basis:				
All grant proceeds used to finance costs in eligib	le hasis	I	I	
B.M.R. loans used to finance cost in eligible basis				
Non-qualified non-recourse financing	<u> </u>			
Non-qualified portion of higher quality units [42(d	1)(3)]			
Historic Credits (on residential portion only)	1/(0/)			
TOTAL ELIGIBLE BASIS			\$26,711,757	\$25,537,21
			130%	130
High Cost Area Adjustment TOTAL ADJUSTED BASIS		\$34,725,284	\$33,198,37	

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	\$26,711,757	\$25,537,212
High Cost Area Adjustment	130%	130%
TOTAL ADJUSTED BASIS	\$34,725,284	\$33,198,375
Applicable Fraction	100%	100%
TOTAL QUALIFIED BASIS	\$34,725,284	\$33,198,375
Applicable Percentage	3.63%	3.63%
TOTAL AMOUNT OF TAX CREDITS	\$1,260,528	\$1,205,101

**Syndication Proceeds** 0.9599 \$12,100,137 \$11,568,081

**Total Tax Credits (Eligible Basis Method)** \$1,260,528 \$1,205,101

> **Syndication Proceeds** \$12,100,137 \$11,568,081

**Requested Tax Credits** \$1,225,615

**Syndication Proceeds** \$11,765,000

**Gap of Syndication Proceeds Needed** \$14,650,098

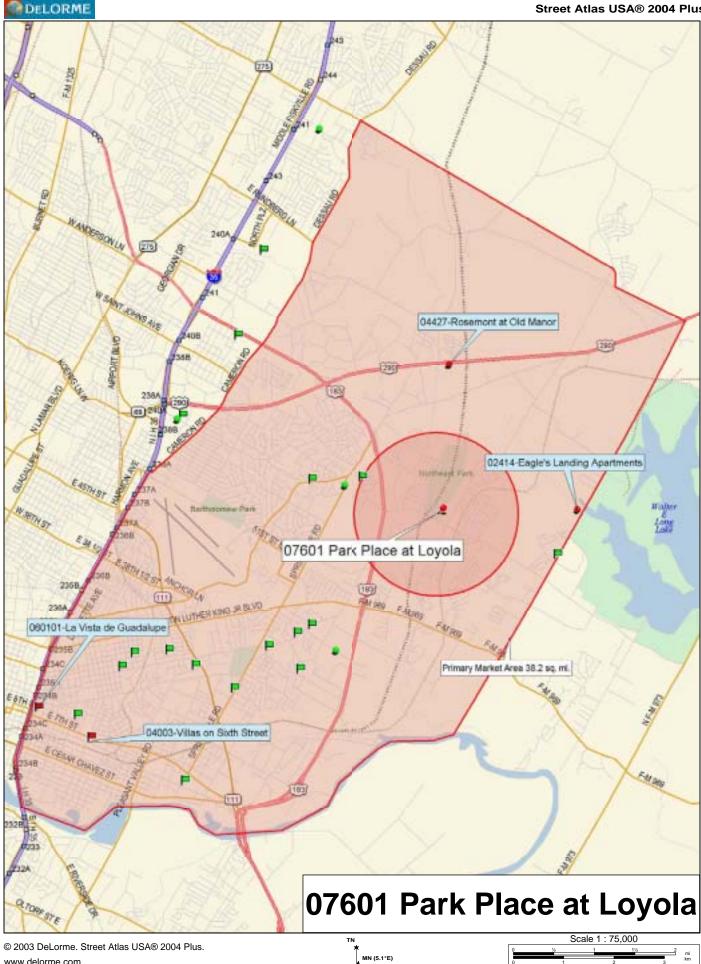
**Total Tax Credits (Gap Method)** \$1,526,169

Tax Credit Limit (2007 QAP) \$1,200,000

> **Syndication Proceeds** \$11,519,115

Data Zoom 11-4

1" = 1.18 mi



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# **Applicant Evaluation**

Project ID # <b>07601</b> Name:	Park Place at Loyola	City: <b>Austin</b>				
LIHTC 9% ☐ LIHTC 4% ✓	HOME ☐ BOND ☑ HTF ☐	SECO ESGP Other				
☐ No Previous Participation in Texas	$\square$ Members of the develop	oment team have been disbarred by HUD				
·	•	·				
National Previous Participation Co	ertification Received:   N/A	$\square$ Yes $\square$ No				
Noncompliance Reported on Natio	onal Previous Participation Certification:	☐ Yes ☐ No				
Portfolio Management and Compliance						
Total # of Projects monitored: 0	Projects in Material Noncompliance	# in noncompliance: 0				
	Yes No 🗸					
Projects zero to nine: 0 grouped ten to nineteen: 0	# monitored with a score less than thirty:	Projects not reported Yes in application No				
by score twenty to twenty-nine: 0	· <u></u>	1 # of projects not reported 0				
Portfolio Monitoring	Single Audit	Portfolio Analysis				
Not applicable	Not applicable ✓	Not applicable				
Review pending	Review pending	No unresolved issues				
No unresolved issues	No unresolved issues	Not current on set-ups				
Unresolved issues found	Issues found regarding late cert	Not current on draws				
Unresolved issues found that	Issues found regarding late audit	Not current on match				
warrant disqualification (Comments attached)	Unresolved issues found that warrant disqualification					
	(Comments attached)					
Reviewed by Patricia Murphy		Date <u>1/3/2007</u>				
Multifamily Finance Production	Single Family Finance Production	Real Estate Analysis (Workout)				
Not applicable	Not applicable	Not applicable				
Review pending	Review pending	Review pending				
No unresolved issues	No unresolved issues	No unresolved issues				
Unresolved issues found	Unresolved issues found	Unresolved issues found				
Unresolved issues found that warrant disqualification (Comments attached)	Unresolved issues found that warrant disqualification (Comments attached)	Unresolved issues found that warrant disqualification (Comments attached)				
Reviewer S. Roth	Reviewer Sandy M. Garcia	Reviewer David Burrell				
Date 1/3/2007	Date 12/22/2006	Date 1 /4 /2007				
Community Affairs	Office of Colonia Initiatives	Financial Administration				
No relationship	Not applicable	No delinquencies found				
Review pending	Review pending	Delinquencies found				
No unresolved issues	No unresolved issues	•				
Unresolved issues found	Unresolved issues found					
Unresolved issues found that warrant disqualification (Comments attached)	Unresolved issues found that warrant disqualification (Comments attached)					
Reviewer EEF	Reviewer Maria Cazares	Reviewer Melissa M. Whitehead				
Date 12/22/2006	Date 1 /9 /2007	Date 12/22/2006				

## TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

# PUBLIC HEARING ON PARK PLACE AT LOYOLA APARTMENTS

6:00 p.m. Monday, December 18, 2006

Cafeteria, LBJ High School 7309 Lazy Creek Drive Austin, Texas

BEFORE:

SHANNON ROTH, Housing Specialist

ORIGINAL

### I N D E X

SPEAKER	PAGE
Michael T. Tolliver LBJ Neighborhood Association	13
Sarah Jackson Colony Park Association	15

#### 

# 

#### PROCEEDINGS

MS. ROTH: We're going to go ahead and get the hearing started. My name is Shannon Roth, and I'm a housing specialist with the Texas Department of Housing.

The role of -- We're going to go ahead and start the hearing for the Park Place at Loyola.

The role of the Department in this process is to allow all interested persons in the surrounding community to provide comments on the development that we will be discussing this evening.

I want to explain first the format of the hearing will be as follow. First, I will present the programs that the developer has applied for. Second, the developer or a member of the development team will give a presentation on the specifics of the development.

And lastly, I will read a speech required by the Internal Revenue Service, and at the conclusion of the speech, the floor will be opened up for public comment.

There are handouts for you. We have a handout regarding the development's specifics, which include income levels, also a handout containing deadlines for input and how to submit that input.

There are also three by five cards with contact information on them. If you would like to speak, there are witness affirmation forms available on the table to my

left. Please fill out a form and hand it to myself prior to speaking.

There are sign-in sheets also on the table. Please be sure you do sign in. That is the only way we know -- the only way of knowing exactly how many people were in attendance this evening.

Also, there are columns for you to check on the far right hand side of the sign-in sheet to indicate whether you support or oppose this development.

If neither box is checked then we will consider your attitude as being neutral. So please be sure you check the box that you feel is appropriate for you.

The entire hearing, all of its comments made here this evening will be transcribed by our court reporter. It is important that you make your comments at the microphone so that she can record your comments. Any comments or questions made from the audience may not be picked up on the record.

To allow everyone the opportunity to speak, we will answer any questions or concerns that are raised at the end, after all of the public comment has been made.

I ask that the developer keep a list of questions that come up as it relates to the development, and I will keep a list of questions as -- that come up as it relates to the Department and our role.

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According to the IRS Code, the Department is only required to take public comment on the bond issuance. However, TDHCA has extended this to take comment on the development itself. We're not required to do that; we want community input and ensure that your voice is heard.

TDHCA schedules the public hearings where the development is to be located, at a time and a location that is convenient for the community.

The mission of the Department is to help Texans achieve and improve quality of life through the development of better communities.

The two programs that the developer has applied for include the private activity bond program, as well as the housing tax credit program.

Those programs were created by the federal government to encourage private industries to build quality housing that is affordable to individuals and families with lower than average income.

The private activity bond program refers to an issuance of tax-exempt bonds. The tax exemption is not an exemption of property tax, but rather an exemption to the purchaser of the bonds. The bond purchaser does not have to pay taxes on their investment and the income they make on that investment.

The bond purchaser expects a lower rate of

return, therefore the lender that is involved will charge a lower interest rate for the mortgage that would be placed on the property to the developer. Therefore, the developer can build a market-rate property at a lower cost of development.

The housing tax credit program was created as a result of the Tax Reform Act of 1986. The housing tax credit is a credit or reduction in tax liability each year for ten years, for investors in affordable rental housing.

By providing a credit against the tax liability, the housing tax credit is an incentive for individuals and corporations to invest in the construction or rehabilitation of housing for low-income families.

The housing tax credit provides equity to the development and lowers the building cost, which allows the developer to provide lower rents to affordable [phonetic] tenants.

In conclusion, in both of these programs the tax benefit goes to the investor to help finance the development. These two programs result in the development being able -- the developer being able -- to build -- give the developer the opportunity to bring something of high quality to your area.

And all of these properties are privately owned and privately managed. There are ongoing oversight

responsibilities between the affordable housing developments and the Department; this includes regular monitoring to ensure the development is complying with the rules of the Housing Tax Credit and Private Activity Bond Program.

The term of the development will be monitored at the greater of 30 years or as long as the bonds are outstanding. Oversight responsibilities include: units are occupied by eligible households, physical appearance, rents are capped at appropriate levels, repair reserve accounts are established funded.

Tenant background checks are established by the Developer and would apply to all tenants equally. The developer can establish procedures up to and including eviction for various reasons consistent with state eviction laws that would be applicable to any other apartment complex. TDHCA does not set these requirements.

In addition, the Department monitors the development every two years. Desk reviews are done quarterly by the Department, and a modified version of an onsite visit. The Department verifies that the set-asides are met, and that the units are income and rent restricted.

After a lease-up, a survey is usually done to determine the tenant profile, and the types of services

that would be of interest to the tenant.

These services can include tutoring, our Honor Roll program, computer access or educational classes, after-school activities, summer camp, health care screening, immunizations for school children, ESL classes, GED certification, financial planning, credit counseling, and down payment assistance.

It is important to note that all or most individuals began in multifamily housing, and it is a first step to home ownership; therefore some developers could choose to provide down payment assistance classes to help educate the tenants on steps they can take to own their own home.

Okay. I'd like to go ahead and turn over the microphone to a member of the development team, Mr. Uve --MR. NAHUINA: Uve Nahuina.

MS. ROTH: Nahuina. Pardon me. And he's going to give a brief presentation on the development for us.

MS. ROTH: Can you all see?

(No response.)

MR. NAHUINA: Hello, good evening. My name is Uve Nahuina. And I am here representing Park Place at Loyola, L.P. who's the developer of the property.

And I just wanted to let you know that I'm a licensed real estate agent in the State of Texas, and been

doing commercial real estate for about five years now.

And to tell you a little bit about LDG

Development, who's the developer of the property, has been

doing -- has developed over 800 units nationwide, and

we've also broken ground on a development which is off of

-- it's here in Austin, and it's off of Dessau Road and

Parmer Lane, and everyone is more than welcome to go up

and take a look at it.

And so you know, we -- the philosophy of LDG is to you know, basically deliver the most highest quality affordable housing available, and we work hard with -- working with communities in order to -- you know, be an asset to the community.

So that being said, I wanted to go into a little bit of what the Park Place at Loyola is going to be. We're looking at doing 252 affordable units, which will be offered to families which are between 50 and 60 percent of the median income.

And it's going to be a 252-unit complex at approximately 6200 Loyola Lane here in Austin. And just to give you an idea of how the development is going to look like, this would be an example of how the clubhouse would look (indicating materials).

You have a swimming pool, as well as we would have some fitness facility on the inside of the

1.

development. We would also include a business center, which we would have -- our management does what's called a CARES program, which is a program which helps the kids for after-school programs, as well as adults who want to do programs such as -- for taxes, home ownership, and such, and continuing education.

So this is how the clubhouse -- give you an idea of how the clubhouse would look like. The elevation of the development and our buildings would look like such [indicating]. You would have like a two, three design, where we'd be using HardiBoard or Plank, with brick trim on the edges here to give it a nice look.

The units would be -- would have such things -- amenities such as nine foot ceilings, an extra storage room on the exterior -- in the -- on the balcony; covered entries; covered balconies. And we'd also include a playground for the children as well.

Units -- the unit rents would range approximately for a one-bedroom at \$671 for the one-bedroom, 761 for a two-bedroom, and 861 for a three-bedroom.

Like I said earlier we are looking forward to working with neighbors and addressing any concerns, and working closely with our management company to ensure that we provide a quality development for everyone.

So we look forward to working with the neighbors as well as TDHCA, and thank you.

MS. ROTH: Okay, thank you.

I'm going to go ahead and read the speech for the IRS purposes. When I finish with the speech, I will open up the floor for public comment.

Okay. Good evening, my name is Shannon Roth. I would like to proceed with the public hearing. Let the record show that it is 6:30 p.m. Monday December 18, 2006. We are at the LBJ High School, located at 7309 Lazy Creek Drive, Austin, Texas.

I'm 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 decision regarding the development will be made at this hearing. The Department's board is scheduled to meet to consider the transaction on February 1, 2007. In addition to providing your comments at this hearing,

the public is also invited to provide comment directly to the board at any of their meetings. The Department staff will also accept written comments from the public up to 5:00 p.m. on January 23, 2007.

1.3

The Bonds will be issued as tax-exempt multifamily revenue bonds in an aggregate principal amount not to exceed \$15 million, 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 Park at Loyola, L.P. (or a related person or affiliate entity thereof), to finance a portion of the costs of acquiring, constructing and equipping a multifamily rental housing community described as follows:

Two hundred and fifty-two units multifamily residential rental development to be constructed on approximately 16.83 acres of land located at approximately the 6200 block of Loyola Lane, Travis County, Texas. The proposed multifamily rental housing community will be initially owned and operated by the borrower (or a related person or affiliate thereof).

Now, I would now like to open the floor for public comment. We do have three individuals in attendance, but I don't have any witness affirmation

forms.

Would any of you like to make public comments this evening?

(No response.)

MS. ROTH: Sir, you did want to?

MR. TOLLIVER: A question --

MS. ROTH: Okay. You -- do you just have questions, or do you actually want to come up and make a formal comment?

MR. TOLLIVER: I can make a formal comment -MS. ROTH: It's strictly up to you, however you

would like to do it.

(No response.)

MS. ROTH: Okay. We have one --

(Pause.)

MS. ROTH: If you would please state your name for the record, and then if I could get you to fill out a form for me before you leave.

Okay.

MR. TOLLIVER: My name is Michael Tolliver.

I'm with the LBJ Neighborhood Association. The question that I have is, if this is a development for moderate income people to live in, what is the safety precautions around this property -- is it going to be gated or unqueted?

1	VOICE: Can I answer it, or
2	MS. ROTH: Okay. If you want to just go ahead
3	and make your comment, then I'll go ahead and I'll
4	conclude and then we can do a question
5	MR. TOLLIVER: Okay. The next one is that it
6	says, 50 to 60 percent moderate income. Give you an
7	example, a person that makes 22,000 a year, they won't be
8	able to afford to live there.
9	Three, is this is the only spot that the
10	State has asked to have this built.
11	That's it. I'll fill out the form there.
12	MS. ROTH: Okay, thank you, Sir.
13	(Discussion off the record.)
14	MS. ROTH: Okay. Do either one of you ladies
15	wish to make comments?
16	VOICE: No.
17	MS. ROTH: Okay.
18	VOICE: (No audible response.)
19	MS. ROTH: Okay. If you
20	VOICE: (No audible response.)
21	MS. ROTH: Did you want to do it a formal
22	public comment?
23	(No response.)
24	MS. ROTH: Okay. If I could just get you to
25	state your name for the record, then fill out a form for

me also, that would be great. 1 (Discussion off the record.) 2 MS. JACKSON: Okay. My name is Sarah Jackson. 3 And I'm the -- with the Colony Park Neighborhood 4 Association. 5 This is a couple of things I wanted to just 6 ask. Usually when you have moderate-type incomes I think 7 about the safety, because it's so close to the schools. 8 Safety and -- security. And then also, I'm 9 concerned about the -- when you start having units like 10 this, the value of your property in the area -- it goes 11 down, and we just want to make sure it's going to be 12 something that's going to improve the area and not take 1.3 away from the area. 14 And so I think the safety, and keeping the 15 neighborhood to where it's -- the value of it would be 16 maintained. And that was mainly what I was concerned 1.7 about. 18 Okay. Thank you. MS. ROTH: 19 MS. JACKSON: That's where -- I keep knocking 20 that over --21 (Laughter.) 22 MS. JACKSON: Sorry. 23 That's okay. We'll get it. MS. ROTH: 24 That's Pasadena. MR. JANSON: 25

(Laughter.)

. 24

(Discussion off the record.)

MS. ROTH: Okay. You're -- I just wanted to thank you all for attending the hearing, and your comments have been recorded. I'm going to go ahead and adjourn the meeting, the time is 6:35.

(Whereupon, the meeting was adjourned.)

And now what I'd like to do is, just open up the floor for a general question-and-answer, a couple of the questions I believe I'll let Mr. Nahuina address, regarding the safety and security issues, and other -- those other issues.

Did you want to come up here? That way we'd be sure we get a --

MR. NAHUINA: (No audible response.)

MS. ROTH: Well, I think you're going to have to use -- we need this one for the court reporter, and this one so they can hear you. So --

MR. NAHUINA: Okay. I guess I'll just be up here.

MS. ROTH: Yes. That would probably be best.

MR. NAHUINA: Okay. I guess let me start -Mr. Tolliver? Could you please repeat the question that
you had -- the questions that you had again regarding -- I
know one had to do with, is it going to be a gated

community. And yes, we're going to work on getting 1 that -- getting it gated, as well as having an on-site 2 security individual there. 3 MR. TOLLIVER: Okay. The second one, is the 4 entrance going to be still the -- on Loyola, or -- on --5 Johnny Morris [phonetic]? 6 MS. ROTH: Could you repeat the question? 7 MR. NAHUINA: Oh, okay. 8 MS. ROTH: Yes. I'm going to have him repeat 9 your question, that way we're sure we get it on the --10 MR. NAHUINA: Okay. The question is, are we 11 still going to have -- are we going to have the entrance 12 for the development on either Johnny Morris or on Loyola. 13 The -- we're still going to have it off of 14 Loyola, because we don't own any property which abuts 15 Johnny Morris Road, so we wouldn't be able to get an 16 entrance there. 17 So it's going to be on Loyola Lane. 18 MR. TOLLIVER: So it's going -- so in other 19 words, the property is facing Loyola, inside of the 20 property that Johnny Morris --21 MR. NAHUINA: What I can do is, let me get a 22 drawing for you, and I can just -- I can show it to you. 23 (Discussion off the record.) 24 MS. ROTH: Yes, sure. 25

MR. NAHUINA: Do I need to speak -- as far 1 2 as --The court reporter -- I mean, MS. ROTH: Yes. 3 if you want to --4 MR. NAHUINA: Okay. 5 MS. ROTH: You can -- you know -- I don't know 6 how far this --7 If you want to pull this one up there --8 (Discussion off the record.) 9 MR. NAHUINA: Yes. As you can see, Sir, the 10 property -- if you're looking at it, it's -- the entrance 11 is going to be on Loyola Lane. Johnny Morris is on the 12 east side there, and we don't have any property there. 1.3 The church owns that property there, and somebody owns the 14 property that comes across. There's a bunch of radio 15 towers back up this way --16 (Discussion off the record.) 17 MS. JACKSON: So the Johnny Morris is where the 18 school is, right? -- School. So if you say there won't be 19 any entrance to get in and out of that side. 20 MR. NAHUINA: That's correct. The entrance for 21 the property is strictly going to be off of Loyola --22 MS. JACKSON: One way in, and one way out. 23 MR. NAHUINA: Correct. 24 (Discussion off the record.) 25

1	MR. JANSON: Sir, is there a cut in the median?
2	MR. NAHUINA: Say again?
3	MR. JANSON: Is there a cut in the median?
4	MR. NAHUINA: No.
5	MS. JACKSON: Not till you get
6	MR. NAHUINA: No.
7	MS. JACKSON: almost to the bridge
8	MR. NAHUINA: Right.
9	MS. JACKSON: do you have to have a
10	turnaround.
11	MR. NAHUINA: That's correct.
12	MR. TOLLIVER: A turnaround, there's going to
13	be a and
14	MR. NAHUINA: Yes. There is one there.
15	MS. JACKSON: Right before you get to the
16	bridge
17	MR. NAHUINA: Right. Then you can turn around
18	over there, right. And the next one you go up, and
19	then there's Johnny Morris. Then you would have to turn
20	around over there also.
21	(Discussion off the record.)
22	MR. TOLLIVER: That's why I was asking if you
23	all had one way in, and one way out. Which I didn't
24	know that the other people owned this property
25	MR. NAHUINA: Right.

MR. TOLLIVER: -- and that's why we was asking 1 to -- if we would be able to come off of -- Johnny Morris 2 3 to the --MR. NAHUINA: It would have been great if we 4 had that opportunity, to do something like that, but 5 unfortunately right now we -- you know, we've got this one 6 piece of property, and you know, we're just working with 7 the City to make sure that we -- you know, that they're 8 okay with the traffic flow. 9 MS. JACKSON: Right --10 (Discussion off the record.) 11 MR. TOLLIVER: The overpass -- it looks like 12 Loyola -- Ed Blustein -- Loyola. So they're going to --13 MS. JACKSON: So they make it go all the way up 14 for the turnaround -- that --15 (Discussion off the record.) 16 MR. TOLLIVER: The next question I got, since I 17 understand that you all don't have the other adjoining 18 property, is -- in your speech that you were saying, 19 30,000 is the maximum income for a person with -- for a 20 21 one-bedroom is 750? MR. NAHUINA: No, the -- for the one-bedroom, 22 it was 671 for a one-bedroom. 23 MR. TOLLIVER: A --24 MR. NAHUINA: Well, the numbers that are in 25

there are actually the maximum units set by the -- by HUD. 1 And so what we do is, we provide a utility allowance, 2 according to the City of Austin. And so it takes the max 3 rent -- the gross rent, and we subtract the utility 4 allowance for tenants, to give us a net rent. And in this 5 case, it would be 671. 6 MS. JACKSON: For a one-bedroom. 7 MR. NAHUINA: For a one-bedroom. Correct? 8 VOICE: How much was the two, again? 9 MR. NAHUINA: The two was 761, and 861 for the 10 11 threes. 12 MS. JACKSON: And what would be the maximum 13 income for the --MR. NAHUINA: The maximum income for -- we've 14 got units that are going to be for 50 percent of the 15 median income, as well as 60 percent. And those numbers 16 change every year, but from -- I'm estimating -- well, for 17 this year you're looking at about a little over 40,000 for 18 60 percent of the median income. So a household income 19 of -- for a family of four, you're looking at 40,000. 20 MR. TOLLIVER: So in other words, you're going 21

to -- ask that -- for me and my wife, if I sold my house and went to live on your property --

MR. NAHUINA: Uh-huh.

22

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24

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MR. TOLLIVER: -- and I wanted two bedrooms, do

I get it for 761 if my income is less than 22,000? I 1 probably couldn't afford to live there. 2 MR. NAHUINA: We would -- that would sound 3 correct. 4 MR. TOLLIVER: So --5 MR. JANSON: Well, you're quoting on at 60. 6 But we've also done a 50 percent --7 MR. NAHUINA: Right. We also have 50. 8 the numbers depend on the -- how the size of the 9 household, so if it's you and your wife, then it goes 10 The 40,000 is based on a family of four. One --11 MS. JACKSON: So the more people that you have 12 in a family, the lower your rent's going to be, because 13 14 your income is --MR. NAHUINA: I guess you could look at it that 15 16 way. (Discussion off the record.) 17 MR. NAHUINA: Would I also be able to just --18 address the safety concerns as well? 19 20 (No response.) MR. NAHUINA: Okay. Dealing with just -- as 21 far as the safety concerns, you know, we're going to be 22 working on gating the community. We're also going to be 23 working with the neighbors, as well as -- you know, for 24

everyone here, LBJ, the Colony, as well as Northeast

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Action Group is the -- one of the other neighborhood 1 associations that we're given by the City. 2 And so -- you know, safety is a big issue, and 3 you know, we're going to be working with our -- you know, 4 with Capstone; they're going to be doing our professional 5 6 management. 7 And we're going to be working with them to work 8 with the -- you know, work with the neighbors, work with the police department and whoever -- and we want to get as 9 much feedback as we can. 10 Because you know, we're becoming a part of your 11 neighborhood as well. 12 13 MR. TOLLIVER: I've got one more question. MR. NAHUINA: Yes, sir. 14 15 MR. TOLLIVER: In the opening statement, I believe I heard Sharon --16 Shannon. 17 MS. ROTH: MR. TOLLIVER: Shannon? I believe I heard you 18 say that they will do screening of tenants? 19 20 MS. ROTH: Yes. There is a screening process, and maybe you could go into --21 22 MR. NAHUINA: Yes, maybe --23 MS. ROTH: -- what your management -- they're privately managed, and every management company will have 24 25 a screening process that they use.

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Maybe you could give more detail as to what --Sure. Well, Capstone -- you MR. NAHUINA: know, they've been very successful at managing a lot of these affordable developments throughout the City of Austin.

And you know, regardless if there's someone who comes with a Section Eight voucher -- because you can take a voucher to a market rent unit or somewhere else -- and basically try to live there, but the big question is, you know, what process and things do they have in place to properly screen tenants.

Because you know, it's in everybody's interest, you know, to have a good neighbor. And you know, things like criminal background checks are going to be done. So if you've committed a felony, you know, you're not going to be living in our -- you know, in our development.

Other things that come up is, you know, we screen tenants for how they've rented previously. Also you know, can they afford to live at our development?

You know, those are key factors in what our management company will be using to screen our tenants.

MR. JANSON: One of the --

MS. ROTH: Come up and state your name for the record.

MR. JANSON: One of the things about -- Oh, I'm

sorry. Dick Janson -- one of the things about screening is, it's very important to screen your tenants when they come in. Because -- two things.

One is, it is a privately owned project, and we have the same right as a very -- let's say a high-end apartment does, is that if the people do not pay their rent, they're gone in 30 days.

But as you know, people that aren't paying their rent, all right, are going to start trashing your property. So there's two things that's very, very important in screening.

That is number one, to make sure that the people that you're bringing in really want to be there and take care of the property. And two is, you want to avoid turnover. Because every time you turn a unit over, you're going to have to go in and repaint it, clean it up, if they destroyed the rug you're going to have to put new rugs in, and everything else.

So it becomes a very, very important part of this type of development to make sure that you're screening your people and screening them properly.

And as Uve pointed out, if they have any felony charges against them or anything -- they're not going to be in the apartments, period. All right?

And I mentioned to this young lady, we have to

own this piece of property for 15 years, minimum. And we have to set aside every month that this young lady, one, will be checking on and everything else.

But we have to set aside every month so much money for every apartment that we have. So out of 252 units, we have to put aside so many dollars for each unit.

So that when the property begins to show some wear and tear, there's money sitting in escrow to put it back in good condition, or at least keep it in good condition.

So that has a lot to do with the thing. If you're going to own something, I think Uve mentioned that we're going to be using HardiBoard instead of plain wood on the siding, with brick and what have you, simply because HardiBoard is guaranteed for 50 years.

So you're not going to have wood rot and all of that, you know -- we're accustomed to. So we're going to try and build a piece of -- a property that when you drive past, you're not going to be embarrassed at having it in your neighborhood. We want to build a good property.

Yes, sir.

MR. TOLLIVER: I presume you drove through the neighborhood when you were looking for this property. The reason we are concerned is that, we have some property on Purple Sage, Mill Race [phonetic], and Loyola, up to

Purple Sage and up to --

Some of the owners that owns this property is out of state. They don't know how the property looks, and what our organization is --

I have to turn in to -- to try and get addresses of the property owners, as I have stated, to get [indiscernible] to come in and do something.

Sometimes, it's hard to get them to come in and fix up their property, and -- so by you using HardiPlanks on your property, that's good. And what you're saying now is that you would set aside certain funds to keep it from deteriorating down --

That's good.

MR. JANSON: That's one of the things that's required in the bond program, that we set aside so much for the property in maintenance, so the property --

And as I mentioned, using HardiBoard, it's -- it helps us to maintain the property in a good -- you know, good-looking piece of property.

And like I said, you know, I may not make 15 years, but Uve will. You know? So --

MR. NAHUINA: God willing.

MR. JANSON: (Laughs.)

MR. NAHUINA: Well, that's true.

MR. JANSON: You never know, Uve. But I'll be

85 then. But what I'm saying is that, you know, I've lived in Austin since 1970. And I've watched Austin grow, and continue to grow.

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And one of the things that's happening right now -- and I realize that not everything in East Austin has reached its pinnacle -- but East Austin is growing.

And there are things that are coming along to really help.

And just like you pointed out, and you pointed out (indicating), crime is a big problem. How do you get hold of that, and begin to shut it down. And it takes a lot of effort --

MR. TOLLIVER: It does.

MR. JANSON: -- and it's very important to us that we do not have crime on our property, including robberies and everything else.

So gating the property, you know, making sure that -- hopefully we keep the people out that will be trying to come in and you know, break into cars and things of that nature -- we'll just try and make it that much harder.

And we will have security on the property.

We'll have lighting. We'll try and do everything we can
in our power to make it a good property. Because if we
don't, people are going to move out. So that's not going
to help us.

I don't know if that answers your questions or 1 2 not. MS. ROTH: Great, thank you. 3 Okay. Did you guys have any other question? 4 (No response.) 5 MS. ROTH: Okay. I'm going to go ahead and б conclude for this evening. You have all of my contact 7 information, as well as Mr. Janson's and Uve's, and if 8 you'll please contact us if you have any additional 9 questions, email, phone call, fax, it all works. Regular 10 mail -- and thank you and have a good night. 11 (Whereupon, at 6:55 p.m., the hearing was 12

(Whereupon, at 6:55 p.m., the hearing was concluded.)

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<u>CERTIFICATE</u>

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MEETING OF:

TDHCA Public Hearing

LOCATION:

Austin, Texas

DATE:

December 18, 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 Stacey Harris before the Texas Department of Housing and Community Affairs.

(Transcriber) RAR (Date)

On the Record Reporting, Inc. 3307 Northland, Suite 315 Austin, Texas 78731



# MULTIFAMILY FINANCE PRODUCTION DIVISION

2006 Private Activity Multifamily Housing Revenue Bonds

Ennis Senior Estates NE Corner of Rudd Road & Blazek Road Ennis, Texas

LRI IV, Ltd.
164 Units
Priority 3
\$7,685,000 Tax Exempt – Series 2007

### TABLE OF EXHIBITS

TAB 1	TDHCA Board Presentation
TAB 2	<b>Bond Resolution</b>
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	<b>Compliance Summary Report</b>
TAB 7	Public Hearing Transcript (October 30, 2006)

#### MULTIFAMILY FINANCE PRODUCTION DIVISION

## BOARD ACTION REQUEST February 1, 2007

#### **Action Item**

Presentation, Discussion and Possible Issuance of Multifamily Housing Mortgage Revenue Bonds, Series 2007, Housing Tax Credits and HOME CHDO Development funds for the Ennis Senior Estates development.

#### **Requested Action**

Approve, Deny or Approve with Amendments the issuance of Multifamily Housing Mortgage Revenue Bonds, Housing Tax Credits and HOME CHDO Development Funds.

#### **Summary of the Ennis Senior Estates Transaction**

Background and General Information: The Bonds will be issued under Chapter 1371, Texas Government Code, as amended, and under Chapter 2306, Texas Government Code, the Department's Enabling Statute (the "Statute"), which authorizes the Department to issue its revenue bonds for its public purposes as defined therein. (The Statute provides that 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.) The pre-application was received on February 1, 2006, and an application for HOME CHDO Rental Development funds on March 6, 2006, from LRI, IV Inc. for the Ennis Senior Estates. Located in Ennis, Ellis County, Texas, the development includes the new construction of 164 units targeted to persons who are elderly. application was reviewed for threshold criteria, and scored and ranked by staff. The application was induced at the March 20, 2006 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 October 6, 2006. This application was submitted under the Priority 3 category. The applicant initially submitted an application under the 2005 program, however the application subsequently was withdrawn and resubmitted under the 2006 program.

*Organizational Structure and Compliance:* The Borrower is LRI IV, Ltd. and is comprised of Life Rebuilders, Inc. as the General Partner and Barry Halla with 100% ownership interest. The Compliance Status Summary completed on December 1, 2006 reveals that the principals of the general partner have a total no properties in material noncompliance.

*Public Hearing:* A public hearing was held on October 30, 2006. There was no one in attendance. A copy of the transcript is included in this presentation.

Census Demographics: The proposed site is located at approximately the 6000 block of Rudd Road, south of Highway 287 and approximately 650 feet north of the northeast corner of Rudd Road and Blazek Road, Ellis County. Demographics for the census tract (0617.00) include AMFI of \$68,701; the total population is 3,817; the percent of the population that is minority is 14.88%; the percent of the population that is below the poverty line is 11.38%; the number of owner occupied units is 1,165; the number renter occupied units is 166 and the number of vacant units is 84. (FFIEC Geocoding for 2006)

#### **Summary of the Financial Structure**

The applicant is requesting the Department's approval and issuance of fixed rate tax exempt bonds in the amount of \$7,685,000 and \$1,900,000 in CHDO funds. The bonds will be unrated and privately placed by National Alliance Securities. National Alliance Securities will underwrite the transaction using a debt coverage ratio of 1.15 amortized over 40 years. The construction and lease up period will be for eighteen months with payment terms of interest only, followed by a 38.5 year term. The interest rate on the bonds will be 6.25% per annum.

#### Recommendation

Based on an unfavorable recommendation from Real Estate Analysis, staff does not recommend the Board approve the issuance of \$7,685,000 in Tax-Exempt Multifamily Housing Mortgage Revenue Bonds, Series 2007, the HOME CHDO Rental Development funds of \$1,900,000 and Operating Expense grant funds of \$75,000 and \$426,191 in Housing Tax Credits for the Ennis Senior Estates.

It should be noted, this applicant has outstanding fees in the amount of \$26,970 due to the Department's Bond Counsel, Vinson & Elkins. If the Board approves the transaction, the approval should be conditioned on the immediate payment of accrued fees.

#### **RESOLUTION NO. 07-004**

RESOLUTION AUTHORIZING AND APPROVING THE ISSUANCE, SALE AND DELIVERY OF MULTIFAMILY HOUSING REVENUE BONDS (ENNIS SENIOR ESTATES) SERIES 2007; 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 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 individuals 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, the Board has determined to authorize the issuance of the Texas Department of Housing and Community Affairs Multifamily Housing Revenue Bonds (Ennis Senior Estates) Series 2007 (the "Bonds"), pursuant to and in accordance with the terms of a Trust Indenture (the "Indenture") by and between the Department and Wells Fargo Bank, National Association, a national banking association, as trustee (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 LRI IV, Ltd., a Texas limited partnership (the "Borrower"), in order to finance the cost of acquisition, construction and equipping of a qualified residential rental development for seniors 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 March 20, 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 Loan Agreement (the "Loan Agreement") pursuant to which (i) the Department will agree to make a mortgage loan funded with the proceeds of the Bonds (the "Loan") to the Borrower to enable the

Borrower to finance a portion of the cost of the acquisition, construction and equipping 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 Loan Agreement; and

WHEREAS, it is anticipated that the Note will be secured by a Deed of Trust, Security Agreement, Assignment of Rents and Leases and Financing Statement (the "Mortgage") by the Borrower for the benefit of the Department; and

WHEREAS, the Department's interest in the Loan (except for certain reserved rights), including the Note and the Mortgage, will be assigned to the Trustee pursuant to an Assignment of Deed of Trust Documents and an Assignment of Note (the "Assignments") from the Department to the Trustee; 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 Ellis 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 private placement of the Bonds of an Limited Offering Memorandum (the "Offering Memorandum") and to authorize the authorized representatives of the Department to deem the Offering Memorandum "final" for purposes of Rule 15c2-12 of the Securities and Exchange Commission and to approve the making of such changes in the Offering Memorandum as may be required to provide a final Offering Memorandum for use in the placement and sale of the Bonds; and

WHEREAS, the Board has further determined that the Department will enter into a Purchase Contract (the "Purchase Contract") with the Borrower and National Alliance Securities Corporation (the "Underwriter") and any other parties to such Purchase Contract 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 Purchase Contract; 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 (a) the Indenture, the Loan Agreement, the Assignments, the Regulatory Agreement, the Purchase Contract and the Asset Oversight Agreement (collectively, the "Issuer Documents"), all of which are attached to and comprise a part of this Resolution and (b) the Mortgage, the Note, and the Offering Memorandum; 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 Article I, 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 (i) the Bonds shall bear interest at the rate of 6.15% per annum (subject to adjustment to a default rate as provided in the Indenture); provided that, in no event shall the interest rate (including any default rate) on the Bonds exceed the maximum interest rate permitted by applicable law; (ii) the aggregate principal amount of the Bonds shall be \$7,685,000; (iii) the final maturity of the Bonds shall be February 1, 2047; and (d) the price at which the Bonds are sold to the Underwriter or another party to the Purchase Contract shall be the principal amount thereof.

<u>Section 1.3--Approval, Execution and Delivery of the Indenture</u>. 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.

<u>Section 1.4--Approval, Execution and Delivery of the Loan Agreement.</u> That the form and substance of the Loan Agreement are hereby approved, and that the authorized representatives of the Department named in this Resolution each are authorized hereby to execute the Loan Agreement and deliver the Loan Agreement to the Borrower.

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 Ellis County, Texas.

Section 1.6--Approval, Execution and Delivery of the Purchase Contract. That the sale of the Bonds to the Purchaser and any other party to the Purchase Contract is hereby approved, that the form and substance of the Purchase Contract are hereby approved, and that the authorized representatives of the Department named in this Resolution each are hereby authorized to execute the Purchase Contract and to deliver the Purchase Contract to the Borrower, the Underwriter and any other party to the Purchase Contract, as appropriate.

<u>Section 1.7--Acceptance of the Note and Mortgage</u>. That the form and substance of the Note and Mortgage are hereby accepted by the Department and that the authorized representatives of the

Department named in this Resolution each are hereby authorized to endorse and deliver the Note to the order of the Trustee, as its interests may appear, without recourse.

<u>Section 1.8--Approval, Execution and Delivery of the Assignments</u>. That the form and substance of the Assignments 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 Assignments and to deliver the Assignments to the Trustee.

Section 1.9 --Approval, Execution, Use and Distribution of the Offering Memorandum. That the form and substance of the Offering Memorandum 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 of the Department are hereby severally authorized to deem the Limited Offering Memorandum "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 Offering Memorandum as may be required to provide a final Offering Memorandum for the Bonds; that the authorized representatives of the Department named in this Resolution each are authorized hereby to accept the Offering Memorandum, as required; and that the distribution and circulation of the Offering Memorandum 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 Purchase Contract and as may be approved by the Executive Director of the Department and the Department's counsel.

<u>Section 1.10--Approval, Execution and Delivery of the Asset Oversight Agreement</u>. 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.

<u>Section 1.12--Exhibits Incorporated Herein</u>. 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 - Loan Agreement

Exhibit D - Regulatory Agreement

Exhibit E - Purchase Contract

Exhibit F - Mortgage Exhibit G - Note

Exhibit H - Offering Memorandum

Exhibit I - Assignments

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 of the Department, Deputy Executive Director of Housing Operations of the Department, Deputy Executive Director of Programs of the Department, Chief of Agency Administration of the Department, Director of Financial Administration of the Department, Director of Multifamily Finance Production of the Department and the Secretary to the Board.

<u>Section 1.15--Conditions Precedent</u>. 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 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

<u>Section 2.1--Approval and Ratification of Application to Texas Bond Review Board</u>. 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.

<u>Section 2.2--Approval of Submission to the Attorney General</u>. 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.

<u>Section 2.3--Engagement of Other Professionals</u>. That the 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 Purchase Contract and the requirements of Bond Counsel to the Department, provided such engagement is done in accordance with applicable law of the State.

<u>Section 2.4--Certification of the Minutes and Records</u>. 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.

<u>Section 2.5--Authority to Invest Proceeds</u>. 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.

<u>Section 2.6--Underwriter</u>. That the Underwriter with respect to the issuance of the Bonds shall be National Alliance Securities Corporation.

<u>Section 2.7--Ratifying Other Actions</u>. That all other actions taken by the 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

<u>Section 3.1--Findings of the Board</u>. 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 Loan Agreement and 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 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 Loan 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 Loan Agreement and the Regulatory Agreement.
- <u>Section 3.3--Sufficiency of Loan Interest Rate</u>. That the Board hereby finds and determines that the interest rate on the Loan established pursuant to the Loan 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.
- <u>Section 3.4--No Gain Allowed</u>. 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.
- <u>Section 3.5--Waiver of Rules</u>. 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**

<u>Section 4.1--Limited Obligations</u>. 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.

<u>Section 4.3--Effective Date</u>. 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 1st day of February, 2007.

[SEAL]		
	By: /s/ Elizabeth Anderson	
	Elizabeth Anderson, Chair	
Attest: /s/ Kevin Hamby		
Kevin Hamby, Secretary		

#### **EXHIBIT A**

#### DESCRIPTION OF DEVELOPMENT

Owner: LRI IV, Ltd., a Texas limited partnership

Development: The Development is a 164-unit multifamily facility for seniors known as Ennis

Senior Estates and is located at the 6000 block of Rudd Road, south of Highway 287 and approximately 600 feet north of the northeast intersection of Rudd Road and Blazek Road, Ennis, Ellis County, Texas. The Development will include the reimbursement for the acquisition of and the costs of the construction and equipping of a total of 41 residential apartment buildings with a total of approximately 123,960 net rentable square feet and an average unit size of approximately 756 square feet. The unit mix consists of:

one-bedroom/one-bath units two-bedroom/two-bath units

164 Total Units

Unit sizes range from approximately 640 square feet to approximately 830 square feet.

Common areas include a clubhouse with business/conference center, activity room with computers, exercise room, laundry facilities, swimming pool, putting green, barbeque, and picnic area.



### February 1, 2007

# Development Information, Public Input and Board Summary

# **Ennis Senior Estates, TDHCA Number 060612**

BASIC DEVELOPMENT INFORMATION											
Site Address:	NE Co	orner of Ru	idd Road &	Blazek Rd				Developmen	t #:	06061	2
City:	Ennis			Region:	3		Po	pulation Serv	ed:	Elderl	y
County:	Ellis			Zip Code	: 75	119		Allocati	on:	Rura	ıl
HOME Set Asi	des:	✓ CHDO	Pres	servation	□ Ge	enera	I	Purpose/Activ	vity:	NO	
Bond Issuer:		TDHCA									
	НТО	C Purpose/Acti					=Rehabilitation, NC/A ACQ/R=Acquisition a		tion and Acq	uisition,	
			(	OWNER AN	ND DEV	VELO	PMENT TEAM				
Owner:			LRI IV, I								
Owner Contac	ct and F	Phone	Barry H	alla			(	(972) 721-160	0		
Developer:			Life Reb	ouilders, In	C.						
Housing Gene	eral Co	ntractor:	Life Reb	ouilders, In	c.						
Architect:			GHLA A	rchitects							
Market Analys	st:		Apartme	ent Market	Data F	Resea	arch Services, I	Inc.			
Syndicator:			Nationa	l Affordabl	e Hous	sing T	rust				
Supportive Se	rvices:		Life Reb	ouilders, In	c.						
Consultant:			Not Utili	zed							
				UNIT/BUIL	DING	INFO	RMATION				
<u>30%</u> <u>40%</u> <u>5</u>	<u>0%</u> <u>60</u>	0% <u>Eff</u>	1 BR 2 BR	3 BR 4 BI	R <u>5 Bl</u>	<u>R</u>	Total Restrict	ed Units:			164
0 0	0 1	44 0	64 100	0 0	0		Market Rate I	Jnits:			0
Type of Buildi	ng:	☐ 5 un	its or more p	oer buildin					0		
$\square$ Duplex			ched Resid			Total Development Units:				164	
☐ Triplex			le Room Oc	cupancy			Total Develop				\$0
✓ Fourplex			sitional nhome				Number of Re		aings:		41
		□ IOW	IIIIOIIIE				HOME Low T				10 10
		Note	e: If Developmen	t Cost =\$0, an	Underwri	iting Re	port has not been cor				. •
FUNDING INFORMATION											
				Applica Reque			Department Analysis	Amort	Term	Rate	
4% Housing	Tax Cr	edits with	Bonds:	\$426,1	91		\$0	0	0	0.00%	
TDHCA Bon	d Alloca	ation Amou	unt:	\$7,685,0	000		\$0	0	0	0.00%	
HOME Activ	ity Fund	d Amount:		\$1,900,0	000		\$0	0	0	0.00%	
HOME CHDO Operating Grant Amount:			\$0		\$0						



#### February 1, 2007

### Development Information, Public Input and Board Summary

### **Ennis Senior Estates, TDHCA Number 060612**

#### **PUBLIC COMMENT SUMMARY**

Guide: "O" = Oppose, "S" = Support, "N" = Neutral, "NC" or Blank = No comment

#### State/Federal Officials with Jurisdiction:

TX Senator: Averitt, District 22 NC US Representative: Barton, District 6, NC

TX Representative: Pitts, District 10 NC US Senator: NC

**Local Officials and Other Public Officials:** 

Mayor/Judge: Russell Thomas - NC Resolution of Support from Local Government

Steve Howerton Ennis Senior Estates is consistent with

strategies of targeted community revitalization.

Individuals/Businesses: In Support: 0 In Opposition: 0

**Neighborhood Input:** 

N/A

#### **General Summary of Comment:**

Public Hearing:

Number that attended: 0 Number that spoke: 0 Number in support: 0 Number in opposition: 0 Number Neutral: 0

#### **CONDITIONS OF COMMITMENT**

Not Recommended Due to the Following:

- The Development would require 100% of the HOME funds to be in the form of a grant based upon Title 10 of the Texas Administrative Code ("TAC") 1.32(d)(4)(D)
- Without the HOME funds structured as a 100% grant or deferred forgivable loan, the Development is not financially feasible based upon the Department's standards for repayment of deferred fees in less than 15 years (10 TAC Section 1.32(d)(5)(D)).
- The Development's net income is likely to be insufficient to support tax exempt bonds amounting to at least 50% of the cost making the Development ineligible for Housing Tax Credits (Internal Revenue Code Section 42 (h) (4)).

Should the Board Approve this award, the Board must waive its rules for the issues listed above and such an award should be conditioned upon the following:

Receipt, review and acceptance, prior to closing, of an updated ESA addressing issues related to noise, floodplain, asbestos-containing materials, lead-based paint, lead in the drinking water, and radon.

Receipt, review, and acceptance by closing of resolution of the Tax Suit, filed on November 21, 2005, between Ellis County vs. Life Rebuilders.

Receipt, review and acceptance by closing of documentation including, but not limited to, a new permanent loan commitment supporting a debt coverage ratio at a minimum of 1.10 based upon by the repayable position of the HOME funds as determined by the TDHCA Board (cash flow or hard repayable debt).

Should the proposed number of HOME units or the proposed terms and rate of the HOME loan change, the transaction should be re-evaluated and an adjustment to the allocation amount may be warranted.

Should the terms and rates of the proposed debt or syndication change, the transaction should be re-evaluated and an adjustment to the allocation amount may be warranted.

A tax credit amount not to exceed \$423,574 annually for ten years.

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")."

A HOME award not to exceed \$1,675,000 (unless additional HOME units are pledged) and Board recognition that repayment of the award will likely need to be based upon cash that may not materialize flow and/or a exit strategy sale price may not be sufficient to fund repayment.



February 1, 2007

# Development Information, Public Input and Board Summary

Ennis Senior Estates, TDHCA Number 060612

A private activity tax exempt bond amount not to exceed \$7,685,000 of which up to \$1,440,000 may need to be included in a earn out account and may not ultimately be achievable and therefore would have to be funded out of deferred developer and contractor fee.

RECOMMENDATION BY THE EXECUTIVE AWARD AND REVIEW ADVISORY COMMITTEE IS BASED ON:					
4% Housing Tax Credits:	Credit Amount:	\$0			
Recommendation:					
TDHCA Bond Issuance:	Bond Amount:	\$0			
Recommendation:					
HOME Activity Funds:	Loan Amount:	\$0			
HOME CHDO Operating Expense Grant:	Grant Amount:	\$0			
Recommendation:					

### **Ennis Senior Estates**

# **Estimated Sources & Uses of Funds**

Sources of Funds	
Series 2007 Tax-Exempt Bond Proceeds	\$ 7,685,000
Tax Credit Proceeds	4,048,815
HOME Funds	1,900,000
Deferred Developer's Fee	259,838
GIC Income	250,000_
<b>Total Sources</b>	\$ 14,143,653

Uses of Funds	
Acquisition and Site Work Costs	\$ 1,980,100
Direct Hard Construction Costs	6,450,000
Other Construction Costs (General Require, Overhead, Profit)	1,075,200
Indirect Construction Costs (Architectural, Engineering, etc)	756,229
Developer Fees and Overhead	1,282,677
Direct Bond Related	202,355
Bond Purchase Costs	306,675
Other Transaction Costs	2,065,417
Real Estate Closing Costs	 25,000
Total Uses	\$ 14,143,653

# **Estimated Costs of Issuance of the Bonds**

Direct Bond Related	
TDHCA Issuance Fee (.50% of Issuance)	\$ 38,425
TDHCA Application Fee	11,000
TDHCA Bond Administration Fee (2 years)	15,370
TDHCA Bond Compliance Fee (\$40 per unit)	6,560
TDHCA Bond Counsel and Direct Expenses (Note 1)	75,000
TDHCA Financial Advisor and Direct Expenses	25,000
Disclosure Counsel (\$5k Pub. Offered, \$2.5k Priv. Placed. See Note 1)	2,500
Trustee Fee	7,000
Trustee's Counsel (Note 1)	4,500
Attorney General Transcript Fee	9,500
Texas Bond Review Board Application Fee	5,000
Texas Bond Review Board Issuance Fee (.025% of Reservation)	 2,500
Total Direct Bond Related	\$ 202,355

### **Ennis Senior Estates**

Bond Purchase Costs	
Underwriter's Discount	268,975
Underwriter's Counsel	37,500
OS Printing/Mailing	200
<b>Total Bond Purchase Costs</b>	\$ 306,675
Other Transaction Costs	
Tax Credit Related Costs	110,510
Construction Contingency	457,515
Soft Construction Costs	75,000
Construction Period Interest	708,941
Lease-Up Reserves	120,000
Debt Service & Operating Reserves	491,461
Miscellaneous	101,990
<b>Total Other Transaction Costs</b>	\$ 2,065,417
Real Estate Closing Costs	
Title and Recording	25,000
<b>Total Real Estate Costs</b>	\$ 25,000
<b>Estimated Total Costs of Issuance</b>	\$ 2,599,447

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.

DATE: December 7, 2006 PROGRAM: 4% HTC, Bond, HOME FILE NUMBER: 060612

		DEVE	LOPMEN	T NAME		
		Enni	s Senior	Estates		
			APPLICA	.NT		
Name:	LRI IV, LTD.			Contact:	John Barra	aclough
Address:	800 W. Airport Freeway, Suite 1	1100				
City	Irving			State:	TX	Zip:
Phone:	(972) 445-4139 <b>Fax:</b>	(972)	445-413	88 Email:	john@life	rebuilders.org
		KE	Y PARTICII	PANTS		
Name:	LRI Ennis Senior Estates, LLC Title: 1% Managing General Partner of Applicant			f Applicant		
Name:	Life Rebuilders, Inc.		Title:	100% Owner and	Sole Member of	of General Partner
Name:	John Barraclough		Title:	Principal		
		PROF	PERTY LO	CATION		
Location:	600' North of the Northeast Cor					
City:	Ennis					<b>Zip:</b> 75119
County:	Ellis		Regio	n: 3		QCT DDA
•						

REQUEST						
<u>Program</u>	<b>Amount</b>	Interest Rate	<b>Amortization</b>	<u>Term</u>		
Tax Exempt Bonds	\$7,685,000	6.25%	40 yrs	40 yrs		
HOME	\$1,900,000	1%	35 yrs ¹	35 yrs		
HTC	\$426,191	N/A	N/A	N/A		
Proposed Use of Funds:	New construction	Type:	Multifamily			
Target Population:	Elderly	Other:	Urban/Exurban, Nonprofit, CHDO			

#### **RECOMMENDATION**

### NOT RECOMMENDED DUE TO THE FOLLOWING:

- The Development would require 100% of the HOME funds to be in the form of a grant based upon Title 10 of the Texas Administrative Code ("TAC") 1.32(d)(4)(D)
- ∉ The Development's net income is likely to be insufficient to support tax exempt bonds amounting to at least 50% of the cost making the Development ineligible for Housing Tax Credits (Internal Revenue Code Section 42 (h) (4)).

¹ The Applicant initially requested a fully amortized HOME loan at AFR; the amended application for home funds reflected 1% over 35 years; but, subsequently it has been determined that the Applicant's request would be interest only for the first 10 years at 0.5% and fully amortizing over the last 25 years.

SHOULD THE BOARD APPROVE AWARDS FOR THIS DEVELOPMENT, THE BOARD MUST WAIVE ITS RULES FOR THE ISSUES LISTED ABOVE AND ANY AWARDS SHOULD BE CONDITIONED UPON THE FOLLOWING:

#### CONDITIONS

- 1. A tax credit amount not to exceed \$423,574 annually for ten years;
- 2. A HOME award not to exceed \$1,675,000 (unless additional HOME units are pledged) and Board recognition that repayment of the award will likely need to be based upon cash that may not materialize flow and/or a exit strategy sale price may not be sufficient to fund repayment;
- 3. A private activity tax exempt bond amount not to exceed \$7,685,000 of which up to \$1,440,000 may need to be included in a earn out account and may not ultimately be achievable and therefore would have to be funded out of deferred developer and contractor fee;
- 4. Receipt, review and acceptance, prior to closing of a third party CPA or Attorney letter of opinion stating that the proposed transaction with the amended debt amount meets the 50% test requirements of the Internal Revenue Code Section 42 (h) (4)
- 5. Receipt, review and acceptance, prior to closing, of an updated ESA addressing issues related to noise, floodplain, asbestos-containing materials, lead-based paint, lead in the drinking water, and radon.
- 6. Receipt, review, and acceptance by closing of resolution of the Tax Suit, filed on November 21, 2005, between Ellis County vs. Life Rebuilders;
- 7. Receipt, review and acceptance by closing of documentation including, but not limited to, a new permanent loan commitment supporting a debt coverage ratio at a minimum of 1.10 based upon by the repayable position of the HOME funds as determined by the TDHCA Board (cash flow or hard repayable debt).
- 8. Should the proposed number of HOME units or the proposed terms and rate of the HOME loan change, the transaction should be re-evaluated and an adjustment to the allocation amount may be warranted.
- 9. Should the terms and rates of the proposed debt or syndication change, the transaction should be reevaluated and an adjustment to the allocation amount may be warranted.

#### **REVIEW of PREVIOUS UNDERWRITING REPORTS**

Previous report in 2005 #05620 but was not presented to the Board due the lack of an affirmative recommendation and Applicant's choice to continue to work on the transaction to find an acceptable structure that would be feasible. This bond reservation was a carry forward from 2005.

DEVELOPMENT SPECIFICATIONS					
IMPROVEMENTS					
Total Units: 164	# Res Bldgs $\underline{41}$ # Non-Res Bldgs $\underline{1}$ Age: $\underline{N/A}$ yrs Vacant: $\underline{N/A}$ at //				
Net Rentable SF: 123,960 Av Un SF: 756 Common Area SF: 4,300 Gross Bldg SF: 123,960					
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 25% plywood/hardboard, 75% masonry veneer. 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 fax 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 with washer and dryer included, a ceiling fixture in each room, an individual heating and air conditioning unit, individual water heater.

#### ONSITE AMENITIES

In order to meet threshold criteria for total units of between 150 and 199, the Applicant has elected to provide a barbecue or picnic table for every 50 units, community dining room with kitchen, community gardens, community laundry room, a covered pavilion that includes barbecue grills and tables, 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 gazebo with sitting area, horseshoes, lawn bowling court, croquet court, bocce ball court, putting green, shuffleboard, a library separate from the community room, public telephone(s) available to tenants 24 hours a day, an activity room, a service coordinators office in addition to the leasing offices, a swimming pool.

 Uncovered Parking:
 300
 spaces
 Carports:
 0
 spaces
 Garages:
 0
 spaces

#### PROPOSAL and DEVELOPMENT PLAN DESCRIPTION

**<u>Description</u>**: Ennis Senior Estates is a 164 unit per acre new construction development located in southeast Ennis, Texas. The development is comprised of 41 evenly distributed one story fourplex residential buildings as follows:

No. of Buildings	No. of Floors	<u>1BR</u>	<u>2BR</u>
15	1	2	2
8	1	2	2
18	1	1	3

The development includes a 4,300 square foot community building with a laundry area, mail room, maintenance office, computer work area, game room, beauty salon and fitness area.

SITE ISSUES					
		SITE DESCRIPTION			
Total Size:	14.37 acres	Scattered sites?	☐ Yes ☒ No		
Flood Zone:	Zone X	Within 100-year floodplain?	☐ Yes ⊠ No		
Current Zoning:	A-3 PD	Needs to be re-zoned?	☐ Yes ☒ No ☐ N/A		
CITE A NEICHBORHOOD CHADA CIEDICTIOS					
	Sile ar	nd NEIGHBORHOOD CHARACTERISTICS			

<u>Location</u>: The proposed development is 600 feet north of the northeast corner of Rudd Road and Blazek Road in Ennis, Ellis County. Ennis is located in Region 3, approximately 30 miles south of Dallas.

#### **Adjacent Land Uses:**

- **€** North: Undeveloped land immediately adjacent and undeveloped land beyond;
- **≤ South:** Undeveloped land immediately adjacent and Blazek Road beyond;
- ∉ East: Undeveloped land immediately adjacent and beyond; and
- € West: Rudd Road immediately adjacent and some residential houses, and undeveloped land beyond.

<u>Site Access</u>: The Subject is located on the east side of Rudd Road, just North of Blazek Road. The main entrance will be off a new road from Rudd Road and a secondary access ingress and egress will be located on Rudd Road.

<u>Public Transportation</u>: The availability of public transportation was not identified in the application materials.

**Shopping & Services:** According to the Applicant, convenience store shopping is within a mile of the subject and residents will be afforded on-site van transportation free of charge to shopping in downtown Ennis, where other retail is available. In addition residents will be afforded on-site transportation free of charge to medical facilities, recreational facilities and other facilities in Ennis and surrounding communities.

#### **Adverse Site Characteristics:**

∉ **Title:** A Tax Suit was filed on November 21, 2005 styled Ellis County vs. Life Rebuilders in the 40th

A Phase I Environmental Site Assessment report dated September 22, 2005 was prepared by Giles Engineering Assoc. and contained the following findings and recommendations:

HIGHLIGHTS of SOILS & HAZARDOUS MATERIALS REPORT(S)

#### **Findings:**

- **▼ Noise:** Not addressed in the report.
- **Floodplain:** Not addressed in the report.
- **★ Asbestos-Containing Materials (ACM):** Not addressed in the report.
- ∉ Lead-Based Paint (LBP): Not addressed in the report.
- ∉ Lead in Drinking Water: Not addressed in the report.
- **∉ Radon:** Not addressed in the report.
- Recognized Environmental Conditions: The subject property is a 20-acre parcel of undeveloped land. The property is relatively level with a slope downwards towards the east. The subject property has historically been undeveloped land. No indications of hazardous substances or petroleum products were observed during the current visual assessment of the subject property. No recognized environmental conditions are associated with the current or former usage of the subject property.

The adjacent properties are currently undeveloped land. Additionally the subject property and adjacent properties are not included with the reviewed State and Federal environmental listings. Considering the above, no recognized environmental conditions in connection with the subject property are associated with the adjacent properties.

<u>Conclusions:</u> This assessment has revealed no evidence of recognized environmental conditions in connection with the property.

**Recommendations:** Based on the findings and conclusions of this assessment, further environmental investigation of the subject property is not recommended at this time.

The submitted environmental site assessment did not address several issues required in the 2006 Real Estate Analysis Rules and Guidelines, Section 1.35(b) including: state if a noise study is recommended for a property; provide a copy of the current FEMA Flood Insurance Rate Map and provide a narrative determination of the flood risk; state if testing for asbestos containing materials (ACMs) would be required pursuant to local, state, and federal laws, or recommended due to any other consideration; state if testing for Lead Based Paint would be required; state if testing for lead in the drinking water would be required; and assess the potential for the presence of Radon on the property. Receipt, review and acceptance, prior to closing, of an updated ESA addressing issues related to noise, floodplain, asbestos-containing materials, lead-based paint, lead in the drinking water, and radon is a condition of this report.

#### **INCOME SET-ASIDE**

The Applicant has elected the 40% at 60% or less of area median gross income (AMGI) set-aside. The Subject qualifies as a Priority 3 Private Activity Bond allocation (§ 1372.0321). The Subject is also a HOME assisted rental development. The Applicant has indicated that are a total of 20 HOME assisted units (12.2% of the total) with 10 or 50% that have rent and income restrictions at 50% or less of area median family income and all remaining units with High HOME rent and long term income restrictions at 80% or less of area median family income. These 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. All of the units will be tax credit units that 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	\$27,960	\$31,920	\$35,940	\$39,900	\$43,080	\$46,260		

#### **MARKET HIGHLIGHTS**

A market feasibility study dated January 11, 2006 and updated November 10, 2006 was prepared by Apartment Market Data, LLC ("Market Analyst") and included the following findings:

<u>Definition of Primary Market Area (PMA)</u>: "For this analysis, we utilized a Primary Market Area encompassing 1,387.95 square miles. This Trade Area includes the City of Corsicana and much of the City of Waxahachie. Approximately 3/8 of the Trade Area is located in Navarro County and approximately 3/8 in Ellis County. The trade area also includes portions of Kaufman and Henderson Counties" (p. 37). This area is equivalent to a circle with a radius of 21 miles. The PMA is quite large for a typical bond transaction but given that the property is targeting elderly and located in a rural area a larger than normal market area could be expected. The PMA includes Country Lane Seniors, #060042, a 9% HTC development approved in July 2006, however it does not include Gardens of Mabank, #060206, a 36-unit senior development located approximately 35 miles east in Mabank that was also approved in July 2006.

**Population:** The estimated 2005 population of the primary market area was 145,332 and is expected to increase by 13.2% to approximately 164,846 by 2010. Within the primary market area there were estimated to be 16,764 elderly households in 2005.

Total Market Demand: The Market Analyst utilized a target household adjustment rate of 35.4% (p. 48) and a household size-appropriate adjustment rate of 9.3%. The Analyst's income band of \$18,690 to \$35,940 (p. 49) results in an income eligible adjustment rate of 20.2% (p. 49). The income eligible renter adjustment rate of 2.3% is specific to the income-eligible population (p. 55). The Market Analyst indicates a turnover rate of 63.8% applies based on IREM Income and Expense publication (p. 54).

MARKET DEMAND SUMMARY					
	Under	Underwriter			
Type of Demand	Units of Demand	% of Total Demand	Units of Demand	% of Total Demand	
Household Growth	22	5.4%	36	10%	
Resident Turnover	384	94.6%	260	70%	
Other Sources			73	20%	
TOTAL DEMAND	406	100%	369	100%	

p. 64, updated

Inclusive Capture Rate: The Market Analyst calculated an inclusive capture rate of 36.21% based upon 406 units of demand and 251 unstabilized affordable housing in the PMA (including the subject and Country Lane Seniors, #060042). The Market Analyst adjusted the total number of unstabilized housing by 54 units for 33% of demand from homeowners and 50 units for 30% of demand from outside the PMA for a total of 147 unstabilized affordable housing units in the PMA (p. 63-64, updated). The Underwriter calculated an inclusive capture rate of 68% based upon a supply of 251 unstabilized comparable affordable units divided by a demand estimated at 369 affordable units. The Underwriter included demand from senior homeowners transitioning to rental based on demographic information included in the market study. The Underwriter did not include demand from outside of the primary market area as demographic information was not included in the market study.

<u>Unit Mix Conclusion</u>: "The design and layout of the subject would be of equal or better quality compared to other affordable projects in the area. The project is well suited for new apartment construction. The unit mix and amenities provide an excellent selection for prospective residents" (p. 34).

Market Rent Comparables: The Market Analyst surveyed 5 comparable apartment projects totaling 368 units

in the market area. "This analysis is based on the most comparable market rate projects within the PMA" (p. 107-108).

RENT ANALYSIS (net tenant-paid rents)								
Unit Type (% AMI) Proposed Program Max Differential Est. Market Differential								
1-Bedroom (LH – 50%)	\$477	\$477	\$0	\$675	-\$198			
1-Bedroom (HH - 80%)	\$477	\$477	\$0	\$675	-\$198			
1-Bedroom (60%)	\$595	\$618	-\$23	\$675	-\$80			
2-Bedroom (LH - 50%)	\$558	\$564	-\$6	\$750	-\$192			
2-Bedroom (HH - 80%)	\$558	\$564	-\$6	\$750	-\$192			
2-Bedroom (60%)	\$695	\$729	-\$34	\$750	-\$55			

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

The Market Analyst's market rents were questioned by both the Underwriter based on rents currently being achieved by the other tax credit funded developments in Ennis. The comparable developments utilized by the Market Analyst to conclude market rent include developments in Waxahachie, a large, urbanized area located closer to Dallas than Ennis, the smaller city where the Subject development is to be located. The market in Waxahachie is not as comparable to the subject as the market in Ennis. The Underwriter also looked upon the rental rate information from Terrell, a more comparable city similar in size and located east of Dallas where the Applicant has other seniors only developments. It is also worth noting that three of the five comparable developments utilized by the Market Analyst to conclude the two-bedroom market rent do not have two-bedroom units. Rent information as of July 2006 from Terrell Senior Terraces I and II, an HTC development targeting seniors, with 72 and 180 units respectively, is summarized below.

	<u> 1 Bed</u>	SF	2 Bed	SF
50% of AMI	\$543	\$0.76	\$651	\$0.65
60% of AMI	\$646	\$0.90	\$760	\$0.75
Market	\$675	\$0.95	\$790	\$0.78

The one-bedroom units at Terrell Senior Terraces are 714 square feet and the two-bedroom units are 1,007 square feet. Applying the per square foot cost for the market rate units to the Subject's proposed, smaller units results in estimated rents of \$605 for the one-bedroom units and \$651 for the two-bedroom units. The Underwriter ultimately was persuaded by the Terrell comparison and utilized \$651 for the current max rent for the two bedroom units.

Primary Market Occupancy Rates: "Apartment MarketData conducted an analysis of some 368 conventional (Market Rate) units within the Primary Trade. These projects were all built between 1982 and 2004. The occupancy rate for the market rate one bedrooms is 97.0%, for market rate two bedrooms it is 95.5%, the occupancy for the market rate three bedroom units is 100%, and the overall average occupancy for market rate units is 96.7%. The apartment MarketData Report reflects an average rental rate of \$1.008/sf for one bedroom units, \$.914/sf for two bedrooms, \$.960/sf for three bedroom units, and \$.967/sf overall. There are no market rate four bedroom units within the PMA" (p. 107).

Absorption Projections: "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. The developer has estimated a conservative 15 leases per month (9%). An 8% monthly lease-up rate (13 units) would allow 13 units to be leased for months 7 through 17 with ten units leased in the 18th month for a total of 153 leased units or a 93% occupancy rate" (p. 95). The Underwriter believes these are very aggressive lease-up assumptions given the current occupancy rate of other TDHCA funded developments in Ennis (mid 80%) and given the fact that developments targeting elderly households draw demand form longer distances and lease considerably slower than other developments. There are approximately 90 vacant affordable units in Ennis between the last four developments TDHCA funded in Ennis.

<u>Unstabilized, Under Construction, and Planned Developments:</u> The Market Analyst identified Country Lane Seniors with 164 total units as the only unstabilized comparable within the PMA. It should be noted that this

development in Waxahachie is of particular concern as it will have several significant advantages over the subject (timing, location, and larger income band). While it is questionable to consider Waxahachie as an appropriate part of the PMA for the subject doing so suggests that the subject will compete directly with the Country Lane Development.

<u>Market Impact:</u> "An apartment development would also help with labor support for retail and industrial development in the immediate area, and would not significantly impact neighborhood single-family housing. In fact, an apartment development would have less of an impact on the existing housing than most other development types present in the sub-market" (p. 104).

<u>Market Study Analysis/Conclusions</u>: While the Underwriter has concerns about the defined PMA, market rents, capture rate and absorption conclusions of the Market Analyst the information drawn from the study places the subject within the constraints of an approvable funding recommendation.

#### **OPERATING PROFORMA ANALYSIS**

<u>Income</u>: The Applicant's projected HOME rents were calculated by subtracting tenant-paid utility allowances as of 12-1-2005, maintained by the City of Ennis, from the 2006 program gross rent limits. The Applicant estimated the rents for the one- and two-bedroom 60% of AMI HTC units at \$595 and \$695, respectively. The Underwriter projected the rents for the two bedroom 60% HTC units at \$651 based on per square-foot market rents for comparable units (see the Market Highlights section above). Tenants will be required to pay electric and natural gas. The Applicant's estimated vacancy and collection loss and secondary income are comparable to the Department's estimated figures. Despite the difference in rent assumptions, the Applicant's effective gross income is within 5% of the Underwriter's estimates.

Expenses: The Applicant's total annual operating expense projection at \$3,529 per unit is 7% higher than the Underwriter's estimate of \$3,818, derived from the TDHCA database, experience at other properties in Ennis, and experience with the General Partner's properties in Terrell. The largest variances were in general and administrative (\$14K lower than the Underwriter's estimate), utilities (\$20K lower) and property taxes (\$15K lower). It should be noted that the Applicant emphasized their experience in Terrell as documentation for their lower operating expense estimate. While it appears that Terrell Seniors I and II actual year end 2005 overall expense performance is between the Applicant's estimate and the Underwriter's estimate on a per unit basis; performance in the three areas of difference identified above appear to have been higher than the Underwriter's estimates. General and administrative were \$391 per unit for Terrell Seniors I & II, \$337 per unit for the Underwriter's estimate of the subject and \$255 per unit for the Applicant. Utilities including water sewer and trash were \$750 per unit for Terrell Seniors I & II, \$677 for the Underwriter and \$593 for the Applicant. Property taxes were \$802 per unit for Terrell Seniors I & II, \$790 for the Underwriter and \$700 for the Applicant. The Applicant is a CHDO however; the Underwriter has confirmed that they do NOT intend to apply for the 50% tax exemption from the Ellis County Appraisal District. Finally, the Applicant has understated TDHCA compliance fees by \$15 per unit.

Conclusion: The total expenses and net operating income are not within 5% of Underwriter's estimates; therefore the Underwriter's proforma will be utilized, resulting in an unacceptable debt coverage ratio of 0.82. As a result, the original first lien loan amount has been adjusted from \$7,685,000 to \$6,245,000, based on proposed permanent financing terms and reducing the HOME loan to zero percent but fully amortizing it over 35 years and resulting in an acceptable DCR of 1.10 for both portions of permanent debt. Adjusting the HOME debt by this method is detailed in the Real Estate Analysis Rules 10 TAC 1.32(d)(4)(D). As will be discussed in more detail in the financing section below, since this level of debt provides insufficient funds to repay the anticipated deferred developer fee, the HOME funds must be provided on a cash flow basis in the form of a deferred forgivable loan. If no debt service is attributable to the HOME funds, the maximum bond debt could rise to \$6,950,000 based upon the Underwriter's income and expense projections.

**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 2006 TDHCA guidelines. If the initial loan amount is adjusted to a minimum 1.10 DCR in the first year of stabilized occupancy, using the Underwriter's base year effective gross income, expense and net operating income results in a debt coverage ratio that remains above 1.10 and continues as a positive cash flow for the 30 year term.

ASSESSED VALUE					
Land: 57.648 acres	\$280,170	Assessment for the Year of: 2005			
Building:	\$	Valuati	on by:	Ellis County Appraisal District	
Total Assessed Value:	\$280,170	Tax Rate:		2.6319	
	EVIDEN	CE of SITE or PROPE	RTY CO	NTROL	
Type of Site Control:	Contract of Sale (14.3	379 acres)			
Contract Expiration:	Contract Expiration: 12/15/2006 and one 365 day extension		Valid t	hrough Board Date?	⊠ Yes □ No
Acquisition Cost:	\$355,000		Other:		
Seller: Life Rebuilde	ouilders, Inc.		Relate	d to Development Team?	Yes No

#### **CONSTRUCTION COST ESTIMATE EVALUATION**

Acquisition Value: The Parent of the Applicant, Life Rebuilders, Inc. originally purchased 161.61 acres on January 31, 2001 for a total cost of \$422,767 or \$2,616 per acre. The Subject 14.379 acre tract is part of the original 161.61 acre tract. The Applicant significantly overstated the 14.379 acre site acquisition cost by using a price of \$355,000 or \$24,688 per acre. During the past five years the developer has paid holding costs, engineering costs, and site development and infrastructure costs for a total (including original acquisition cost) of \$961,499 for the entire 161.61 acre tract or \$5,950 per acre. The Applicant has not claimed that the additional holding costs were attributed only to the subject site but in fact plans to develop the entire site primarily with single family housing and thus the entire tract has benefited from the work done thus far. The Underwriter calculated the land cost by multiplying \$5,950 times the actual site acreage of 14.379 acres to achieve a prorated land value of \$85,548. An adjustment to the total source of funds needed will be made to the recommended sources if the Applicant's total cost estimate is used in order to account for this overstatement of acquisition cost.

<u>Off-Site Costs</u>: The Applicant claimed off-site costs of \$395,100 for a road, water lines and sanitary sewer and provided sufficient third party certification through a cost breakdown signed by Ms. Joyce Stanton a registered Professional Engineer to justify these costs.

<u>Sitework Cost</u>: The Applicant's claimed sitework costs of \$7,500 per unit are at the maximum of the 2006 Department safe harbor guidelines, therefore, further third party substantiation is not required.

<u>Direct Construction Cost</u>: The Applicant's direct construction cost estimate is \$160,626 or 3% lower than the Underwriter's Marshall & Swift *Residential Cost Handbook*-derived estimate.

<u>Fees:</u> 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. The Applicant exceeded the Department's 5% maximum guideline for contingency by \$73,515. Consequently the Applicant's eligible basis has been reduced by the same amount with the overage effectively moved to ineligible costs.

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 costs, will be used to determine the development's need for permanent funds and to calculate eligible basis. An eligible basis of \$11,898,137 supports annual tax credits of \$423,574. 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:	National Alliance Securities Corp.	Contact: Stephen Lipkin					
Principal:	\$7,685,000 <b>Interest Rate:</b> 6.15%, fixed, lend	er's estimate Amort: 480 months					
Documentation	: Signed Term Sheet LOI Firm Commitme	ent Conditional Commitment Application					
Comments:							
	HOME Funds						
Source:	TDHCA	Contact: David Danenfelzer					
Principal:	\$1,900,000 <b>Conditions:</b> 1%, 35 year term	and amortization					
Documentation	: Signed Term Sheet LOI Firm Commitme	ent Conditional Commitment Application					
Comments:	The actual amount is restricted based on the prorata a	amount of HOME units, 20 units or \$1,675,000					
	TAX CREDIT SYNDICATION	ON					
Source:	NDC Corporate Equity Fund VII, LP	Contact: Robert Davenport					
Proceeds:	\$4,048,815 <b>Net Syndication Rate:</b> \$0.95	Anticipated HTC: \$426,191/year					
Documentation	: Signed Term Sheet LOI Firm Commitme	ent Conditional Commitment Application					
Comments:	Comments:						
OTHER							
	OTHER						
Amount: \$3	Source: Deferred Deve	eloper Fee and Cash Equity					
FINANCING STRUCTURE ANALYSIS							

**Interim to Permanent Bond Financing:** Based on information provided by the Applicant the subject property will be financed with approximately \$7,685,000 in Private Activity Bonds issued by TDHCA. These bonds will be sold to National Alliance Securities Corp. and carry a fixed 6.15% interest rate for a term of 40 years. As discussed above the Underwriter believes that a significant portion of these bonds will be part of an earn-out account which will only be accessed if the development performs better than expected by the Underwriter. The Underwriter believes that the bonds would necessarily be reduced further by up to \$1.44M if the HOME loan described below is required to be repaid in a full amortization and both debt instruments are considered in the 1.10 DCR calculation.

**HOME Funds:** The Applicant is requesting HOME funds in the amount of \$1,900,000 for 20 units however the proportionate amount of HOME units would suggest that the HOME award should be limited to \$1,675,000 or \$83,750 per unit. In order to obtain the full requested \$1,900,000 in HOME funds a minimum of 4 additional HOME units should be required. The analysis herein was performed based on the requested 20 HOME units and some modifications to this analysis would be required to consider 24 HOME units or the full amount of the requested HOME award. The current application reflects requested a 1% interest rate with a term and amortization of 35 years. The original request was for a fully amortized loan at AFR. Since the original application was made the Applicant has modified the structure of the HOME loan several times. According to the lender and syndicator's commitments the current request appears to be a structure that calls for interest only payments at ½ of 1% for the first 10 years to allow the deferred developer fee to be repaid and after the 10th year the loan will be serviced based on an amortization over the remaining 25 or 30 years. The lender has indicated that he believes that the interest only payment in the first 10 years would be outside of the debt coverage ratio calculation and it is unclear if the structure for the last 25 years is similarly considered soft debt. The Department's Real Estate Analysis rules at 10 TAC 1.32(d)(4)(D) require staff to analyze and recommend debt that appears not to be repayable by first reducing the interest rate on department debt down to zero or extend the amortization rate and second reclassify unrepayable debt as a grant. Step interest rate or staggered amortization plans based on future proforma expectations are considered higher risk and avoided. In this case the Applicant has requested that we allow the deferred developer fee to be paid out of the limited available cash

flow for ten years before stepping up the debt service for repayment of the HOME. The predictability of cash flow ten years out is in serious doubt. The fact that the development can not be predicted to be able to service the HOME debt today in year one at 0% with a 35 year amortization is a much better predictor of the development's ability to service the debt ten years form now than a ten year projection of that same year one projection. Therefore, the HOME funds, if awarded must be recognized as very likely to never be repaid, i.e. deferred forgivable or grant funds. It is the Underwriter's understanding that consideration of a grant or deferred forgivable loan for this development is not being considered. Moreover, such a use of HOME funds in the past has generally been tied to the targeting of 30% and 40% income and rent levels which are not being considered in the subject development. The Underwriter's conclusion is that the transaction is infeasible utilizing a repayable HOME loan in the amount of \$1,675,000 repayable over a fully amortizing 35 year term at zero percent interest.

**HTC Syndication:** The tax credit syndication commitment is consistent with the terms reflected in the sources and uses of funds listed in the application.

<u>Deferred Developer's Fees</u>: The Applicant's proposed deferred developer's fees of \$381,047 amount to 30% of the total fees.

Financing Conclusions: The HOME award amount is below the 221(d)(3) limit for this project. However, the requested HOME loan exceeds the prorata share of development cost based on the number HOME units to total units. The Underwriter adjusted the HOME loan to \$1,675,000 to correspond with the proposed number of HOME units. In order to be eligible for the requested amount of \$1,900,000, the Applicant would need to propose additional HOME units. The Applicant's request for a 1% HOME loan with payment deferred for 10 years is not recommended. This type of structure is usually reserved for developments with deep income targeting. For the purposes of this analysis, the Underwriter is assuming a 35-year HOME loan at zero percent interest. Should the proposed number of HOME units or the proposed terms and rate of the HOME loan change, the transaction should be re-evaluated and an adjustment to the allocation amount may be warranted.

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 clarification of the permanent loan commitment supporting a debt coverage ratio at a minimum of 1.10, inclusive of the HOME debt is a condition of this report. The current underwriting analysis assumes a decrease in the permanent loan amount to \$6,245,000 based on the terms reflected in the application materials. This could result in a possible mandatory redemption of bonds in the amount of \$1,444,000. As a result, the development's gap in financing will increase. In addition, the total adjusted tax exempt bond amount is less than 50% of the total cost and may be in violation of Internal Revenue Code Section 42 (h)(4) and therefore may render the development ineligible for housing tax credits. While this is a concern that must be verified once the final financial structuring is completed, this analysis reflects a structure with tax credits because no further analysis would be required to show that the transaction is feasible (i.e. the transaction is infeasible with out the credits).

The Underwriter's total development cost estimate less the permanent loans (\$6.245M in bonds and \$1.675M in HOME) indicates the need for \$5,825,410 in gap funds. Based on the submitted syndication terms, a tax credit allocation of \$613,201 annually would be required to fill this gap in financing. Of the three possible tax credit allocations, Applicant's request (\$426,191), the gap-driven amount (\$613,201), and eligible basis-derived estimate (\$423,574), the eligible basis-derived amount of \$423,574 would be recommended resulting in proceeds of \$4,023,950 based on a syndication rate of 95%.

This results in the need for \$1,801,459 in additional permanent funds (after excluding the excess acquisition cost of \$269,452 discussed in the acquisition section above). Deferred developer and contractor fees in this amount do not appear to be repayable from development cashflow within 15 years of stabilized operation. Therefore, the development must be characterized as infeasible and cannot be recommended for funding (10 TAC 1.32(d)(5)(D). Any proposed change to the financing structure or proposed number of HOME units must be re-evaluated and an adjustment to the recommended credit amount may be necessary. If the HOME funds were delivered in the form of a deferred forgivable loan with no expectation of repayment or grant, the primary tax exempt bond debt could be predicted to increase to \$6,950,000 and the resulting deferred developer fee of \$1,096,459 would still not be repayable in 10 years but would be repayable in 15 years. If the Board were to award the HOME funds as a deferred forgivable loan or grant therefore, the transaction would be viable.

A return on asset calculation on the HOME funds is difficult to calculate in a tax credit transaction given the

limited true developer equity making the ROA unrealistically high. Conversely, if all of the equity and anticipated deferred developer fee is considered the ROA is very low and generally acceptable. Further complicating the ROA analysis is the disposition of repayment for the HOME funds and this should be reevaluated if an award is ultimately granted by the Board.

### DEVELOPMENT TEAM

#### **IDENTITIES of INTEREST**

- ∉ The Applicant, Developer, General Contractor, and supportive services provider are related entities. These are common relationships for HTC-funded developments.
- ∉ Life Rebuilders, Developer, is the owner of the subject property and is selling it to LRI IV, LTD who is the Applicant.

#### APPLICANT'S/PRINCIPALS' FINANCIAL HIGHLIGHTS, BACKGROUND, and EXPERIENCE

<u>Financial Highlights</u>: 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 Developer/100% Sole member of the General Partner and CHDO, submitted an audited financial statement as of December 31, 2004 reporting total assets of \$5,442,190 and consisting of \$14,255 in cash, \$3,070,636 in receivables, \$2,325,567 in real property, and \$2,023 in Investments in Limited Partnerships. Liabilities totaled \$2,913,160, resulting in a net worth of \$2,529,030.

<u>Background & Experience</u>: 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. The General Partner is know to have been a General Partner in a prior tax credit transaction, Grace Townhomes, also in Ennis. Grace Townhomes continues to operate significantly below the original expectation. Disagreements between the General Partner and the syndicator have lead to their departure as the General Partner.

#### SUMMARY OF SALIENT RISKS AND ISSUES

- ∉ The Applicant's income and operating proforma is more than 5% outside of the Underwriter's verifiable range(s).
- ∉ Unknown environmental/locational risks may exist regarding the areas not addressed in the environmental study
- ∉ The seller of the property has an identity of interest with the Applicant.
- ∉ The development would need to capture a majority of the projected market area demand (i.e., capture rate exceeds 50%).
- ∉ The Development is not financially feasible based upon this analysis and the Department's standards for repayment of deferred fees in less than 15 years (10 TAC Section 1.32).
- ∉ The projects net income may be insufficient to support tax exempt bonds amounting to at least 50% of the cost making the development ineligible for Housing Tax Credits (Internal Revenue Code Section 42 (h) (4)).
- ∉ 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:		Date:	December 7, 2006
	Bert Murray		
Underwriter:		Date:	December 7, 2006
	Brenda Hull		
Director of Real Estate Analysis:		Date:	December 7, 2006
	Tom Gouris		

#### **MULTIFAMILY COMPARATIVE ANALYSIS**

#### Ennis Senior Estates, Ennis, Tx, 4%, 060612

Hit   5					Ennis S	enior Estate	es, Ennis, Tx, 49	%, 060612			
Help   5	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, Trs
Technology	LH	5	1	1	640	\$607	\$477	\$2,385	\$0.75	\$130.00	\$68.00
He   5   2	HH	5	1	1	640	607	\$477	2,385	0.75	130.00	68.00
In	TC 60%			1	640	748	\$595	32,130	0.93	130.00	68.00
To be compared to the compar							1	,			
NOME							· ·				
NOME   Total Net Rereative Sq. Pt   123,950   TOHICA   APPLICANT   S1,213,560   \$1,200,360   S1,115   Pru use Pru Name   Dallas Secondary Income: (describe)   O   O   O   O   O   O   O   O   O	TC 60%	90	2	1	830	898	\$651	58,590	0.78	169.00	71.00
NOME   Total Net Rereative Sq. Pt   123,950   TOHICA   APPLICANT   S1,213,560   \$1,200,360   S1,115   Pru use Pru Name   Dallas Secondary Income: (describe)   O   O   O   O   O   O   O   O   O											
NOME   Total Net Rereative Sq. Pt   123,950   TOHICA   APPLICANT   S1,213,560   \$1,200,360   S1,115   Pru use Pru Name   Dallas Secondary Income: (describe)   O   O   O   O   O   O   O   O   O	TOTAL	164		AVERAGE	750	\$004	\$64.7	¢404.420	\$0.00	\$452.70	\$60.02
STEELTH-AL GROSS RENT   Pic Luit Per North:   ST0.15   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980   19.980	IOIAL:	104		AVERAGE:	756	\$821	\$617	\$101,130	\$0.82	\$153.78	\$69.83
Secondary Income   Per Lust Per Mode: \$10.15   19.980   19.980   19.980   10.05   Per Unite Per Mode: Pe	INCOME		Total Net Re	entable Sq Ft:	123,960		TDHCA	APPLICANT	Com	ptroller's Region	3
Other Support Income: (describe)			RENT							IREM Region	Dallas
	•			Pe	er Unit Per Month:	\$10.15		19,980			
Vacanny & Collection Loss			,					¢1 290 240	\$0.00	Per Unit Per Month	
Employee or Other Non-Rental Units or Concessions   State				% of Potent	ial Gross Income	-7 50%			-7 50%	of Potential Gross I	ncome
Septembox   Superior   Per Numbro   Per Nu	•					1.0070		(00,02.)	1.0070	or r otomical orood i	
Ceneral & Administrative							\$1,141,025	\$1,184,316			
Management	<b>EXPENSES</b>			% OF EGI	PER UNIT	PER SQ FT			PER SQ FT	PER UNIT	% OF EGI
Payroll & Payroll Tax	General & Ad	dministrativ	ve	4.85%	\$337	0.45	\$55,325	\$41,820	\$0.34	\$255	3.53%
Repairs & Maintenance	Management	t		4.00%	278	0.37	45,641	47,388	0.38	289	4.00%
Repairs & Maintenance	Pavroll & Pav	vroll Tax		12.30%	856	1.13	140.367	136.737	1.10	834	11.55%
Utilities Sewer, & Trash   5.42%   377   0.50   61,858   67,732   0.55   413   5,72%   Water, Sewer, & Trash   5.42%   377   0.50   61,858   67,732   0.55   0.55   413   5,72%   Property Insurance   3.78%   283   0.35   43,178   41,000   0.33   250   3.46%   Property Tax   2.6319   11,35%   790   1.04   129,489   114,800   0.93   700   9.69%   Reserve for Replacementa   2.87%   200   0.26   32,800   32,800   0.26   200   2.77%   Uther: completes   0.57%   40   0.05   6,560   4,100   0.03   25   0.35%   Uther: completes   0.57%   40   0.05   6,560   4,100   0.03   25   0.35%   Uther: Completes   0.57%   40   0.05   6,560   4,100   0.03   25   0.35%   Uther: Completes   0.57%   40   0.05   6,560   4,100   0.03   25   0.35%   Uther: Completes   0.57%   40   0.05   6,560   4,100   0.03   25   0.35%   Uther: Complete   0.57%   40   0.05   6,560   4,100   0.03   25   0.35%   Uther: Complete   0.57%   40   0.05   6,560   5626,109   \$578,709   \$4.67   \$35,29   48.66%   Uther: Complete   0.57%   40   0.05   6,560   5626,109   \$578,709   \$4.67   \$35,29   48.66%   Uther: Complete   0.05   0.05   0.05   0.05   0.05   0.05   Uther: Complete   0.05   0.05   0.05   0.05   0.05   Uther: Complete   0.05   0.05   0.05   0.05   0.05   Uther: Complete   0.05   0.05   0.05   0.05   0.05   0.05   Uther: Complete   0.05   0.05   0.05   0.05   0.05   0.05   Uther: Complete   0.05   0.05   0.05   0.05   0.05   0.05   0.05   Uther: Complete   0.05   0.05   0.05   0.05   0.05   0.05   0.05   0.05   0.05   0.05   Uther: Complete   0.05   0.05   0.05   0.05   0.05   0.05   0.05   0.05   0.05   0.05   0.05   0.05   0.05   0.05   0.05   0.05   0.05   0.05   0.05   0.05   0.05   0.05   0.05   0.05   0.05   0.05   0.05   0.05   0.0		•	e					*			
Water, Sewer, & Trash								-			
Property Insurance 3,76% 263 0,35 43,178 41,000 0,33 250 3,46% Property Tax 2,6319 11,35% 790 1,04 129,489 1114,800 0,33 700 9,86% Reserve for Replacements 0,57% 40 0,05 6,560 4,100 0,03 25 0,35% OTAL EXPENSES 64,67% 53,818 \$5.05 \$626,109 \$578,709 \$4.67 \$3,529 48,86% EXPENSES 145,136 \$5.14,916 \$6.560 \$4,100 0,03 25 0,35% OTAL EXPENSES 64,67% 53,140 \$4.15 \$514,916 \$605,607 \$4.89 \$3.693 \$51.14% DEET OPERATING INC 45,13% \$3,140 \$4.15 \$514,916 \$605,607 \$4.89 \$3.693 \$51.14% DEET SERVICE 141000 1,00 1,00 1,00 1,00 1,00 1,00 1,		er & Trash					,	,			
Property Tax							,	- , -			
Reserve for Replacements			2 6210								
Other: complifies OTAL EXPENSES								·			
STATE   STAT			onto								
SET OPERATING INC   45.13%   \$3.140   \$4.15   \$514,916   \$605,607   \$4.89   \$3.693   \$51.14%							-				
DEBT SERVICE   Additional Alliance Securities   A5,32%   S3,153   S4,177   \$517,083   \$526,952   S4,256   S3,213   A4,49%			C								
Rational Alliance Securities   45.32%   \$3.153   \$4.17   \$517.083   \$526,952   \$4.25   \$3.213   \$44.49%     Per londs   9.82%   \$883   \$0.90   \$112.033   \$0   \$0.000   \$0   \$0.000     NET CASH FLOW   -10.01%   \$8966   \$0.922   \$(\$114.2011   \$78.655   \$50.63   \$5480   \$6.64%     GGREGATE DEBT COVERAGE RATIO   -10.01%   \$8966   \$0.922   \$(\$114.2011   \$78.655   \$50.63   \$5480   \$6.64%     GGREGATE DEBT COVERAGE RATIO   -10.01%   \$8966   \$0.922   \$(\$114.2011   \$78.655   \$50.63   \$5480   \$6.64%     GGREGATE DEBT COVERAGE RATIO   -10.01%   \$8966   \$0.922   \$1.10     CONSTRUCTION COST   -10.02   -10.02   -10.02     Description   Eator   \$6.076   \$3.90   \$2.90   \$85.548   \$3.55,000   \$2.86   \$2.165   \$2.53%     Acquisition Cost (site or bidg)   0.64%   \$522   \$0.59   \$85.548   \$3.55,000   \$2.86   \$2.165   \$2.53%     Off-Sites   2.94%   2.409   3.19   3.95,100   3.95,100   3.19   2.409   2.82%     Sitework   9.17%   7.500   9.92   1.230,000   1.230,000   9.92   7.500   8.78%     Contractor   5.00%   2.80%   2.292   3.03   3.75,969   457,515   3.69   2.790   3.26%     Contractor's G & A   2.00%   1.12%   917   1.21   1.50,387   1.53,600   3.72   2.810   3.29%     Contractor's Profit   6.00%   3.36%   2.751   3.64   451,162   460,800   3.72   2.810   3.29%     Contractor's Profit   6.00%   3.36%   2.751   3.64   451,162   460,800   3.72   2.810   3.29%     Contractor's Profit   6.00%   3.36%   2.751   3.64   451,162   460,800   3.72   2.810   3.29%     Developer's G & A   2.60%   1.12%   917   1.21   1.50,387   1.53,600   1.24   937   1.10%     Developer's G & A   2.60%   3.36%   2.751   3.64   451,162   460,800   3.72   2.810   3.29%     Developer's G & A   2.46%   1.91%   1.564   2.07   2.56,535   2.56,535   2.56,535   2.90   1.564   1.83%     Developer's G & A   2.46%   1.91%   1.564   2.07   2.56,535   2.56,535   2.56,535   2.07   1.564   1.83%     Developer's G & A   2.46%   1.91%   1.564   2.07   2.56,535   2.56,535   2.24   3.902   4.64%     Developer's G & A   2.46%   3.588   3.588   4.72   5.85,112   5.50,335			O	45.1576	φ3,140	φ4.13	ψ514,910	ψ003,007	φ4.09	φ3,093	31.1476
Second Register   Second Reg			tios	<i>1</i> 5 32%	¢3 153	\$4.17	\$517.083	\$526 952	¢4.25	¢3 213	11 10%
Contractor's Profit   6.00%   3.36%   2.751   3.64   451,162   460,800   3.72   2.810   3.29%   2.80%   3.929   681,229   681,229   681,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229   6.81,229		ice occum	1103								
Output   O							-				
Description   Factor   Section   Section   Factor   Section   S	NET CASH I	FLOW					(\$114,201)	\$78,655			
1.10	AGGREGATE	DEBT CO	OVERAGE F	RATIO			0.82	1.15			
Description   Factor   Sector   Secto											
Description   Factor   Sector   Sector   Fert   Sector   Fert   Fert   Fert   Sector   Fert   Sector   Fert   Sector   Fert   Fert   Fert   Fert   Sector   Fert   Sector   Fert   Fer	CONSTRUC	CTION CO	OST								
Acquisition Cost (site or bidg)				0/ of TOTAL	DED LINIT	DED CO ET	TDUCA	ADDLICANT	DED SO ET	DED UNIT	0/ of TOTAL
Off-Sites         2.94%         2,409         3.19         395,100         395,100         3.19         2,409         2.82%           Sitework         9.17%         7,500         9.92         1,230,000         1,230,000         9.92         7,500         8.78%           Direct Construction         46.88%         38,350         50.74         6,289,374         6,450,000         52.03         39,329         46.02%           Contractor'S Contractor'S Contractor'S Contractor'S Contractor'S Profit         6.00%         3.36%         2,751         3.64         451,162         460,800         3.72         2,810         3.29%           Contractor'S Profit         6.00%         3.36%         2,751         3.64         451,162         460,800         3.72         2,810         3.29%           Contractor'S Profit         6.00%         3.36%         2,751         3.64         451,162         460,800         3.72         2,810         3.29%           Contractor'S Profit         6.00%         3.36%         4,154         5.50         681,229         681,229         5.50         4,154         4.86%           Contractor'S Profit         9.84%         7,65%         6,257         8.28         1,026,142         1,026,142         8.28	-								· ·		
Sitework 9.17% 7.500 9.92 1,230,000 1,230,000 9.92 7,500 8.78% Oriect Construction 46.88% 38,350 50.74 6,289,374 6,450,000 52.03 39,329 46.02% Contingency 5.00% 2.80% 2,292 3.03 375,969 457,515 3.69 2,790 3.26% General Req'ts 6.00% 3.36% 2,751 3.64 451,162 460,800 3.72 2,810 3.29% Contractor's G & A 2.00% 1.12% 917 1.21 150,387 153,600 1.24 937 1.10% Contractor's Profit 6.00% 3.36% 2,751 3.64 451,162 460,800 3.72 2,810 3.29% andirect Construction 5.08% 4,154 5.50 681,229 681,229 5.50 4,154 4.86% neligible Costs 4.80% 3,923 5.19 643,353 643,353 5.19 3,923 4.59% Developer's G & A 2.46% 1.91% 1.564 2.07 256,535 256,535 2.07 1,564 1.83% Developer's Profit 9.84% 7.65% 6,257 8.28 1,026,142 1,026,142 8.28 6,257 7.32% net rim Financing 5.93% 4,848 6.41 795,031 795,031 6.41 4,848 5.67% Construction Cost Recap 66.70% \$54,561 \$72.19 \$8,948,055 \$9,212,715 \$74.32 \$56,175 65.74% Developer Fees 2.84% \$2,323 \$3.07 381,047 381,047 Developer Fee Saction Fig. 1.250,000 \$1,801,459 \$1.57 Commutative Cash Fig.	•	JUST (SITE C	or blag)								
Orient Construction         46.88%         39,350         50.74         6,289,374         6,450,000         52.03         39,329         46.02%           Contingency         5.00%         2.80%         2,292         3.03         375,969         457,515         3.69         2,790         3.26%           General Req'ts         6.00%         3.36%         2,751         3.64         451,162         460,800         3.72         2,810         3.29%           Contractor's Profit         6.00%         3.36%         2,751         3.64         451,162         460,800         3.72         2,810         3.29%           Contractor's Profit         6.00%         3.36%         2,751         3.64         451,162         460,800         3.72         2,810         3.29%           Indirect Construction         5.08%         4,154         5.50         681,229         681,229         5.50         4,154         4.86%           Developer's G & A         2.46%         1.91%         1,564         2.07         256,535         256,535         2.07         1,564         1.83%           Developer's Profit         9.84%         7.65%         6,257         8.28         1,026,142         1,026,142         8.28         6,257							-	•			
Contingency 5.00% 2.80% 2.292 3.03 375,969 457,515 3.69 2,790 3.26% General Req'ts 6.00% 3.36% 2,751 3.64 451,162 460,800 3.72 2,810 3.29% Contractor's G & A 2.00% 1.12% 917 1.21 150,387 153,600 1.24 937 1.10% Contractor's Profit 6.00% 3.36% 2,751 3.64 451,162 460,800 3.72 2,810 3.29% Indirect Construction 5.08% 4,154 5.50 681,229 681,229 5.50 4,154 4.86% Ineligible Costs 4.80% 3,923 5.19 643,353 643,353 5.19 3,923 4.59% Ineligible Costs 4.80% 3,923 5.19 643,353 643,353 5.19 3,923 4.59% Interim Financing 5.93% 4,848 6.41 795,031 795,031 6.41 4,848 5.67% Interim Financing 5.93% 4,848 6.41 795,031 795,031 6.41 4,848 5.67% Interim Financing 6.67% \$54,561 \$72.19 \$8,948,055 \$9,212,715 \$74.32 \$56,175 65.74% Interim Cost Recap 66.70% \$54,561 \$72.19 \$8,948,055 \$9,212,715 \$74.32 \$56,175 65.74% Interim Financing 6.72% \$46,860 \$62.00 \$7,685,000 \$7,685,000 \$6,245,000 \$1,282,677 \$1,282,677 \$1,284 \$1,086,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,282,677 \$1,282,677 \$1,284 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,282,000 \$1,282,677 \$1,282,677 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,000 \$1,086,00											
General Req'ts         6.00%         3.36%         2.751         3.64         451,162         460,800         3.72         2,810         3.29%           Contractor's G & A         2.00%         1.12%         917         1.21         150,387         153,600         1.24         937         1.10%           Contractor's Profit         6.00%         3.36%         2,751         3.64         451,162         460,800         3.72         2,810         3.29%           Indirect Construction         5.08%         4,154         5.50         681,229         681,229         5.50         4,154         4.86%           Ineligible Costs         4.80%         3,923         5.19         643,353         643,353         5.19         3,923         4.59%           Developer's G & A         2.46%         1.91%         1,564         2.07         256,535         256,535         2.07         1,564         1.83%           Developer's Profit         9.84%         7.65%         6,257         8.28         1,026,142         1,026,142         8.28         6,257         7.32%           Reserves         4.36%         3,568         4.72         585,112         649,757         5.24         3,962         4.64%											
Contractor's G & A 2.00% 1.12% 917 1.21 150,387 153,600 1.24 937 1.10% Contractor's Profit 6.00% 3.36% 2,751 3.64 451,162 460,800 3.72 2,810 3.29% Indirect Construction 5.08% 4,154 5.50 681,229 681,229 5.50 4,154 4.86% Ineligible Costs 4.80% 3.923 5.19 643,353 643,353 5.19 3.923 4.59% Developer's G & A 2.46% 1.91% 1,564 2.07 256,535 256,535 2.07 1,564 1.83% Developer's Profit 9.84% 7.65% 6,257 8.28 1,026,142 1,026,142 8.28 6,257 7.32% Interim Financing 5.93% 4,848 6.41 795,031 795,031 6.41 4,848 5.67% Reserves 4.36% 3,568 4.72 585,112 649,757 5.24 3,962 4.64% TOTAL COST 100.00% \$81,806 \$108.23 \$13,416,105 \$14,014,862 \$113.06 \$85,456 100.00% SOURCES OF FUNDS Stational Alliance Securities 57.28% \$46,860 \$62.00 \$7,685,000 \$7,685,000 \$6,245,000 Developer Fee Available ADME Loan 14.16% \$11,585 \$15.33 1,900,000 1,900,000 1,675,000 \$1,282,677 %128,677 Construction Proceeds 30.18% \$24,688 \$32.66 4,048,815 4,048,815 4,023,950 %15-Yr Cumulative Cash Flored Developer Fees 2.84% \$2,323 \$3.07 381,047 381,047 381,047 0% Cash Equity from Applicant 4.46% (\$3.651) (\$4.83) (598,757) 0 1,801,459 T5-Yr Cumulative Cash Flored Cash Equity from Applicant 4.46% (\$3.651) (\$4.83) (598,757) 0 1,801,459 T5-Yr Cumulative Cash Flored Cash Equity from Applicant 4.46% (\$3.651) (\$4.83) (598,757) 0 1,801,459 T5-Yr Cumulative Cash Flored Cash Equity from Applicant 4.46% (\$3.651) (\$4.83) (598,757) 0 1,801,459 T5-Yr Cumulative Cash Flored Cash Equity from Applicant 4.46% (\$3.651) (\$4.83) (598,757) 0 1,801,459 T5-Yr Cumulative Cash Flored Cash Equity from Applicant 4.46% (\$3.651) (\$4.83) (598,757) 0 1,801,459 T5-Yr Cumulative Cash Flored Cash Equity from Applicant 4.46% (\$3.651) (\$4.83) (598,757) 0 1,801,459 T5-Yr Cumulative Cash Flored Cash Equity from Applicant 4.46% (\$3.651) (\$4.83) (598,757) 0 1,801,459 T5-Yr Cumulative Cash Flored Cash Equity from Applicant 4.46% (\$3.651) (\$4.83) (598,757) 0 1,801,459 T5-Yr Cumulative Cash Flored Cash Equity from Applicant 4.46% (\$3.651) (\$4.83) (598,757) 0 1,801,459 T5-Yr Cumulative Cash Flored Cash Equity fr											
Contractor's Profit 6.00% 3.36% 2,751 3.64 451,162 460,800 3.72 2,810 3.29% indirect Construction 5.08% 4,154 5.50 681,229 681,229 5.50 4,154 4.86% ineligible Costs 4.80% 3,923 5.19 643,353 643,353 5.19 3,923 4.59% ineligible Costs 4.80% 3,923 5.19 643,353 643,353 5.19 3,923 4.59% ineligible Costs 4.80% 3,923 5.19 643,353 643,353 5.19 3,923 4.59% ineligible Costs 4.80% 3,923 5.19 643,353 643,353 5.19 3,923 4.59% ineligible Costs 4.80% 3,923 5.19 643,353 643,353 5.19 3,923 4.59% ineligible Costs 6.257 7.32% ineligible Costs 6.257 7.25% ineligible Costs 6.257 7.2		•					-	,			
Indirect Construction 5.08% 4,154 5.50 681,229 681,229 5.50 4,154 4.86% aneligible Costs 4.80% 3,923 5.19 643,353 643,353 5.19 3,923 4.59% are ligible Costs 4.80% 3,923 5.19 643,353 643,353 5.19 3,923 4.59% are ligible Costs 4.80% 3,923 5.19 643,353 643,353 5.19 3,923 4.59% are ligible Costs 4.80% 3,923 5.19 643,353 5.19 3,923 4.59% are ligible Costs 5.80				1.12%	917	1.21		•	1.24	937	1.10%
neligible Costs 4.80% 3,923 5.19 643,353 643,353 5.19 3,923 4.59% Developer's G & A 2.46% 1.91% 1,564 2.07 256,535 256,535 2.07 1,564 1.83% Developer's Profit 9.84% 7.65% 6,257 8.28 1,026,142 1,026,142 8.28 6,257 7.32% Interim Financing 5.93% 4,848 6.41 795,031 795,031 6.41 4,848 5.67% Reserves 4.36% 3,568 4.72 585,112 649,757 5.24 3,962 4.64% TOTAL COST 100.00% \$81,806 \$108.23 \$13,416,105 \$14,014,862 \$113.06 \$85,456 100.00% SOURCES OF FUNDS Additional Alliance Securities 57.28% \$46,860 \$62.00 \$7,685,000 \$7,685,000 \$6,245,000 \$1,282,677 \$1.28% \$11,282,677 \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28% \$1.28%			6.00%	3.36%	2,751	3.64		•	3.72	2,810	3.29%
Developer's G & A 2.46% 1.91% 1.564 2.07 256,535 256,535 2.07 1.564 1.83% Developer's Profit 9.84% 7.65% 6.257 8.28 1,026,142 1,026,142 8.28 6.257 7.32% Interim Financing 5.93% 4.848 6.41 795,031 795,031 6.41 4.848 5.67% Reserves 4.36% 3.568 4.72 585,112 649,757 5.24 3.962 4.64% TOTAL COST 100.00% \$81,806 \$108.23 \$13,416,105 \$14,014,862 \$113.06 \$85,456 100.00% SOURCES OF FUNDS Additional Alliance Securities 57.28% \$46,860 \$62.00 \$7,685,000 \$7,685,000 \$6,245,000 Developer Fee Available ADME Loan 14.16% \$11,585 \$15.33 1,900,000 1,900,000 1,675,000 \$1,282,677 ADME Developer Fee Available Securities 2.84% \$2,323 \$3.07 381,047 381,047 381,047 0% Term Developer Fee Cash Equity from Applicant 4.46% (\$3,651) (\$4.83) (\$98,757) 0 1,801,459 15-Yr Cumulative Cash Field Cash Equity from Applicant 4.46% (\$3,651) (\$4.83) (\$598,757) 0 1,801,459 15-Yr Cumulative Cash Field Cash Equity from Applicant 4.46% (\$3,651) (\$4.83) (\$598,757) 0 1,801,459 15-Yr Cumulative Cash Field Cash Equity from Applicant 4.46% (\$3,651) (\$4.83) (\$598,757) 0 1,801,459 15-Yr Cumulative Cash Field Cash Equity from Applicant 4.46% (\$3,651) (\$4.83) (\$598,757) 0 1,801,459 15-Yr Cumulative Cash Field Cash Equity from Applicant 4.46% (\$3,651) (\$4.83) (\$598,757) 0 1,801,459 15-Yr Cumulative Cash Field Cash Equity from Applicant 4.46% (\$3,651) (\$4.83) (\$598,757) 0 1,801,459 15-Yr Cumulative Cash Field Cash Equity from Applicant 4.46% (\$3,651) (\$4.83) (\$598,757) 0 1,801,459 15-Yr Cumulative Cash Field Cash Equity from Applicant 4.46% (\$3,651) (\$4.83) (\$598,757) 0 1,801,459 15-Yr Cumulative Cash Field Cash Equity from Applicant 4.46% (\$3,651) (\$4.83) (\$598,757) 0 1,801,459 15-Yr Cumulative Cash Field Cash Equity from Applicant 4.46% (\$3,651) (\$4.83) (\$598,757) 0 1,801,459 15-Yr Cumulative Cash Field Cash Equity from Applicant 4.46% (\$3,651) (\$4.83) (\$598,757) 0 1,801,459 15-Yr Cumulative Cash Field Cash Equity from Applicant 4.46% (\$3,651) (\$4.83) (\$598,757) 0 1,801,459 15-Yr Cumulative Cash Field Cash Equity from Applicant 4.46% (\$3,651) (\$4.83) (\$598,757) 0 1,8				5.08%	4,154	5.50	681,229	*	5.50	4,154	4.86%
Developer's Profit 9.84% 7.65% 6,257 8.28 1,026,142 1,026,142 8.28 6,257 7.32% Interim Financing 5.93% 4,848 6.41 795,031 795,031 6.41 4,848 5.67% Reserves 4.36% 3,568 4.72 585,112 649,757 5.24 3,962 4.64% TOTAL COST 100.00% \$81,806 \$108.23 \$13,416,105 \$14,014,862 \$113.06 \$85,456 100.00% Construction Cost Recap 66.70% \$54,561 \$72.19 \$8,948,055 \$9,212,715 \$74.32 \$56,175 65.74% SOURCES OF FUNDS Recommendated and the second statement of	Ineligible Co	sts		4.80%	3,923	5.19	643,353	643,353	5.19	3,923	4.59%
Seering   Seer	Developer's	G & A	2.46%	1.91%	1,564	2.07	256,535	256,535	2.07	1,564	1.83%
Reserves 4.36% 3,568 4.72 585,112 649,757 5.24 3,962 4.64% TOTAL COST 100.00% \$81,806 \$108.23 \$13,416,105 \$14,014,862 \$113.06 \$85,456 100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.00% \$100.	Developer's	Profit	9.84%	7.65%	6,257	8.28	1,026,142	1,026,142	8.28	6,257	7.32%
TOTAL COST 100.00% \$81,806 \$108.23 \$13,416,105 \$14,014,862 \$113.06 \$85,456 100.00% \$6.70% \$54,561 \$72.19 \$8,948,055 \$9,212,715 \$74.32 \$56,175 65.74% \$6.70% \$50URCES OF FUNDS Bational Alliance Securities 57.28% \$46,860 \$62.00 \$7,685,000 \$7,685,000 \$6,245,000 Developer Fee Available HOME Loan 14.16% \$11,585 \$15.33 1,900,000 1,900,000 1,675,000 \$1,282,677 \$10.00 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$	Interim Finar	ncing		5.93%	4,848	6.41	795,031	795,031	6.41	4,848	5.67%
Construction Cost Recap         66.70%         \$54,561         \$72.19         \$8,948,055         \$9,212,715         \$74.32         \$56,175         65.74%           SOURCES OF FUNDS         RECOMMENDED           RECOMMENDED           RECOMMENDED           Bational Alliance Securities         \$7,28%         \$46,860         \$62.00         \$7,685,000         \$7,685,000         \$6,245,000         Developer Fee Available           HOME Loan         14.16%         \$11,585         \$15.33         1,900,000         1,900,000         1,675,000         \$1,282,677           HTC Syndication Proceeds         30.18%         \$24,688         \$32.66         4,048,815         4,048,815         4,023,950         % of Dev. Fee Deferred           Deferred Developer Fees         2.84%         \$2,323         \$3.07         381,047         381,047         0%           Cash Equity from Applicant         -4.46%         (\$3,651)         (\$4.83)         (\$98,757)         0         1,801,459         15-Yr Cumulative Cash Fice	Reserves			4.36%	3,568	4.72	585,112	649,757	5.24	3,962	4.64%
SOURCES OF FUNDS           Recommended         SECOMMENDED           Idational Alliance Securities         57.28%         \$46,860         \$62.00         \$7,685,000         \$7,685,000         \$6,245,000         Developer Fee Available           HOME Loan         14.16%         \$11,585         \$15.33         1,900,000         1,900,000         1,675,000         \$1,282,677           HTC Syndication Proceeds         30.18%         \$24,688         \$32.66         4,048,815         4,048,815         4,023,950         % of Dev. Fee Deferred           Deferred Developer Fees         2.84%         \$2,323         \$3.07         381,047         381,047         0%           Cash Equity from Applicant         -4.46%         (\$3,651)         (\$4.83)         (\$98,757)         0         1,801,459         15-Yr Cumulative Cash Flor	TOTAL COS	ST		100.00%	\$81,806	\$108.23	\$13,416,105	\$14,014,862	\$113.06	\$85,456	100.00%
Additional Alliance Securities 57.28% \$46,860 \$62.00 \$7,685,000 \$7,685,000 \$6,245,000 Developer Fee Available HOME Loan 14.16% \$11,585 \$15.33 1,900,000 1,900,000 1,675,000 \$1,282,677 TCC Syndication Proceeds 30.18% \$24,688 \$32.66 4,048,815 4,048,815 4,023,950 % of Dev. Fee Deferred Developer Fees 2.84% \$2,323 \$3.07 381,047 381,047 0% 15-Yr Cumulative Cash Floring Cash Equity from Applicant 4.46% (\$3,651) (\$4.83) (598,757) 0 1,801,459 15-Yr Cumulative Cash Floring Cash	Construction	Cost Rec	ар	66.70%	\$54,561	\$72.19	\$8,948,055	\$9,212,715	\$74.32	\$56,175	65.74%
Additional Alliance Securities 57.28% \$46,860 \$62.00 \$7,685,000 \$7,685,000 \$6,245,000 Developer Fee Available HOME Loan 14.16% \$11,585 \$15.33 1,900,000 1,900,000 1,675,000 \$1,282,677 TCC Syndication Proceeds 30.18% \$24,688 \$32.66 4,048,815 4,048,815 4,023,950 % of Dev. Fee Deferred Developer Fees 2.84% \$2,323 \$3.07 381,047 381,047 0% 15-Yr Cumulative Cash Floring Cash Equity from Applicant 4.46% (\$3,651) (\$4.83) (598,757) 0 1,801,459 15-Yr Cumulative Cash Floring Cash	SOURCES (	OF FUND	os						RECOMMENDED		
HOME Loan 14.16% \$11,585 \$15.33 1,900,000 1,900,000 1,675,000 \$1,282,677 (HTC Syndication Proceeds 30.18% \$24,688 \$32.66 4,048,815 4,048,815 4,023,950 (MTC Syndication Proceeds 2.84% \$2,323 \$3.07 381,047 381,047 00% (MTC Syndication Proceeds 2.84% \$2,323 \$3.07 381,047 381,047 1,801,459 (MTC Syndication Proceeds 2.84% \$2,323 \$3.07 381,047 381,047 1,801,459 (MTC Syndication Proceeds 2.84% \$2,323 \$3.07 381,047 381,047 1,801,459 (MTC Syndication Proceeds 2.84% \$2,323 \$3.07 381,047 381,047 1,801,459 (MTC Syndication Proceeds 2.84% \$2,323 \$3.07 381,047 381,047 1,801,459 (MTC Syndication Proceeds 2.84% \$2,323 \$3.07 381,047 381,047 1,801,459 (MTC Syndication Proceeds 2.84% \$2,323 \$3.07 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047 \$381,047				57.28%	\$46,860	\$62.00	\$7,685,000	\$7,685,000		Developer F	ee Available
ATC Syndication Proceeds 30.18% \$24,688 \$32.66 4,048,815 4,048,815 4,023,950 % of Dev. Fee Deferred Developer Fees 2.84% \$2,323 \$3.07 381,047 381,047 0% Cash Equity from Applicant -4.46% (\$3,651) (\$4.83) (598,757) 0 1,801,459 15-Yr Cumulative Cash Fix	HOME Loan									•	
Deferred Developer Fees 2.84% \$2,323 \$3.07 381,047 381,047 0% Cash Equity from Applicant -4.46% (\$3,651) (\$4.83) (598,757) 0 1,801,459 15-Yr Cumulative Cash Flo		ion Proces	eds								
Cash Equity from Applicant -4.46% (\$3,651) (\$4.83) (598,757) 0 1,801,459									.,020,000	i	
		•						•	1 801 459		
\$13,410,105   \$14,014,802   \$13,745,410   \$1,679,692			t	7.70 /0	(ΨΟ,ΟΟ1)	(ψυυ)	1				
	OTAL SOU	ORUES					φ13,410,TU5	φ14,014,862	φ13,745,410	<b>Φ1,6</b> 7	5,09∠

#### MULTIFAMILY COMPARATIVE ANALYSIS(continued)

Ennis Senior Estates, Ennis, Tx, 4%, 060612

#### DIRECT CONSTRUCTION COST ESTIMATE

Residential Cost Handbook

Average Quality Multiple Residence Basis

CATEGORY	FACTOR	UNITS/SQ FT	PER SF	AMOUNT
Base Cost			\$53.01	\$6,571,229
Adjustments				
Exterior Wall Finish	6.00%		\$3.18	\$394,274
Elderly	3.00%		1.59	197,137
Roofing			0.00	0
Subfloor			(2.24)	(277,670)
Floor Cover			2.22	275,191
Porches	\$5.02	16,400	0.66	82,328
Plumbing	\$680	82	0.45	55,760
Built-In Appliances	\$1,675	164	2.22	274,700
Stairs/Fireplaces			0.00	0
Enclosed Corridors	\$43.09		0.00	0
Heating/Cooling			1.73	214,451
Garages/Carports		0	0.00	0
Comm &/or Aux Bldgs	\$64.74	4,300	2.25	278,382
Other:			0.00	0
SUBTOTAL			65.07	8,065,782
Current Cost Multiplier	1.07		4.55	564,605
Local Multiplier	0.89		(7.16)	(887,236)
TOTAL DIRECT CONSTRU	CTION COS	TS	\$62.46	\$7,743,150
Plans, specs, survy, bld prm	3.90%		(\$2.44)	(\$301,983)
Interim Construction Interes	3.38%		(2.11)	(261,331)
Contractor's OH & Profit	11.50%		(7.18)	(890,462)
NET DIRECT CONSTRUCT	ION COSTS		\$50.74	\$6,289,374

#### PAYMENT COMPUTATION

Primary	\$7,685,000	Amort	480
Int Rate	6.15%	DCR	1.00
Secondary	\$1,900,000	Amort	420
Int Rate	4.79%	Subtotal DCR	0.82
Additional		Amort	
Int Rate		Aggregate DCR	0.82

#### RECOMMENDED FINANCING STRUCTURE:

\$420,193
47,857
0
\$46,866

Cd	<b>0.1</b> 075 000	Amort	400
Int Rate	6.15%	DCR	1.23
i ililiai y	\$0,243,000	AIIIOIT	400

occondary	\$1,075,000	7111011	420
Int Rate	0.00%	Subtotal DCR	1.10

Additional	\$0	Amort	0
Int Rate	0.00%	Aggregate DCR	1.10

#### OPERATING INCOME & EXPENSE PROFORMA: RECOMMENDED FINANCING STRUCTURE

INCOME	at 3	3.00%	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 15	YEAR 20	YEAR 30
POTENTIA	L GROSS F	RENT	\$1,213,560	\$1,249,967	\$1,287,466	\$1,326,090	\$1,365,872	\$1,583,421	\$1,835,618	\$2,127,985	\$2,859,834
Secondar	y Income		19,980	20,579	21,197	21,833	22,488	26,069	30,222	35,035	47,084
Other Sup	oport Income	e: (describ	0	0	0	0	0	0	0	0	0
POTENTIA	L GROSS II	NCOME	1,233,540	1,270,546	1,308,663	1,347,922	1,388,360	1,609,490	1,865,840	2,163,020	2,906,918
Vacancy 8	& Collection	Loss	(92,516)	(95,291)	(98,150)	(101,094)	(104,127)	(120,712)	(139,938)	(162,226)	(218,019)
Employee	or Other No	on-Rental	0	0	0	0	0	0	0	0	0
EFFECTIV	E GROSS II	NCOME	\$1,141,025	\$1,175,255	\$1,210,513	\$1,246,828	\$1,284,233	\$1,488,778	\$1,725,902	\$2,000,793	\$2,688,899
EXPENSE	Sat 4	.00%									
General 8	k Administra	tive	\$55,325	\$57,538	\$59,839	\$62,233	\$64,722	\$78,744	\$95,805	\$116,561	\$172,539
Managem	nent		45,641	47,010	48,421	49,873	51,369	59,551	69,036	80,032	107,556
Payroll &	Payroll Tax		140,367	145,981	151,821	157,894	164,209	199,786	243,070	295,732	437,755
Repairs &	Maintenand	ce	61,698	64,166	66,732	69,402	72,178	87,815	106,841	129,988	192,414
Utilities			49,193	51,160	53,207	55,335	57,548	70,016	85,186	103,641	153,415
Water, Se	ewer & Trash	h	61,858	64,333	66,906	69,582	72,365	88,044	107,118	130,326	192,914
Insurance	•		43,178	44,905	46,702	48,570	50,512	61,456	74,771	90,970	134,658
Property 7	Тах		129,489	134,669	140,056	145,658	151,484	184,304	224,234	272,815	403,833
Reserve f	or Replacen	nents	32,800	34,112	35,476	36,896	38,371	46,685	56,799	69,105	102,292
Other			6,560	6,822	7,095	7,379	7,674	9,337	11,360	13,821	20,458
TOTAL EX	PENSES		\$626,109	\$650,697	\$676,255	\$702,821	\$730,435	\$885,738	\$1,074,219	\$1,302,990	\$1,917,833
NET OPER	RATING INC	OME	\$514,916	\$524,558	\$534,258	\$544,008	\$553,798	\$603,040	\$651,683	\$697,803	\$771,066
DE	BT SERVIC	E									
First Lien F	inancing		\$420,193	\$420,193	\$420,193	\$420,193	\$420,193	\$420,193	\$420,193	\$420,193	\$420,193
Second Lie	en		47,857	47,857	47,857	47,857	47,857	47,857	47,857	47,857	47,857
Other Final	ncing		0	0	0	0	0	0	0	0	0
NET CASH	I FLOW		\$46,866	\$56,508	\$66,208	\$75,958	\$85,748	\$134,990	\$183,633	\$229,753	\$303,016
DEBT COV	/ERAGE RA	ATIO	1 10	1 12	1 14	1 16	1 18	1 29	1.39	1 49	1.65

# HTC ALLOCATION ANALYSIS - Ennis Senior Estates, Ennis, Tx, 4%, 060612

	APPLICANT'S	TDHCA	APPLICANT'S	TDHCA
	TOTAL	TOTAL	REHAB/NEW	REHAB/NEW
CATEGORY	AMOUNTS	AMOUNTS	ELIGIBLE BASIS	ELIGIBLE BASIS
(1) Acquisition Cost				
Purchase of land	\$355,000	\$85,548		
Purchase of buildings				
(2) Rehabilitation/New Construction Cost				
On-site work	\$1,230,000	\$1,230,000	\$1,230,000	\$1,230,000
Off-site improvements	\$395,100	\$395,100		
(3) Construction Hard Costs				
New structures/rehabilitation hard costs	\$6,450,000	\$6,289,374	\$6,450,000	\$6,289,374
(4) Contractor Fees & General Requirements				
Contractor overhead	\$153,600	\$150,387	\$153,600	\$150,387
Contractor profit	\$460,800	\$451,162	\$460,800	\$451,162
General requirements	\$460,800	\$451,162	\$460,800	\$451,162
(5) Contingencies	\$457,515	\$375,969	\$384,000	\$375,969
(6) Eligible Indirect Fees	\$681,229	\$681,229	\$681,229	\$681,229
(7) Eligible Financing Fees	\$795,031	\$795,031	\$795,031	\$795,031
(8) All Ineligible Costs	\$643,353	\$643,353		
(9) Developer Fees				
Developer overhead	\$256,535	\$256,535	\$256,535	\$256,535
Developer fee	\$1,026,142	\$1,026,142	\$1,026,142	\$1,026,142
(10) Development Reserves	\$649,757	\$585,112		
TOTAL DEVELOPMENT COSTS	\$14,014,862	\$13,416,105	\$11,898,137	\$11,706,992
Deduct from Basis:				
All grant proceeds used to finance costs in eligible basis				
B.M.R. loans used to finance cost in eligible basis	S			
Non-qualified non-recourse financing				

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	\$11,898,137	\$11,706,992
High Cost Area Adjustment	1009	6 100%
TOTAL ADJUSTED BASIS	\$11,898,137	\$11,706,992
Applicable Fraction	100.00%	6 100.00%
TOTAL QUALIFIED BASIS	\$11,898,137	\$11,706,992
Applicable Percentage	3.56%	3.56%
TOTAL AMOUNT OF TAX CREDITS	\$423,574	\$416,769

Syndication Proceeds 0.9500 \$4,023,950 \$3,959,305

Total Tax Credits (Eligible Basis Method) \$423,574 \$416,769

Syndication Proceeds \$4,023,950 \$3,959,305

Requested Tax Credits \$426,191

Syndication Proceeds \$4,048,815

Gap of Syndication Proceeds Needed \$5,825,410

Total Tax Credits (Gap Method) \$613,201

# **Applicant Evaluation**

Project ID # 060612 Name	: Ennis Senior Estates	City: <b>Ennis</b>
LIHTC 9% ☐ LIHTC 4% ✓	HOME ☑ BOND ☑ HTF □	SECO   ESGP  Other
☐ No Previous Participation in Texas	☐ Members of the develop	oment team have been disbarred by HUD
•		
National Previous Participation C	ertification Received:   N/A	□ Yes □ No
Noncompliance Reported on Nati	onal Previous Participation Certification:	$\square$ Yes $\square$ No
	Portfolio Management and Compliance	
Total # of Projects monitored:4	Projects in Material Noncompliance	# in noncompliance: 0
Projects zero to nine: 4	Yes No V	Projects not reported Yes
grouped ten to nineteen: 0	# monitored with a score less than thirty:	4 in application No ✓
by score twenty to twenty-nine: 0	# not yet monitored or pending review:	2 # of projects not reported 0
Portfolio Monitoring	Single Audit	Portfolio Analysis
Not applicable	Not applicable	Not applicable
Review pending	Review pending	No unresolved issues
No unresolved issues	No unresolved issues	Not current on set-ups
Unresolved issues found	Issues found regarding late cert $\Box$	Not current on draws
Unresolved issues found that	Issues found regarding late audit	Not current on match
warrant disqualification (Comments attached)	Unresolved issues found that warrant disqualification	
Reviewed by Patricia Murphy	(Comments attached)	Date 4/20/2006
Multifamily Finance Production	Single Family Finance Production	Real Estate Analysis (Workout)
Not applicable	Not applicable	Not applicable
Review pending	Review pending	Review pending
No unresolved issues	No unresolved issues	No unresolved issues
Unresolved issues found	Unresolved issues found	Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)	Unresolved issues found that warrant disqualification (Comments attached)	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	Not applicable	No delinquencies found
Review pending	Review pending	Delinquencies found
No unresolved issues	No unresolved issues	-
Unresolved issues found	Unresolved issues found	
Unresolved issues found that warrant disqualification (Comments attached)	Unresolved issues found that warrant disqualification (Comments attached)	
Reviewer EEF	Reviewer Raul Gonzales	Reviewer Melissa M. Whitehead

#### TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

# MULTIFAMILY HOUSING REVENUE BONDS ENNIS SENIOR ESTATES

PUBLIC HEARING

Sam Houston Elementary School 1701 South Hall Ennis, Texas

October 30, 2006 6:00 p.m.

**BEFORE:** 

SHARON GAMBLE, Housing Specialist

ALSO PRESENT:

BARRY HALLA, President & CEO Life Rebuilders, Inc.

### I N D E X

SPEAKER	PAGE
CALL TO ORDER/OPENING REMARKS:	3
Sharon Gamble, Housing Specialist, TDHCA	
PRESENTATION OF PROPOSED BOND ISSUANCE:	3
Sharon Gamble	
PUBLIC COMMENT:	(NONE)
CLOSING REMARKS/ADJOURNMENT:	4
Sharon Gamble	

### 

MS. GAMBLE: Good evening. My name is Sharon Gamble. I would like to proceed with the public hearing. Let the record show that it is 6:06 p.m. on Monday, October 30, 2006, and we are at Sam Houston Elementary, located at 1701 South Hall Street, Ennis, Texas.

I am here to conduct the public hearing on behalf of the Texas Department of Housing and Community Affairs with respect to an issue 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 December 14, 2006. In addition to providing your comments at this hearing, the public is also invited to provide comment directly to the board at any of their meetings. The Department staff will also accept written comments from the public up to 5:00 p.m. on December 1, 2006.

The bonds will be issued as tax-exempt

ON THE RECORD REPORTING (512) 450-0342

multifamily revenue bonds in the aggregate principal amount not to exceed \$10,000,000 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 proceeds of the bonds will be loaned to LRI IV, Ltd., or a related person or affiliate entity thereof, to finance a portion of the costs of acquiring, constructing and equipping a multifamily rental housing community described as follows: A 164-unit multifamily residential rental development to be constructed on approximately 14.379 acres of land located at approximately the 6000 block of Rudd Road, south of Highway 287 and approximately 650 feet north of the northeast intersection of Rudd Road and Blazek Road, Ellis County Texas. The proposed multifamily rental housing community will be initially owned and operated by the borrower.

Let the record show that there are no attendees. Therefore the meeting is now adjourned. And the time is now 6:08 p.m.

(Whereupon, at 6:08 p.m., this hearing was concluded.)

### CERTIFICATE

IN RE: Ennis Senior Estates

LOCATION: Ennis, Texas

DATE: October 30, 2006

I do hereby certify that the foregoing pages, numbers 1 through 5, inclusive, are the true, accurate, and complete transcript prepared from the verbal recording made by electronic recording by Jean Schermann before the Texas Department of Housing and Community Affairs.

11/06/2006 (Transcriber) (Date)

On the Record Reporting, Inc. 3307 Northland, Suite 315 Austin, Texas 78731



# **REQUEST FOR BOARD ACTION Multifamily Finance Production**

**Private Activity Bond Program – Waiting List** 

14 Priority 2 Applications for 2007 Waiting List

### TABLE OF EXHIBITS

TAB 1	TDHCA Board Presentation – February 1, 2007
TAB 2	<b>Summary of Applications</b>
TAB 3	<b>Inducement Resolution</b>
TAB 4	Prequalification Analysis Worksheet
TAR 5	Man of Development Site

### BOARD ACTION REQUEST

**February 1, 2007** 

#### **Action Item**

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 2007.

#### **Requested Action**

Approve, amend or deny 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 2007 Private Activity Bond Program for fourteen (14) applications.

#### **Background**

Each year, the State of Texas is notified of the allocation amount of private activity tax-exempt revenue bonds that may be issued within the state. Approximately \$402 million is set aside for multifamily until August 15th for the 2007 bond program year. TDHCA has a set aside of approximately \$88 million available for new 2007 applications.

Inducement Resolution 07-003 includes fourteen (14) applications that were received on or before January 4, 2007. These applications will reserve approximately \$64 million in 2007 state volume cap. Upon Board approval to proceed, the applications will be submitted to the Texas Bond Review Board for placement on the 2007 Waiting List. The Board has previously approved four applications for the 2007 program year. Approval of the inducement resolution, however, does not assure that the development will ultimately receive approval for a Housing Tax Credit Determination or the Issuance of Private Activity Bonds.

The first twelve applications which total 909 units will be pooled into one (1) bond transaction and therefore only one pre-qualification worksheet is included. Rainbow Housing Assistance Corporation – Texas, Inc. is the General Partner which is solely owned by Texas Council of Foundation for Social Resources, Inc with Special Limited Partners of GungHo Partners and Rainbow Housing Assistance Corp. The President of Rainbow Housing Assistance Corp. is Mr. Joseph Sherman. This pooled transaction will require twelve separate applications to be submitted to the Bond Review Board however the final transaction will be combined for an approximate total of \$36 million in tax-exempt bonds. All twelve properties must be pooled in order for the transaction to be feasible. The applications have also been approved for inducement by the Texas State Affordable Housing Corporation (TSAHC). The Department will participate in the transactions even if TSAHC is the issuer of the bonds because Housing Tax Credits will also be issued.

All of the properties were built in 1983 by the same developer / owner and therefore all are similar in construction and quality. Eleven of the properties are located in areas other than major metropolitan areas. Each property has a U. S. Department of Housing and Urban Development (HUD), Housing Assistance Program (HAP) contract and has gone through HUD's Market to Market program.

There are a few issues that need to be addressed for this pooled inducement and for the Housing Tax Credits:

- ∉ The Qualified Allocation Plan and Rules (QAP) requires a minimum rehabilitation per unit of \$12,000. Although the overall rehabilitation will average \$15,000 per unit for the pool, some properties may not reach the \$12,000 minimum alone.
- ∉ The Real Estate Analysis Rules require each property to meet debt service and cash flow minimums. As a pool, with the cross collateralization, the pool will meet the requirements however each property may not.
- ∉ The applicant has requested a reduction in the bond application fee of \$10,000 per application.

This transaction as a whole will require a great deal of time and staff resources if the Department is to be the issuer of the bonds and the tax credits. The board will need to make determinations to the fore mentioned issues at the time of inducement so that staff and the applicant will know the Board's intention when the transaction is presented to the Board for a final decision.

The attached spreadsheet outlines specific development information on each property. Maps for all fourteen (14) properties are included in this presentation.

<u>Chaparral Apartments</u> - The proposed acquisition and rehabilitation development will be located at 1411 South Grant Avenue, Odessa, Ector County. Demographics for the census tract (19.00) include AMFI of \$26,717; the percent of the population that is below the poverty line is 31.02%; the total population is 5,370; the percent of the population that is minority is 97.71%; the number of owner occupied units is 1,231; number of renter occupied units is 403; and the number of vacant units is 178. (*)

Public Comment: The Department has received no letters of support or opposition.

Cove Village Apartments - The proposed acquisition and rehabilitation development will be located at 1102 Golf Course Road, Copperas Cove, Coryell County. Demographics for the census tract (106.01) include AMFI of \$43,295; the percent of the population that is below the poverty line is 11.31%; the total population is 5,064; the percent of the population that is minority is 46.72%; the number of owner occupied units is 609; number of renter occupied units is 1,239; and the number of vacant units is 140.(*)

Public Comment: The Department has received no letters of support or opposition.

<u>El Nido Apartments</u>— The proposed acquisition and rehabilitation development will be located at 204 Alicia Drive, El Paso, El Paso County. Demographics for the census tract (31.00) include AMFI of \$27,642; the percent of the population that is below the poverty line is 31.22%; the total population is 3,873; the percent of the population that is minority is 97.24%; the number of owner occupied units is 709; number of renter occupied units is 524; and the number of vacant units is 7. (*)

Public Comment: The Department has received no letters of support or opposition.

Garden Apartments - The proposed acquisition and rehabilitation development will be located at 1340 65th Drive, Lubbock, Lubbock County. Demographics for the census tract (22.04) include AMFI of \$36,651; the percent of the population that is below the poverty line is 20.28%; the total population is 4,548; the percent of the population that is minority is 52.77%; the number of owner occupied units is 916; number of renter occupied units is 861; and the number of vacant units is 77. (*)

Public Comment: The Department has received no letters of support or opposition.

<u>High Plains Apartments</u> - The proposed acquisition and rehabilitation development will be located at 1607 Iola Avenue, Lubbock, Lubbock County. Demographics for the census tract (4.04) include AMFI of \$55,391; the percent of the population that is below the poverty line is 17.30%; the total population is 4,666; the percent of the population that is minority is 25.23%; the number of owner occupied units is 1,138; number of renter occupied units is 606; and the number of vacant units is 87. (*) *Public Comment:* The Department has received no letters of support or opposition.

Jose Antonio Escajeda Apartments - The proposed acquisition and rehabilitation development will be located at 204 Alicia Drive, El Paso, El Paso County. Demographics for the census tract (31.00) include AMFI of \$27,642; the percent of the population that is below the poverty line is 31.22%; the total population is 3,873; the percent of the population that is minority is 97.24%; the number of owner occupied units is 709; number of renter occupied units is 524; and the number of vacant units is 7. (*) *Public Comment:* The Department has received no letters of support or opposition.

<u>Los Ebanos Apartments</u> - The proposed acquisition and rehabilitation development will be located at 2133 Barnard Drive, Brownsville, Cameron, County. Demographics for the census tract (130.03) include AMFI of \$29,782; the percent of the population that is below the poverty line is 41.49%; the total population is 2,158; the percent of the population that is minority is 91.94%; the number of owner occupied units is 192; number of renter occupied units is 471; and the number of vacant units is 7. (*) *Public Comment:* The Department has received no letters of support or opposition.

<u>Peppertree Acres</u> - The proposed acquisition and rehabilitation development will be located at 6555 Sheridan Circle, Fort Worth, Tarrant, County. Demographics for the census tract (1060.01) include AMFI of \$59,175; the percent of the population that is below the poverty line is 9.63%; the total population is 6,804; the percent of the population that is minority is 51.57%; the number of owner occupied units is 1,643; number of renter occupied units is 808; and the number of vacant units is 69. (*) *Public Comment:* The Department has received no letters of support or opposition.

<u>River Park Village East Apartments</u> - The proposed acquisition and rehabilitation development will be located at 1309 Central Texas Expressway, Lampasas, Lampasas County. Demographics for the census tract (9504.00) include AMFI of \$32,095; the percent of the population that is below the poverty line is 20.53%; the total population is 3,897; the percent of the population that is minority is 29.89%; the number of owner occupied units is 775; number of renter occupied units is 583; and the number of vacant units is 165. (*)

Public Comment: The Department has received no letters of support or opposition.

<u>Sierra Vista Apartments</u> - The proposed acquisition and rehabilitation development will be located at 10501 Montwood Drive, El Paso, El Paso County. Demographics for the census tract (103.07) include AMFI of \$43,260; the percent of the population that is below the poverty line is 22.25%; the total population is 7,002; the percent of the population that is minority is 85.16%; the number of owner occupied units is 1,313; number of renter occupied units is 889; and the number of vacant units is 69. (*) *Public Comment:* The Department has received no letters of support or opposition.

<u>Spring Terrace Apartments</u> - The proposed acquisition and rehabilitation development will be located at 2600 South Spring Street, Amarillo, Potter County. Demographics for the census tract (145.00) include AMFI of \$36,741; the percent of the population that is below the poverty line is 20.40%; the total population is 5,649; the percent of the population that is minority is 61.21%; the number of owner occupied units is 1,215; number of renter occupied units is 646; and the number of vacant units is 191. (*)

Public Comment: The Department has received no letters of support or opposition

<u>Win-Lin Village</u> - The proposed acquisition and rehabilitation development will be located at 5700 Wabash Street, Amarillo, Randall County. Demographics for the census tract (213.00) include AMFI of \$65,982; the percent of the population that is below the poverty line is 13.30%; the total population is 5,577; the percent of the population that is minority is 13.30%; the number of owner occupied units is 1,481; number of renter occupied units is 884; and the number of vacant units is 66. (*)

Public Comment: The Department has received no letters of support or opposition.

Costa Rialto Apartments - The proposed new construction development will be located at approximately 5011 Aldine Bender Road, Houston, Harris County. Demographics for the census tract (2227.00) include AMFI of \$13,690; the percent of the population that is below the poverty line is 52.63%; the total population is 3,472; the percent of the population that is minority is 84.27%; the number of owner occupied units is 256; number of renter occupied units is 1,042; and the number of vacant units is 101. (*)

Public Comment: The Department has received no letters of support or opposition.

Windshire Apartments - The proposed new construction development will be located at approximately the 4500 block of South Shaver Road, Houston, Harris County. Demographics for the census tract (3213.00) include AMFI of \$37,952; the percent of the population that is below the poverty line is 21.50%; the total population is 5,585; the percent of the population that is minority is 70.98%; the number of owner occupied units is 448; number of renter occupied units is 1,547; and the number of vacant units is 183. (*)

Public Comment: The Department has received no letters of support or opposition.

(*) Census Information from FFIEC Geocoding for 2006).

## Recommendation

Staff recommends the Board approve the Inducement Resolution as presented. 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.

Staff recommends the waiver be applied on average across the pool – not individually of the fore mentioned rehabilitation requirement and the individual property requirements for underwriting debt service and cash flow for the pooled transaction.

Staff does not recommend the reduction in Department fees due to the time and resource requirements of the Department.

### **RESOLUTION NO. 07-003**

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 <a href="Exhibit A">Exhibit A</a> attached hereto. The ownership of each Development as more fully described in <a href="Exhibit A">Exhibit A</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 <a href="Exhibit A">Exhibit A</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 <a href="Exhibit A">Exhibit A</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:

# <u>Section 1--Certain Findings</u>. 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.

<u>Section 3--Terms of Bonds</u>. 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.

<u>Section 5--Principal Amount</u>. 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 <u>Exhibit A</u> 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.

<u>Section 7--The Development</u>. 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.

<u>Section 8--Payment of Bonds</u>. 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.

<u>Section 10--No Commitment to Issue Bonds</u>. 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.

<u>Section 13--Certain Findings</u>. 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.

<u>Section 14--Authorization to Proceed.</u> 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 2007 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.

<u>Section 15--Related Persons</u>. 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.

<u>Section 17--Authorization of Certain Actions</u>. 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.

<u>Section 18--Effective Date</u>. This Resolution shall be in full force and effect from and upon its adoption.

<u>Section 19--Books and Records</u>. 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 1st day of February, 2007.

[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
Chaparral Village Apartments	RHAC-Chaparral, LP, to be formed, or other entity	Rainbow – Texas, Inc. d/b/a RHAC – Texas, Inc., or other entity, the principal of which will be Texas Council of Foundation for Social Resources, Inc., or other entity	\$5,140,000

Costs: (i) acquisition of real property located at 1411 S. Grant Avenue, Odessa, Ector County, Texas; and (ii) the rehabilitation thereon of an approximately 80-unit multifamily residential rental housing project, in the amount not to exceed \$5,140,000 in senior and subordinate debt.

Project Name	Owner	Principals	Amount Not to Exceed
Costa Rialto	Costa Rialto, Ltd., to be formed, or other entity	The General Partner will be NRP Costa Rialto, LLC, to be formed, or other entity, a principal of which will be Costa Rialto E-Group LLC, to be formed, or other entity	\$14,000,000

Costs: (i) acquisition of real property located at approximately 5011 Aldine Bender Road, Houston, Harris County, Texas; and (ii) the construction thereon of an approximately 216-unit multifamily residential rental housing project, in the amount not to exceed \$14,000,000.

Project Name	Owner	Principals	Amount Not to Exceed
Cove Village Apartments	RHAC-Cove, LP, to be formed, or other entity	Rainbow – Texas, Inc. d/b/a RHAC – Texas, Inc., or other entity, the principal of which will be Texas Council of Foundation for Social Resources, Inc., or other entity	\$1,300,000

Costs: (i) acquisition of real property located at 1102 Golf Course Road, Copperas Cove, Coryell County, Texas; and (ii) the rehabilitation thereon of an approximately 50-unit multifamily residential rental housing project, in the amount not to exceed \$1,300,000 in senior and subordinate debt.

Project Name	Owner	Principals	Amount Not to Exceed
El Nido Apartments	RHAC- El Nido, LP, to be formed, or other entity	Rainbow – Texas, Inc. d/b/a RHAC – Texas, Inc., or other entity, the principal of which will be Texas Council of Foundation for Social Resources, Inc., or other entity	\$6,000,000

Costs: (i) acquisition of real property located at 204 Alicia Drive, El Paso, El Paso County, Texas; and (ii) the rehabilitation thereon of an approximately 104-unit multifamily residential rental housing project, in the amount not to exceed \$6,000,000 in senior and subordinate debt.

Project Name	Owner	Principals	Amount Not to Exceed
Garden Apartments	RHAC-Garden, LP, to be formed, or other entity	Rainbow – Texas, Inc. d/b/a RHAC – Texas, Inc., or other entity, the principal of which will be Texas Council of Foundation for Social Resources, Inc., or other entity	\$1,365,000

Costs: (i) acquisition of real property located at 1340 65th Drive, Lubbock, Lubbock County, Texas; and (ii) the rehabilitation thereon of an approximately 62-unit multifamily residential rental housing project, in the amount not to exceed \$1,365,000 in senior and subordinate debt.

Project Name	Owner	Principals	Amount Not to Exceed
High Plains Apartments	RHAC-High Plains, LP, to be formed, or other entity	Rainbow – Texas, Inc. d/b/a RHAC – Texas, Inc., or other entity, the principal of which will be Texas Council of Foundation for Social Resources,	\$2,300,000
		Texas Council of Foundation for	

Costs: (i) acquisition of real property located at 1607 Lola, Lubbock, Lubbock County, Texas; and (ii) the rehabilitation thereon of an approximately 50-unit multifamily residential rental housing project, in the amount not to exceed \$2,300,000 in senior and subordinate debt.

Project Name	Owner	Principals	Amount Not to Exceed
Jose Antonio Escajeda Apartments	RHAC-JAE, LP, to be formed, or other entity	Rainbow – Texas, Inc. d/b/a RHAC – Texas, Inc., or other entity, the principal of which will be Texas Council of Foundation for Social Resources, Inc., or other entity	\$5,400,000

Costs: (i) acquisition of real property located at 204 Alicia Drive, El Paso, El Paso County, Texas; and (ii) the rehabilitation thereon of an approximately 94-unit multifamily residential rental housing project, in the amount not to exceed \$5,400,000 in senior and subordinate debt.

Project Name	Owner	Principals	Amount Not to Exceed
Los Ebanos Apartments	RHAC-Los Ebanos, LP, to be formed, or other entity	Rainbow – Texas, Inc. d/b/a RHAC – Texas, Inc., or other entity, the principal of which will be Texas Council of Foundation for Social Resources, Inc., or other entity	\$2,200,000

Costs: (i) acquisition of real property located at 2133 Barnard Road, Brownsville, Cameron County, Texas; and (ii) the rehabilitation thereon of an approximately 65-unit multifamily residential rental housing project, in the amount not to exceed \$2,200,000 in senior and subordinate debt.

Project Name	Owner	Principals	Amount Not to Exceed
Peppertree Acres Apartments	RHAC-Peppertree, LP, to be formed, or other entity	Rainbow – Texas, Inc. d/b/a RHAC – Texas, Inc., or other entity, the principal of which will be Texas Council of Foundation for Social Resources, Inc., or other entity	\$4,145,000

Costs: (i) acquisition of real property located at 6555 Sheridan Circle, Fort Worth, Tarrant County, Texas; and (ii) the rehabilitation thereon of an approximately 148-unit multifamily residential rental housing project, in the amount not to exceed \$4,145,000 in senior and subordinate debt.

Project Name	Owner	Principals	Amount Not to Exceed
River Park Village East Apartments	RHAC-River Park, LP, to be formed, or other entity	Rainbow – Texas, Inc. d/b/a RHAC – Texas, Inc., or other entity, the principal of which will be Texas Council of Foundation for Social Resources, Inc., or other entity	\$850,000

Costs: (i) acquisition of real property located at 1309 Central Texas Expressway, Lampasas, Lampasas County, Texas; and (ii) the rehabilitation thereon of an approximately 50-unit multifamily residential rental housing project, in the amount not to exceed \$850,000 in senior and subordinate debt.

Project Name	Owner	Principals	Amount Not to Exceed
Sierra Vista Apartments	RHAC-Sierra, LP, to be formed, or other entity	Rainbow – Texas, Inc. d/b/a RHAC – Texas, Inc., or other entity, the principal of which will be Texas Council of Foundation for Social Resources, Inc., or other entity	\$4,250,000

Costs: (i) acquisition of real property located at 10501 Montwood, El Paso, El Paso County, Texas; and (ii) the rehabilitation thereon of an approximately 106-unit multifamily residential rental housing project, in the amount not to exceed \$4,250,000 in senior and subordinate debt.

Project Name	Owner	Principals	Amount Not to Exceed
Spring Terrace Apartments	RHAC-Spring, LP, to be formed, or other entity	Rainbow – Texas, Inc. d/b/a RHAC – Texas, Inc., or other entity, the principal of which will be Texas Council of Foundation for Social Resources, Inc., or other entity	\$1,900,000

Costs: (i) acquisition of real property located at 2600 S. Spring Street, Amarillo, Randall County, Texas; and (ii) the rehabilitation thereon of an approximately 50-unit multifamily residential rental housing project, in the amount not to exceed \$1,900,000 in senior and subordinate debt.

Project Name	Owner	Principals	Amount Not to Exceed
Windshire Apartments	Windshire Apartments, L.P., to be formed, or other entity	The General Partner will be Windshire Development, L.L.C., to be formed, or other entity, the principal of which will be Resolution Real Estate Services, LLC	\$15,000,000

Costs: (i) acquisition of real property located at approximately the 4500 block of S. Shaver, Houston, Harris County, Texas; and (ii) the construction thereon of an approximately 252-unit multifamily residential rental housing project, in the amount not to exceed \$15,000,000.

Project Name	Owner	Principals	Amount Not to Exceed
Win-Lin Village Apartments	RHAC-Win-Lin, LP, to be formed, or other entity	Rainbow – Texas, Inc. d/b/a RHAC – Texas, Inc., or other entity, the principal of which will be Texas Council of Foundation for Social Resources, Inc., or other entity	\$1,190,000

Costs: (i) acquisition of real property located at 5700 Wabash Street, Amarillo, Randall County, Texas; and (ii) the rehabilitation thereon of an approximately 50-unit multifamily residential rental housing project, in the amount not to exceed \$1,190,000 in senior and subordinate debt.

# Texas Department of Housing and Community Affairs

2007 Multifamily Private Activity Bond Program - Waiting List

Chaparral Aparm   1411 South Gram   1411 South	artments irant Avenue  ehabilitation urse Road is Cove ehabilitation ments ive elabilitation ments ve	80 g General	\$ 5,040,000 Score - 73	5,040,000 RHAC-Chaparral, LP Chris Porter	Recommend
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7 2 2	urse Road urse Road vel lehabilitation iments ive elabilitation ments		\$ 1,300,000		Recommend
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7 2 2	vell iments ive aso ehabilitation ments ive ments aso ehabilitation ments	General	Score - 77	556 Commercial Street, Suite 200	
8 2	ehabilitation tments ive aso ehabilitation ments			San Francisco, CA 94111	
y 2	ive aso ehabilitation ments				
x 2	ive haso elabilitation ments	104	\$ 5,980,000		Recommend
x 2	nso elabilitation ments			Chris Porter	
	El Paso nn/Rehabilitation partments Drive	General	Score - 75.5	556 Commercial Street, Suite 200	
	on Rehabilitation partments Drive			San Francisco, CA 94111	
	partments				
1340 65th	Drive	62	\$ 1,365,000		Recommend
				Chris Porter	
Priority 2 City: Lubbock		General	Score - 73.5	556 Commercial Street, Suite 200	
County: Lubbock	Lubbock			San Francisco, CA 94111	
	Acquisition/Rehabilitation			415-788-3003	
07616 High Plain	High Plains Apartments	50	\$ 2,270,000	RHAC-High Plains, LP	Recommend
	Avenue			Chris Porter	
Priority 2 City: Lubbock		General	Score - 77	556 Commercial Street, Suite 200	
County: Lubbock				San Francisco, CA 94111	
Acquisition	Acquisition/Rehabilitation			415-788-3003	
07610 Jose Antor	Jose Antonio Escajeda Apartments	94	\$ 5,370,000	5,370,000 RHAC-JAE, LP	Recommend
204 Alicia Drive	a Drive			Chris Porter	
Priority 2 City: El Paso		General	Score - 72.5	556 Commercial Street, Suite 200	
County: El Paso	El Paso			San Francisco, CA 94111	
,	Acquisition/Rehabilitation			415-788-3003	
07617 Los Ebano	Los Ebanos Apartments	§ 59	\$ 2,170,000	2,170,000 RHAC-Los Ebanos, LP	Recommend
	2133 Barnard Drive			Chris Porter	
Priority 2 City: Brownsville		General	Score - 70	556 Commercial Street, Suite 200	
County: Cameron	Cameron			San Francisco, CA 94111	
,	Acquisition/Rehabilitation			415-788-3003	
07612 Peppertree Acres	e Acres	148	\$ 4,140,000		Recommend
	ırcle	,		Chris Porter	
Priority 2 City: Fort Worth		General	Score - 63	556 Commercial Street, Suite 200	
County: Tarrant	Farrant			San Francisco, CA 94111	
	Acquisition/Rehabilitation			415-788-3003	
07613 River Park	River Park Village East	50	\$ 850,000	850,000 RHAC-River Park, LP	Recommend
	xas Expressway			Chris Porter	
Priority 2 City: Lampasas		General	Score - 71.5	556 Commercial Street, Suite 200	
County: L	County: Lampasas			San Francisco, CA 94111	
Acquisition	Acquisition/Rehabilitation			415-788-3003	

Application #	Development Information	Units	Bond Amount	Developer Information	Comments
07607	Sierra Vista Apartments	106	\$ 4,250,000	4,250,000 RHAC-Sierra, LP	Recommend
	10501 Montwood Drive			Chris Porter	
Priority 2	City: El Paso	General	Score - 70.5	556 Commercial Street, Suite 200	
	County: El Paso			San Francisco, CA 94111	
	Acquisition/Rehabilitation			415-788-3003	
07614	Spring Terrace	20	\$ 1,890,000	1,890,000 RHAC-Spring, LP	Recommend
	2600 South Spring Street			Chris Porter	
Priority 2	City: Amarillo	General	Score - 76	556 Commercial Street, Suite 200	
	County: Potter			San Francisco, CA 94111	
	Acquisition/Rehabilitation			415-788-3003	
60920	Win-Lin Village	50	\$ 1,180,000	1,180,000 RHAC-Win-Lin, LP	Recommend
	5700 Wabash Street			Chris Porter	
Priority 2	City: Amarillo	General	Score - 72.5	556 Commercial Street, Suite 200	
	County: Randall			San Francisco, CA 94111	
	Acquisition/Rehabilitation			415-788-3003	
07619	Costa Rialto	216	\$ 13,000,000	13,000,000 Costa Rialto, Ltd.	Recommend
	5011 Aldine Bender Road			Debra Guerrero	
Priority 2	City: Houston	General	Score - 73	111 Soledad, Suite 1220	
	County: Harris			San Antonio, TX 78205	
	New Construction			210-487-7878	
07620	Windshire Apartments	252	\$ 15,000,000	15,000,000 Windshire Apartments, LP	Recommend
	4500 block of South Shaver Road			J. Steve Ford	
Priority 2	City: Houston	General	Score - 68	1800 Bering Drive	
	County: Harris			Houston, TX 77057	
	New Construction			713-334-5514	
Totals for Reco	Totals for Recommended Applications	1,377	\$ 63,805,000		

# EXHIBIT "A" Description of each Owner and its Development

Project Name	Owner	Principals	Amount Not to Exceed
Chaparral Village Apartments	RHAC-Chaparral, LP, to be formed, or other entity	Rainbow – Texas, Inc. d/b/a RHAC – Texas, Inc., or other entity, the principal of which will be Texas Council of Foundation for Social Resources, Inc., or other entity	\$5,140,000

Costs: (i) acquisition of real property located at 1411 S. Grant Avenue, Odessa, Ector County, Texas; and (ii) the rehabilitation thereon of an approximately 80-unit multifamily residential rental housing project, in the amount not to exceed \$5,140,000 in senior and subordinate debt.

Project Name	Owner	Principals	Amount Not to Exceed
Costa Rialto	Costa Rialto, Ltd., to be formed, or other entity	The General Partner will be NRP Costa Rialto, LLC, to be formed, or other entity, a principal of which will be Costa Rialto E-Group LLC, to be formed, or other entity	\$14,000,000

Costs: (i) acquisition of real property located at approximately 5011 Aldine Bender Road, Houston, Harris County, Texas; and (ii) the construction thereon of an approximately 216-unit multifamily residential rental housing project, in the amount not to exceed \$14,000,000.

Project Name	Owner	Principals	Amount Not to Exceed
Cove Village Apartments	RHAC-Cove, LP, to be formed, or other entity	Rainbow – Texas, Inc. d/b/a RHAC – Texas, Inc., or other entity, the principal of which will be Texas Council of Foundation for Social Resources, Inc., or other entity	\$1,300,000

Costs: (i) acquisition of real property located at 1102 Golf Course Road, Copperas Cove, Coryell County, Texas; and (ii) the rehabilitation thereon of an approximately 50-unit multifamily residential rental housing project, in the amount not to exceed \$1,300,000 in senior and subordinate debt.

Project Name	Owner	Principals	Amount Not to Exceed
El Nido Apartments	RHAC- El Nido, LP, to be formed, or other entity	Rainbow – Texas, Inc. d/b/a RHAC – Texas, Inc., or other entity, the principal of which will be Texas Council of Foundation for Social Resources, Inc., or other entity	\$6,000,000

Costs: (i) acquisition of real property located at 204 Alicia Drive, El Paso, El Paso County, Texas; and (ii) the rehabilitation thereon of an approximately 104-unit multifamily residential rental housing project, in the amount not to exceed \$6,000,000 in senior and subordinate debt.

Project Name	Owner	Principals	Amount Not to Exceed
Garden Apartments	RHAC-Garden, LP, to be formed, or other entity	Rainbow – Texas, Inc. d/b/a RHAC – Texas, Inc., or other entity, the principal of which will be Texas Council of Foundation for Social Resources, Inc., or other entity	\$1,365,000

Costs: (i) acquisition of real property located at 1340 65th Drive, Lubbock, Lubbock County, Texas; and (ii) the rehabilitation thereon of an approximately 62-unit multifamily residential rental housing project, in the amount not to exceed \$1,365,000 in senior and subordinate debt.

Project Name	Owner	Principals	Amount Not to Exceed
High Plains Apartments	RHAC-High Plains, LP, to be formed, or other entity	Rainbow – Texas, Inc. d/b/a RHAC – Texas, Inc., or other entity, the principal of which will be Texas Council of Foundation for Social Resources, Inc., or other entity	\$2,300,000

Costs: (i) acquisition of real property located at 1607 Lola, Lubbock, Lubbock County, Texas; and (ii) the rehabilitation thereon of an approximately 50-unit multifamily residential rental housing project, in the amount not to exceed \$2,300,000 in senior and subordinate debt.

Project Name	Owner	Principals	Amount Not to Exceed
Jose Antonio Escajeda Apartments	RHAC-JAE, LP, to be formed, or other entity	Rainbow – Texas, Inc. d/b/a RHAC – Texas, Inc., or other entity, the principal of which will be Texas Council of Foundation for Social Resources, Inc., or other entity	\$5,400,000

Costs: (i) acquisition of real property located at 204 Alicia Drive, El Paso, El Paso County, Texas; and (ii) the rehabilitation thereon of an approximately 94-unit multifamily residential rental housing project, in the amount not to exceed \$5,400,000 in senior and subordinate debt.

Project Name	Owner	Principals	Amount Not to Exceed
Los Ebanos Apartments	RHAC-Los Ebanos, LP, to be formed, or other entity	Rainbow – Texas, Inc. d/b/a RHAC – Texas, Inc., or other entity, the principal of which will be Texas Council of Foundation for Social Resources, Inc., or other entity	\$2,200,000

Costs: (i) acquisition of real property located at 2133 Barnard Road, Brownsville, Cameron County, Texas; and (ii) the rehabilitation thereon of an approximately 65-unit multifamily residential rental housing project, in the amount not to exceed \$2,200,000 in senior and subordinate debt.

Project Name	Owner	Principals	Amount Not to Exceed
Peppertree Acres Apartments	RHAC-Peppertree, LP, to be formed, or other entity	Rainbow – Texas, Inc. d/b/a RHAC – Texas, Inc., or other entity, the principal of which will be Texas Council of Foundation for Social Resources, Inc., or other entity	\$4,145,000

Costs: (i) acquisition of real property located at 6555 Sheridan Circle, Fort Worth, Tarrant County, Texas; and (ii) the rehabilitation thereon of an approximately 148-unit multifamily residential rental housing project, in the amount not to exceed \$4,145,000 in senior and subordinate debt.

Project Name	Owner	Principals	Amount Not to Exceed
River Park Village East Apartments	RHAC-River Park, LP, to be formed, or other entity	Rainbow – Texas, Inc. d/b/a RHAC – Texas, Inc., or other entity, the principal of which will be Texas Council of Foundation for Social Resources, Inc., or other entity	\$850,000

Costs: (i) acquisition of real property located at 1309 Central Texas Expressway, Lampasas, Lampasas County, Texas; and (ii) the rehabilitation thereon of an approximately 50-unit multifamily residential rental housing project, in the amount not to exceed \$850,000 in senior and subordinate debt.

Project Name	Owner	Principals	Amount Not to Exceed
Sierra Vista Apartments	RHAC-Sierra, LP, to be formed, or other entity	Rainbow – Texas, Inc. d/b/a RHAC – Texas, Inc., or other entity, the principal of which will be Texas Council of Foundation for Social Resources, Inc., or other entity	\$4,250,000

Costs: (i) acquisition of real property located at 10501 Montwood, El Paso, El Paso County, Texas; and (ii) the rehabilitation thereon of an approximately 106-unit multifamily residential rental housing project, in the amount not to exceed \$4,250,000 in senior and subordinate debt.

Project Name	Owner	Principals	Amount Not to Exceed
Spring Terrace Apartments	RHAC-Spring, LP, to be formed, or other entity	Rainbow – Texas, Inc. d/b/a RHAC – Texas, Inc., or other entity, the principal of which will be Texas Council of Foundation for Social Resources, Inc., or other entity	\$1,900,000

Costs: (i) acquisition of real property located at 2600 S. Spring Street, Amarillo, Randall County, Texas; and (ii) the rehabilitation thereon of an approximately 50-unit multifamily residential rental housing project, in the amount not to exceed \$1,900,000 in senior and subordinate debt.

Project Name	Owner	Principals	Amount Not to Exceed
Windshire Apartments	Windshire Apartments, L.P., to be formed, or other entity	The General Partner will be Windshire Development, L.L.C., to be formed, or other entity, the principal of which will be Resolution Real Estate Services, LLC	\$15,000,000

Costs: (i) acquisition of real property located at approximately the 4500 block of S. Shaver, Houston, Harris County, Texas; and (ii) the construction thereon of an approximately 252-unit multifamily residential rental housing project, in the amount not to exceed \$15,000,000.

Project Name	Owner	Principals	Amount Not to Exceed
Win-Lin Village Apartments	RHAC-Win-Lin, LP, to be formed, or other entity	Rainbow – Texas, Inc. d/b/a RHAC – Texas, Inc., or other entity, the principal of which will be Texas Council of Foundation for Social Resources, Inc., or other entity	\$1,190,000

Costs: (i) acquisition of real property located at 5700 Wabash Street, Amarillo, Randall County, Texas; and (ii) the rehabilitation thereon of an approximately 50-unit multifamily residential rental housing project, in the amount not to exceed \$1,190,000 in senior and subordinate debt.

# TEXAS DEPARTMENT OF HOUSING & COMMUNITY AFFAIRS MULTIFAMILY FINANCE DIVISION PREQUALIFICATION ANALYSIS

# Rainbow Housing Assistance Corporation Portfolio, TDHCA # 07607-07618, Priority 2 $\,$

Unit Mix and Rent Schedule					
Unit Type	Beds/Bath	# Units	Rents	Unit Size S.F.	Rent/S.F.
60% AMI	1BD/1BA	48		6,048	0.00
60% AMI	2BD/1BA	619		10,373	0.00
60% AMI	2BD/2BA	22		948	0.00
60% AMI	3BD/1BA	28		3,138	0.00
60% AMI	3BD/1.5BA	61		3,032	0.00
60% AMI	3BD/2BA	103		4,979	0.00
60% AMI	4BD/2BA	28		4,757	0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
Totals		909	7,044,820	7,650,896	\$ 0.08
Averages			\$ 646	8,417	

Us	Uses of Funds/Project Costs					
	Costs	I	Per Unit		Per S.F.	Percent
Acquisition	\$ 30,677,113	\$	33,748	\$	4.01	0.49
Off-sites	0		0		0.00	0.00
Subtotal Site Costs	\$ 30,677,113	\$	33,748	\$	4.01	0.49
Sitework	0		0		0.00	0.00
Hard Construction Costs	15,543,900		17,100		2.03	0.25
General Requirements (6%)	932,634		1,026		0.12	0.01
Contractor's Overhead (2%)	310,878		342		0.04	0.00
Contractor's Profit (6%)	932,634		1,026		0.12	0.01
Construction Contingency			0		0.00	0.00
Subtotal Construction	\$ 17,720,046	\$	19,494	\$	2.32	0.28
Indirect Construction	1,531,539		1,685		0.20	0.02
Developer's Fee	6,724,319		7,397		0.88	0.11
Financing	4,675,522		5,144		0.61	0.07
Reserves	1,812,209		1,994		0.24	0.03
Subtotal Other Costs	\$ 14,743,589	\$	16,220	\$	2	\$ 0
Total Uses	\$ 63,140,748	\$	69,462	\$	8.25	1.00

Applicant - Sources of Funds						
Source I	Net	Sale Price	Applicable			
Tax Credits	<b>Proceeds</b> \$17,329,000	\$0.80	Percentage 3.55%			
Source II	Proceeds	Rate	Amort	Annual D/S		
Bond Proceeds	\$35,805,000	6.00%	30	\$2,576,029		
Source III	Proceeds	% Deferred	Remaining			
Deferred Developer Fee	6,724,319	100.0%	\$0			
Source IV	Proceeds	Description		Annual D/S		
Other	\$ 5,857,068	Rainbow/HUD M2M		\$ -		
<b>Total Sources</b>	\$65,715,387			\$2,576,029		

TDHCA - Sources of Funds					
	Net	Sale	Applicable		
Source I	Proceeds	Price	Percentage		
Tax Credits	\$ 17,329,000	\$0.80	3.55%		
Source II	Proceeds	Rate	Amort	Annual D/S	
Bond Proceeds	\$ 36,000,000	6.00%	30	\$ 2,590,058	
Source III	Proceeds	% Deferred	Remaining		
Deferred Developer Fee	\$ 3,954,680	58.8%	\$ 2,769,639		
Source IV	Proceeds	Descr	ription	Annual D/S	
Other	\$ 5,857,068	Rainbow/HUD M2M		\$ -	
<b>Total Sources</b>	\$ 63,140,748			\$ 2,590,058	

Applicant -	Operatin	g Proforma/Deb	t Coverage	e
			Per S.F.	Per Unit
Potential Gross Income		\$7,044,820	\$0.92	
Other Income & Loss		163,620	0.02	180
Vacancy & Collection	-6.45%	(464,940)	-0.06	-511
Effective Gross Income		\$6,743,500	0.88	7,419
Total Operating Expenses		\$3,443,728	\$0.45	\$3,788
Net Operating Income		\$3,299,772	\$0.43	\$3,630
Debt Service		2,576,029	0.34	2,834
Net Cash Flow		\$723,743	\$0.09	\$796
Debt Coverage Ratio		1.28		
TDHCA/TSAHC Fees		\$0	\$0.00	\$0
Net Cash Flow		\$723,743	\$0.09	\$796
DCR after TDHCA Fees		1.28		
Break-even Rents/S.F.		0.07		
Break-even Occupancy		85.45%		

TDHCA -	TDHCA - Operating Proforma/Debt Coverage							
			Per S.F.	Per Unit				
Potential Gross Income		\$7,044,820	\$0.92					
Other Income & Loss		163,620	0.02	180				
Vacancy & Collection	7.50%	(540,633)	-0.07	-595				
Effective Gross Income		6,667,807	0.87	7,335				
Total Operating Expenses	54.5%	\$3,636,000	\$0.48	\$4,000				
Net Operating Income		\$3,031,807	\$0.40	\$3,335				
Debt Service		2,590,058	0.34	2,849				
Net Cash Flow		\$441,749	\$0.06	\$486				
Debt Coverage Ratio		1.17						
TDHCA/TSAHC Fees			\$0.00	\$0				
Net Cash Flow		\$441,749	\$0.06	\$486				
DCR after TDHCA Fees		1.17						
Break-even Rents/S.F.		0.07						
Break-even Occupancy		88.38%						

Applicant - Annual Operating Expenses						
		Per S.F.	Per Unit			
General & Administrative Expenses	\$197,573	0.03	217			
Management Fees	197,963	0.03	218			
Payroll, Payroll Tax & Employee Exp.	1,004,588	0.13	1105			
Maintenance/Repairs	523,549	0.07	576			
Utilities	666,144	0.09	733			
Property Insurance	151,675	0.02	167			
Property Taxes	460,236	0.06	506			
Replacement Reserves	242,000	0.03	266			
Other Expenses	-	0.00	0			
Total Expenses	\$3,443,728	\$0.45	\$3,788			

Staff Notes/Comments					

# TEXAS DEPARTMENT OF HOUSING & COMMUNITY AFFAIRS MULTIFAMILY FINANCE DIVISION PREQUALIFICATION ANALYSIS

# Costa Rialto, Houston (TDHCA #07619) Priority 2

	Unit Mix and Rent Schedule						
Unit Type	Beds/Bath	# Units		Rents	Unit Size S.F.	Rent/S.F.	
60% AMI	1BD/1BA	12	\$	686	789	0.87	
60% AMI	2BD/2BA	12	\$	823	1,044	0.79	
60% AMI	2BD/2BA	96	\$	823	1,010	0.81	
60% AMI	3BD/2BA	84	\$	951	1,255	0.76	
60% AMI	4BD/2BA	12	\$	1,062	1,561	0.68	
						0.00	
						0.00	
						0.00	
						0.00	
						0.00	
						0.00	
						0.00	
						0.00	
						0.00	
Totals		216	\$	2,276,928	243,108	\$ 0.78	
Averages			\$	878	1,126		

U	Uses of Funds/Project Costs							
		Costs	I	Per Unit		Per S.F.		Percent
Acquisition	\$	1,422,140	\$	6,584	\$	5.85		0.05
Off-sites		0		0		0.00		0.00
Subtotal Site Costs	\$	1,422,140	\$	6,584	\$	5.85		0.05
Sitework		1,300,000		6,019		5.35		0.05
Hard Construction Costs		16,018,560		74,160		65.89		0.58
General Requirements (6%)		1,039,114		4,811		4.27		0.04
Contractor's Overhead (2%)		346,371		1,604		1.42		0.01
Contractor's Profit (6%)		1,039,114		4,811		4.27		0.04
Construction Contingency		466,560		2,160		1.92		0.02
<b>Subtotal Construction</b>	\$	20,209,718	\$	93,564	\$	83.13		0.73
Indirect Construction		1,022,500		4,734		4.21		0.04
Developer's Fee		2,719,000		12,588		11.18		0.10
Financing		2,110,815		9,772		8.68		0.08
Reserves		231,000		1,069		0.95		0.01
Subtotal Other Costs	\$	6,083,315	\$	28,163	\$	25	\$	0
Total Uses	\$	27,715,173	\$	128,311	\$	114.00		1.00

Applicant - Sources of Funds						
Source I	Net Proceeds	Sale Price	Applicable Percentage			
Tax Credits	\$ 8,908,727	\$0.80	3.55%			
Source II	Proceeds	Rate	Amort	Annual D/S		
Bond Proceeds	\$14,000,000	6.00%	40	\$ 924,359		
Source III	Proceeds	% Deferred	Remaining			
Deferred Developer Fee	\$ 1,785,182	65.7%	\$933,818			
Source IV	Proceeds	Description		Annual D/S		
Other				\$ -		
<b>Total Sources</b>	\$24,693,909			\$ 924,359		

TDHCA - Sources of Funds						
Source I	Net Proceeds	Sale Price	Applicable Percentage			
Tax Credits	\$ 8,908,727	\$0.80	3.55%			
Source II	Proceeds	Rate	Amort	Annual D/S		
Bond Proceeds	\$ 14,000,000	6.00%	30	\$ 1,007,245		
Source III	Proceeds	% Deferred	Remaining			
Deferred Developer Fee	\$ 4,806,446	176.8%	\$ (2,087,446)			
Source IV	Proceeds	Descr	ription	Annual D/S		
Other	\$ -			\$ -		
<b>Total Sources</b>	\$ 27,715,173			\$ 1,007,245		

Applicant - (	Applicant - Operating Proforma/Debt Coverage							
			Per S.F.	Per Unit				
Potential Gross Income		\$2,276,928	\$9.37					
Other Income & Loss		1,620	0.01	8				
Vacancy & Collection	-6.69%	(152,484)	-0.63	-706				
Effective Gross Income		\$2,126,064	8.75	9,843				
Total Operating Expenses		\$926,640	\$3.81	\$4,290				
Net Operating Income		\$1,199,424	\$4.93	\$5,553				
Debt Service		924,359	3.80	4,279				
Net Cash Flow		\$275,065	\$1.13	\$1,273				
Debt Coverage Ratio		1.30						
TDHCA/TSAHC Fees		\$0	\$0.00	\$0				
Net Cash Flow		\$275,065	\$1.13	\$1,273				
DCR after TDHCA Fees		1.30						
Break-even Rents/S.F.		0.63						
Break-even Occupancy		81.29%						

TDHCA -	Operating P	roforma/Debt	Coverage	
			Per S.F.	Per Unit
Potential Gross Income		\$2,276,928	\$9.37	
Other Income & Loss		38,880	0.16	180
Vacancy & Collection	7.50%	(173,686)	-0.71	-804
Effective Gross Income		2,142,122	8.81	9,917
Total Operating Expenses	43.3%	\$926,640	\$3.81	\$4,290
Net Operating Income		\$1,215,482	\$5.00	\$5,627
Debt Service		1,007,245	4.14	4,663
Net Cash Flow		\$208,238	\$0.86	\$964
Debt Coverage Ratio		1.21		
TDHCA/TSAHC Fees			\$0.00	\$0
Net Cash Flow		\$208,238	\$0.86	\$964
DCR after TDHCA Fees		1.21		
Break-even Rents/S.F.		0.66		
Break-even Occupancy		84.93%		

Applicant - Annual Operating Expenses						
		Per S.F.	Per Unit			
General & Administrative Expenses	\$57,240	0.24	265			
Management Fees	90,720	0.37	420			
Payroll, Payroll Tax & Employee Exp.	194,400	0.80	900			
Maintenance/Repairs	118,800	0.49	550			
Utilities	75,600	0.31	350			
Property Insurance	129,600	0.53	600			
Property Taxes	183,600	0.76	850			
Replacement Reserves	43,200	0.18	200			
Other Expenses	33,480	0.14	155			
Total Expenses	\$926,640	\$3.81	\$4,290			

Staff Notes/Comments
Other Expenses Include:
Supportive Services Fee: 25,920
Compliance Fee: 7,560

# TEXAS DEPARTMENT OF HOUSING & COMMUNITY AFFAIRS MULTIFAMILY FINANCE DIVISION PREQUALIFICATION ANALYSIS

# Windshire Apartments, Houston (TDHCA #07620) Priority 3

Unit Mix and Rent Schedule						
Unit Type	Beds/Bath	# Units		Rents	Unit Size S.F.	Rent/S.F.
60% AMI	1BD/1BA	52	\$	686	751	0.91
60% AMI	2BD/2BA	112	\$	823	1,004	0.82
60% AMI	3BD/2BA	88	\$	951	1,240	0.77
						0.00
						0.00
						0.00
						0.00
						0.00
						0.00
						0.00
						0.00
						0.00
						0.00
						0.00
Totals		252	\$	2,538,432	260,620	\$ 0.81
Averages			\$	839	1,034	

U	ses	of Funds/	Pro	ject Cos	ts	•		
		Costs		Per Unit		Per S.F.		Percent
Acquisition	\$	2,100,000	\$	8,333	\$	8.06		0.06
Off-sites		0		0		0.00		0.00
Subtotal Site Costs	\$	2,100,000	\$	8,333	\$	8.06		0.06
Sitework		2,447,500		9,712		9.39		0.07
Hard Construction Costs		18,334,310		72,755		70.35		0.54
General Requirements (6%)		1,246,909		4,948		4.78		0.04
Contractor's Overhead (2%)		415,636		1,649		1.59		0.01
Contractor's Profit (6%)		1,246,909		4,948		4.78		0.04
Construction Contingency		500,000		1,984		1.92		0.01
<b>Subtotal Construction</b>	\$	24,191,263	\$	95,997	\$	92.82		0.72
Indirect Construction		1,098,300		4,358		4.21		0.03
Developer's Fee		3,230,891		12,821		12.40		0.10
Financing		2,874,406		11,406		11.03		0.09
Reserves		200,000		794		0.77		0.01
Subtotal Other Costs	\$	7,403,597	\$	29,379	\$	28	\$	0
Total Uses	\$	33,694,860	\$	133,710	\$	129.29		1.00

Applicant - Sources of Funds					
Source I	Net Proceeds	Sale Price	Applicable		
Tax Credits	\$ 10,251,860	\$0.80	Percentage 3.55%		
Source II	Proceeds	Rate	Amort	Annual D/S	
Bond Proceeds	\$14,250,000	6.00%	30	\$1,025,231	
Source III	Proceeds	% Deferred	Remaining	•	
Deferred Developer Fee	\$ 1,854,165	57.4%	\$1,376,726	•	
Source IV	Proceeds	Description		Annual D/S	
Other				\$ -	
<b>Total Sources</b>	\$ 26,356,025			\$1,025,231	

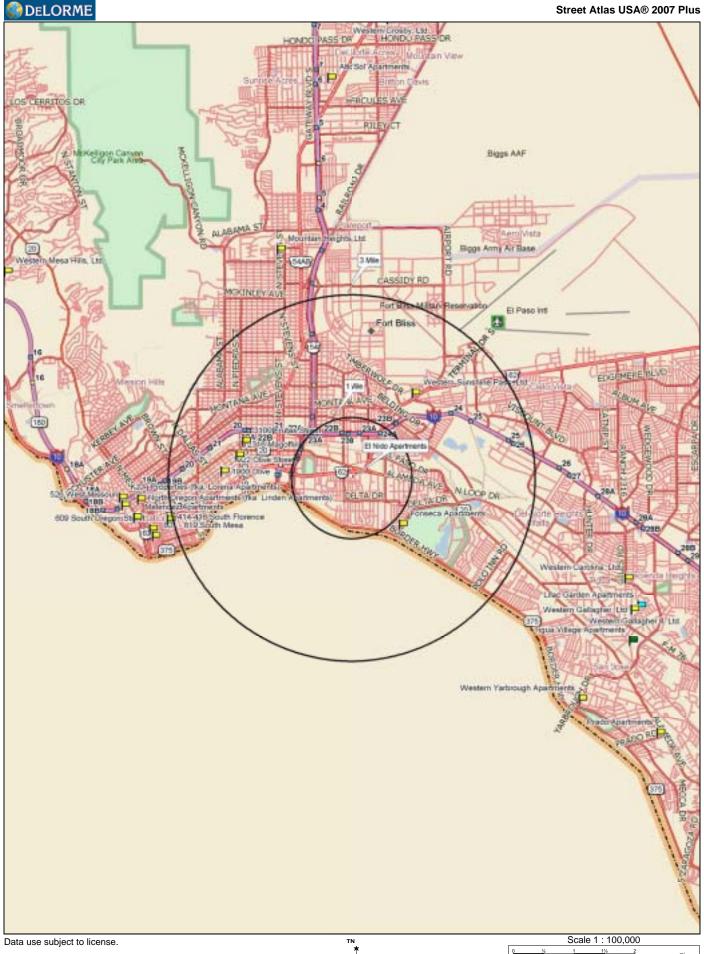
TDHCA - Sources of Funds					
	Net	Sale	Applicable		
Source I	Proceeds	Price	Percentage		
Tax Credits	\$ 10,251,860	\$0.80	3.55%		
Source II	Proceeds	Rate	Amort	Annual D/S	
Bond Proceeds	\$ 14,250,000	6.00%	30	\$ 1,025,231	
Source III	Proceeds	% Deferred	Remaining		
Deferred Developer Fee	\$ 9,193,000	284.5%	\$ (5,962,109)		
Source IV	Proceeds	Description		Annual D/S	
Other	\$ -			\$ -	
Total Sources	\$ 33,694,860			\$ 1,025,231	

Applicant - 0	Operating	g Proforma/De	bt Covera	ge
			Per S.F.	Per Unit
Potential Gross Income		\$2,538,432	\$9.74	
Other Income & Loss		10,332	0.04	41
Vacancy & Collection	-6.84%	(174,444)	-0.67	-692
Effective Gross Income		\$2,374,320	9.11	9,422
Total Operating Expenses		\$1,006,577	\$3.86	\$3,994
Net Operating Income		\$1,367,743	\$5.25	\$5,428
Debt Service		1,025,231	3.93	4,068
Net Cash Flow		\$342,512	\$1.31	\$1,359
Debt Coverage Ratio		1.33		
TDHCA/TSAHC Fees		\$0	\$0.00	\$0
Net Cash Flow		\$342,512	\$1.31	\$1,359
DCR after TDHCA Fees		1.33		
Break-even Rents/S.F.		0.65		
Break-even Occupancy		80.04%		

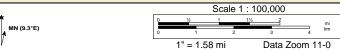
TDHCA - Operating Proforma/Debt Coverage				
			Per S.F.	Per Unit
Potential Gross Income		\$2,538,432	\$9.74	
Other Income & Loss		45,360	0.17	180
Vacancy & Collection	7.50%	(193,784)	-0.74	-769
Effective Gross Income		2,390,008	9.17	9,484
Total Operating Expenses	42.2%	\$1,008,000	\$3.87	\$4,000
Net Operating Income		\$1,382,008	\$5.30	\$5,484
Debt Service		1,025,231	3.93	4,068
Net Cash Flow		\$356,776	\$1.37	\$1,416
Debt Coverage Ratio		1.35		
TDHCA/TSAHC Fees			\$0.00	\$0
Net Cash Flow		\$356,776	\$1.37	\$1,416
DCR after TDHCA Fees		1.35		
Break-even Rents/S.F.		0.65		
Break-even Occupancy		80.10%		

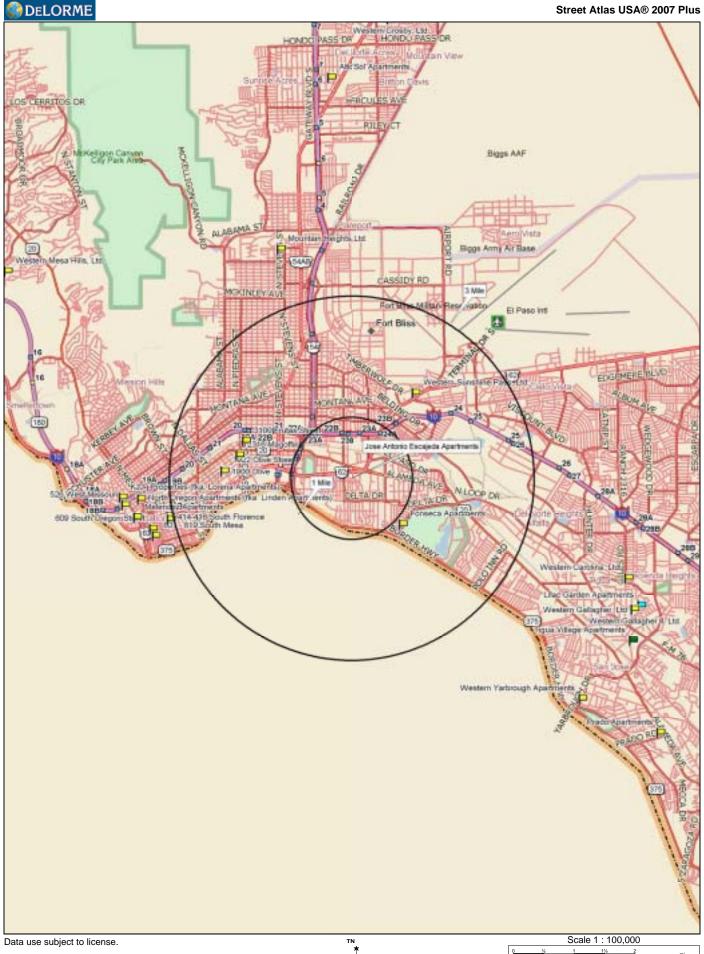
Applicant - Annual Operating Expenses				
		Per S.F.	Per Unit	
General & Administrative Expenses	\$72,000	0.28	286	
Management Fees	93,037	0.36	369	
Payroll, Payroll Tax & Employee Exp.	230,267	0.88	914	
Maintenance/Repairs	145,265	0.56	576	
Utilities	124,800	0.48	495	
Property Insurance	75,600	0.29	300	
Property Taxes	181,440	0.70	720	
Replacement Reserves	50,400	0.19	200	
Other Expenses	33,768	0.13	134	
Total Expenses	\$1,006,577	\$3.86	\$3,994	

Staff Notes/Comments
Other Exoenses:
Supportive Services payment: 21,168
Compliance Fees: 12,600

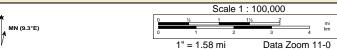


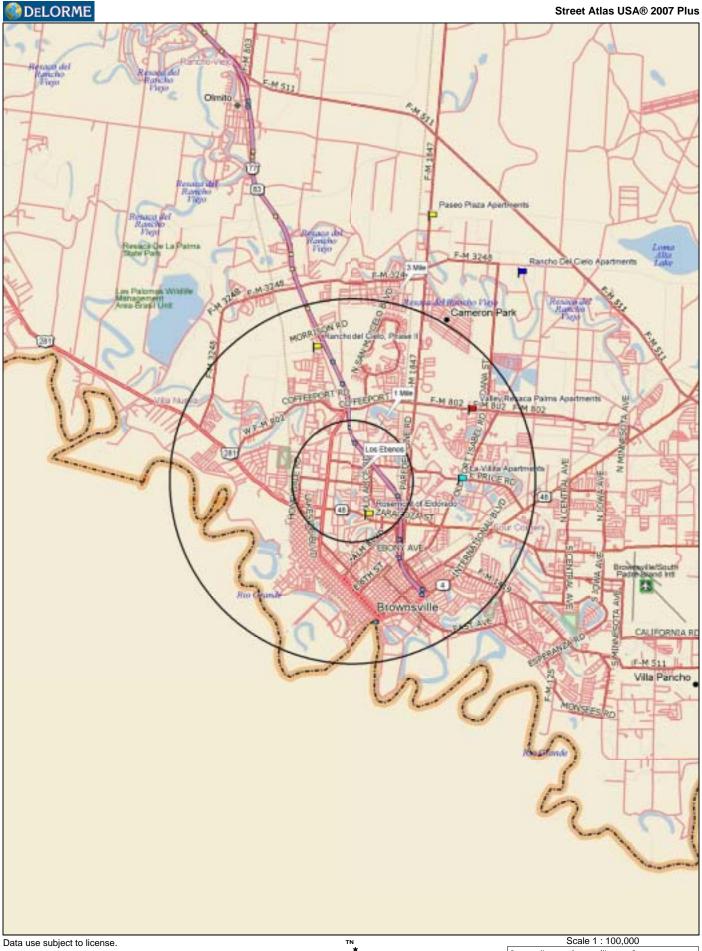
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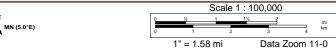


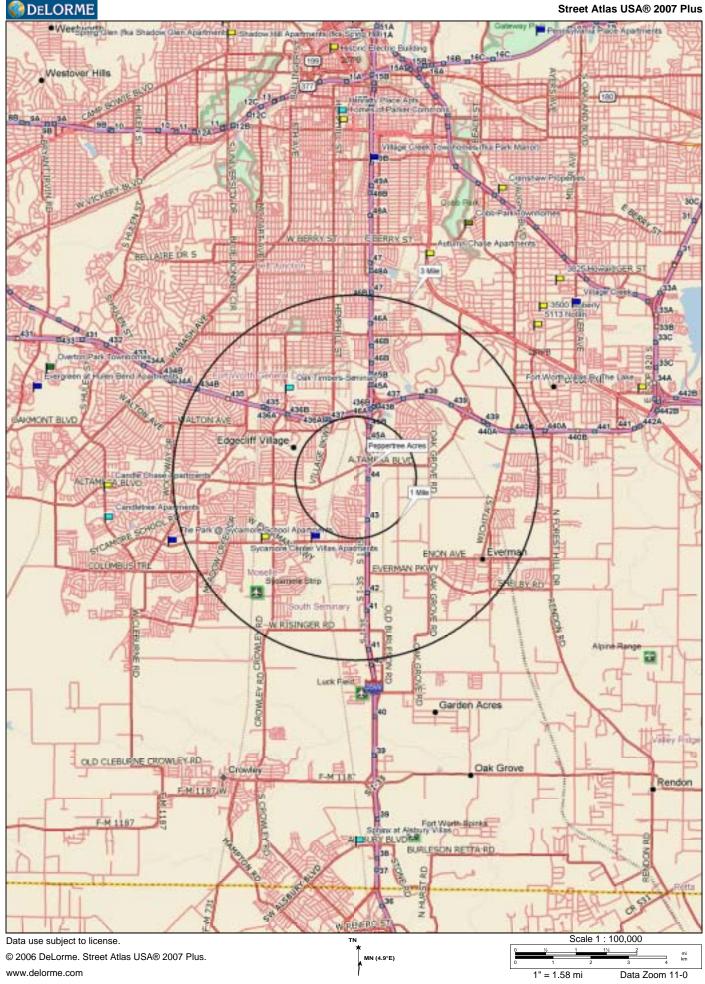


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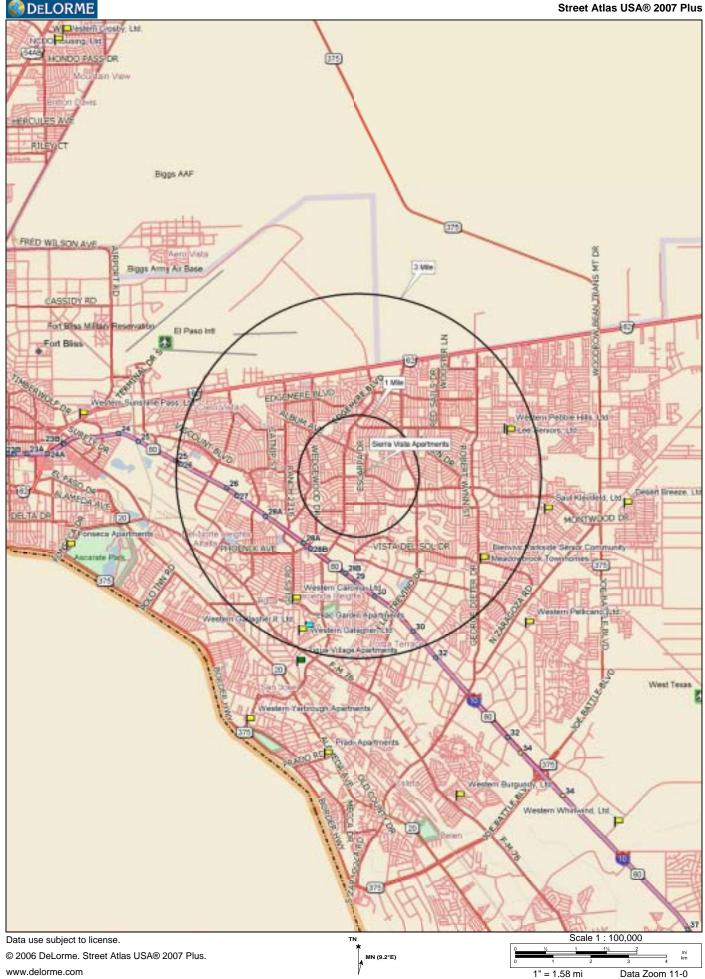
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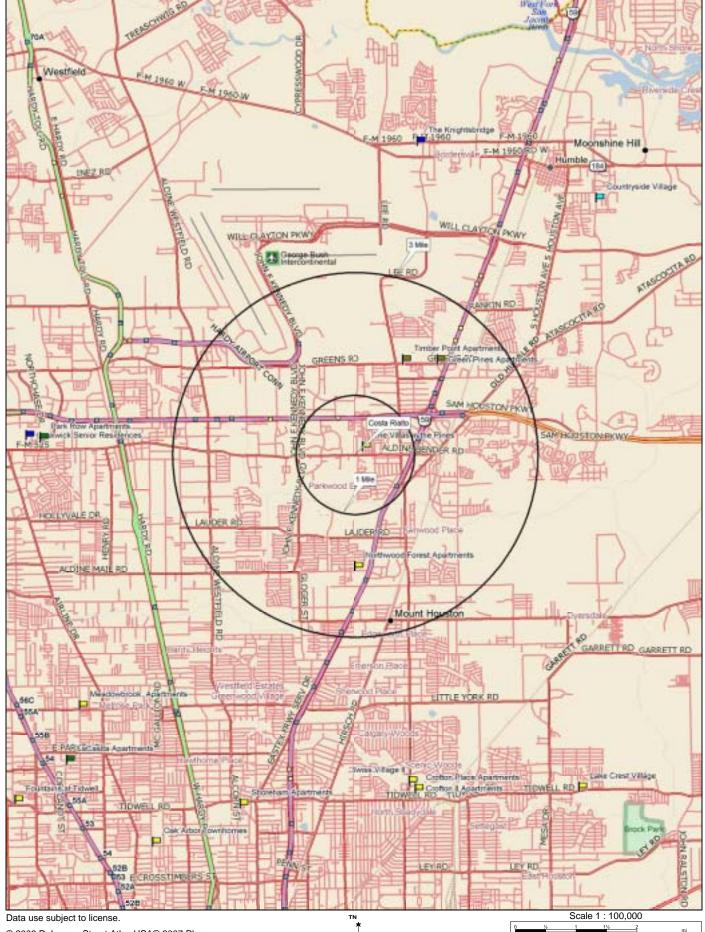
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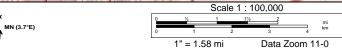
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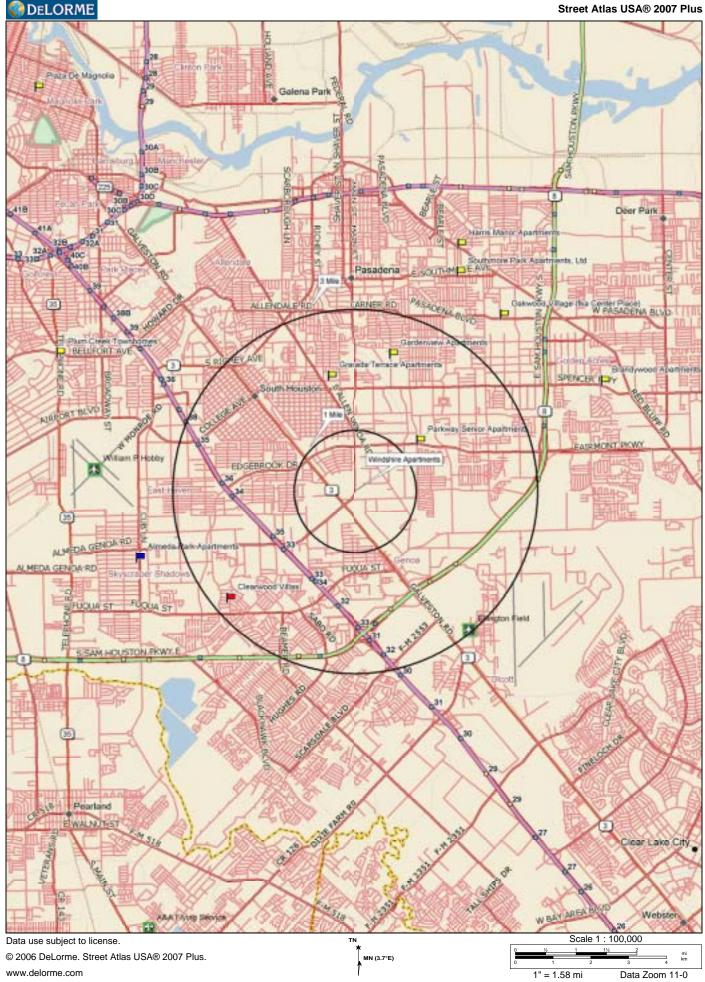
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# SINGLE FAMILY FINANCE PRODUCTION DIVISION

# **BOARD ACTION REQUEST February 1, 2007**

# **Action Item**

Presentation, Discussion and Possible Approval of 2007 Notice of Funding Availability (NOFA) for the HOME Tenant Based Rental Assistance Program Directed to Assist Persons with Disabilities

# **Required Action**

Approval of 2007 NOFA for HOME Tenant Based Rental Assistance Program directed to assist Persons with Disabilities with identified rule waivers.

# **Background**

Staff proposes the release of approximately \$2,000,000 in federal funding from the 2007 HOME Investment Partnerships Program (HOME) for Tenant Based Rental Assistance (TBRA) for Persons with Disabilities. The availability and use of these funds is subject to the State HOME Rules (10 TAC Chapter 53) and the Federal HOME regulations governing the HOME Program (24 CFR Part 92), unless specifically stated herein.

TBRA may be used for rental subsidy and security and utility deposit assistance and is provided in the form of a grant to tenants, in accordance with written tenant selection policies, for a period not to exceed twenty four months. TBRA allows the assisted tenant to move to and live in any dwelling unit with a right to continued assistance during a 24 month period with the condition that assisted families participate in a Self-Sufficiency Program. Eligible households must meet the eligibility standards as defined by the Americans with Disabilities Act and/or the definition of persons with disabilities used by the Promoting Independence Advisory Committee.

Section 2306.111(c), Texas Government Code, requires the Department to allocate no less than 95 percent of the HOME Program Funds to applicants which serve households located in a non-participating jurisdiction (non-PJ). Five percent (5%) of the total HOME 2007 allocation, approximately \$2 million dollars, may be expended in a participating jurisdiction (PJ), only if it provides assistance to persons with disabilities. Under this NOFA, up to \$1 million dollars will be targeted to assist households in a Participating Jurisdiction (PJ), however, this may be adjusted at the discretion of the Department not to exceed the \$2 million cap. Applications will be accepted by the Department until **Monday, April 2, 2007** under a competitive method utilizing the Regional Allocation Formula. If the maximum amount of HOME funds allowed in a PJ are awarded during the competitive cycle, no further HOME funds will be awarded in a PJ. Applicants desiring to serve all or part of their targeted households within the boundaries of a participating jurisdiction must designate the number of households to be served. Eligible applicants are units of local government, nonprofit organizations and public housing authorities.

Applicants may apply in multiple state service regions. Up to six percent (6%) of the project request may be requested for administrative costs. In accordance with the State of Texas Low Income Housing Plan (SLIHP) no match will be required. In accordance with 10 TAC 53.54(1)(c) the contract term for TBRA shall not exceed 30 months, however, individual household assistance is limited to 24 months.

In the process of drafting a NOFA that meets the unique needs of this new use of funds, staff identified several sections of the HOME Rule, 10 TAC 53, that are recommended for waiver. In each case the NOFA clearly outlines the standard to be used by applicants. The rule waivers that are currently integrated into the draft NOFA include:

- ❖ §53.54(1) of the HOME Rule limits the maximum award amount to \$275,000 per activity per NOFA. However, staff recommends waiver of this requirement and instead recommends that the maximum award amount is \$275,000 per activity per region. Because this NOFA is for only one activity and there is a need to maximize applications in all regions, staff does not recommend that an applicant be limited statewide, but only on a regional basis.
- ❖ §53.61(a) of the HOME Rule outlines a minimum point threshold and a listed set of scoring criteria. However, the rule is targeted specifically to the mainstream single family activities of the HOME Program, not to this more specialized use of funds. In an effort to ensure a scoring structure that identified priorities particular to this use of funds, the scoring structure has been recrafted and is outlined in the NOFA.
- ❖ 53.59(b)(4) of the HOME Rule outlines the process for awards for this activity. While this section is generally consistent, paragraph (4) of this section describe the recommendation process where multiple activities are under consideration which is not the case in this NOFA. Therefore, staff recommends that this section be waived.

# Recommendation

Staff recommends approval of the 2007 HOME NOFA for the Tenant Based Rental Assistance Program directed to assist Persons with Disabilities NOFA for publication in the *Texas Register* and to the Department's website and concurrent noted waivers of the HOME Rule.



# Texas Department of Housing and Community Affairs HOME Investment Partnerships Program (HOME) Notice of Funding Availability (NOFA)

PY 2007 Tenant Based Rental Assistance Program Directed to Assist Persons with Disabilities

The Texas Department of Housing and Community Affairs (Department) announces the availability of approximately \$2,000,000 of the 2007 HOME Investment Partnerships Program (HOME) Tenant Based Rental Assistance for Persons with Disabilities. The availability and use of these funds is subject to the State HOME Rules (10 TAC Chapter 53) and the Federal HOME regulations governing the HOME Program (24 CFR Part 92), unless specifically stated herein.

## **ALLOCATION OF PY 2007 FUNDS**

Section 2306.111(d), Texas Government Code, requires the Department to allocate housing funds awarded in the HOME Program to each Uniform State Service Region utilizing the Regional Allocation Formula developed by the Department. The use of the Regional Allocation Formula is statutory and must be adhered to by the Department.

Section 2306.111(c), Texas Government Code, requires the Department to allocate no less than 95 percent of the HOME Program Funds to applicants which serve households located in a non-participating jurisdiction (non-PJ). Five percent (5%) of the total HOME 2007 allocation, up to \$2 million dollars across all HOME eligible activities, may be expended in a participating jurisdiction (PJ), only if it provides assistance to persons with disabilities. Under this NOFA, approximately \$1 million dollars will be targeted to assist households in a Participating Jurisdiction (PJ), however, this may be adjusted at the discretion of the Department not to exceed the \$2 million cap. Applications will be accepted by the Department until **Monday, April 2, 2007** under a competitive method utilizing the Regional Allocation Formula. If the maximum amount of HOME funds allowed in a PJ are awarded during the competitive cycle, no further HOME funds will be awarded in a PJ. Applicants desiring to serve all or part of their targeted households within the boundaries of a participating jurisdiction must designate the number of households to be served in PJs.

# **ELIGIBLE APPLICANTS**

- Units of General Local Government
- Nonprofit Organizations
- Public Housing Authorities (PHAs)

# **ALLOCATION AND RECOMMENDATION PROCESS**

All applications for funds received are reviewed for threshold requirements regarding application documentation and compliance with Department requirements. All Applications are subject to the Regional Allocation Formula and are evaluated competitively.

Pursuant to the Regional Allocation formula, the table below shows the targeted allocation of HOME funds to each Uniform State service Region and the corresponding rural and urban/exurban distribution within each region for each HOME activity. Applicants are strongly encouraged to apply based on their program's needs and capabilities for administration even if that amount exceeds the targeted formula in their region and sub-region (urban/exurban or rural component of a region)

The process to be used for competitive submissions follows:

- The Department identifies the region and sub-region based on the location of where the tenant will reside, not the location of where the tenant originally was living or the location of the Applicant.
- First Applications will be reviewed for threshold eligibility then scored and ranked from highest to lowest scores in their respective region. Funding recommendations to the Board will be made beginning with the highest scoring eligible application in each subregion and will continue to be recommended down the eligible application list by score in that sub-region until all targeted funds for that sub-region have been committed.
- Second if no eligible applications are received in a sub-region, the targeted funds for that sub-region will be merged with the other targeted funds for that region.
- Third if no eligible applications are received in a region, the targeted fund for that region
  will be merged with all other similarly undersubscribed funds from other regions and
  utilized to fund additional eligible applications in regions that have more eligible
  applications than funds available.
- If the high-scoring or only eligible applications for a sub-region or region exceed the
  amount of funds targeted for that sub-region or region, they may still be funded in the
  amount requested to the extent funds are available from regions with unutilized targeted
  funds.
- To the extent that the total amount of funds requested competitively by eligible applications does not exceed the \$2 million available for this NOFA, all eligible applications may be recommended to the Board for award regardless of region or subregion unless they exceed the limit in PJs.

Table 1. Regional, Rural, and Urban/Exurban Funding Amounts

					1		
Region	Place for Geographical Reference	Regional Funding Amount	Regional Funding %	Rural Funding Amount	Rural Funding %	Urban/ Exurban Funding Amount	Urban/ Exurban Funding %
1	Lubbock	\$121,003	6.1%	\$120,981	100.0%	\$21	0.0%
2	Abilene	\$90,332	4.5%	\$88,219	97.7%	\$2,113	2.3%
3	Dallas/Fort Worth	\$355,466	17.8%	\$97,964	27.6%	\$257,502	72.4%
4	Tyler	\$242,969	12.1%	\$214,093	88.1%	\$28,876	11.9%
5	Beaumont	\$120,487	6.0%	\$102,250	84.9%	\$18,237	15.1%
6	Houston	\$137,997	6.9%	\$62,148	45.0%	\$75,849	55.0%
7	Austin/Round Rock	\$82,675	4.1%	\$45,086	54.5%	\$37,590	45.5%
8	Waco	\$67,156	3.4%	\$41,418	61.7%	\$25,737	38.3%
9	San Antonio	\$112,066	5.6%	\$86,994	77.6%	\$25,072	22.4%
10	Corpus Christi	\$146,520	7.3%	\$119,562	81.6%	\$26,958	18.4%
11	Brownsville/Harlingen	\$360,519	18.0%	\$237,297	65.8%	\$123,222	34.2%
12	San Angelo	\$108,020	5.4%	\$40,703	37.7%	\$67,317	62.3%
13	El Paso	\$54,790	2.7%	\$35,202	64.2%	\$19,588	35.8%
	Total	\$2,000,000	100.0%	\$1,291,917	64.6%	\$708,083	35.4%

It should be noted by Applicants that Urban/Exurban areas are not exclusively limited to Participating Jurisdictions. It may be possible to serve households in non-Participating Jurisdictions within an Urban/Exurban area. Households identified in an Application to be committed in non-Participating Jurisdictions within an Urban/Exurban area do not count against the \$1 million cap for this NOFA in PJs.

# **DESCRIPTION OF HOME ACTIVITY**

# **Tenant Based Rental Assistance (TBRA)**

Rental subsidy and security and utility deposit assistance is provided in the form of a grant to tenants, in accordance with written tenant selection policies, for a period not to exceed twenty four months. TBRA allows the assisted tenant to move to and live in any dwelling unit with a right to continued assistance during a 24 month period with the condition that assisted families participate in a Self-Sufficiency Program. Eligible households must meet the eligibility standards as defined by the Americans with Disabilities Act and/or the definition utilized by the Promoting Independence Advisory Committee which provides that Persons with Disabilities is defined as: (1) A person is considered to have a disability if the person has a physical, mental, or emotional impairment that (i) is expected to be of long-continued and indefinite duration; (ii) substantially impedes his or her ability to live independently; and (iii) is of such a nature that such ability could be improved by more suitable housing conditions. (2) A person will also be considered to have a disability if he or she has a developmental disability, which is a severe, chronic disability that (i) is attributable to a mental or physical impairment or combination of mental and physical impairments; (ii) is manifested before the person attains age twenty-two; (iii) is likely to continue indefinitely; (iv) results in substantial functional limitations in three or more of the following areas of major life activity; self-care, receptive and expressive language, learning, mobility, self-direction, capacity for independent living, and economic self-sufficiency, and (v) reflects the person's need for a combination and sequence of special interdisciplinary, or

generic care, treatment, or other services that are lifelong or extended duration and are individually planned and coordinated.

## MAXIMUM AWARD AMOUNT AND CONTRACT TERM

The maximum award amount per activity per region for TBRA is \$275,000. Applicants may apply in multiple state service regions. Up to six percent (6%) of the project request may be requested for administrative costs. In accordance with the State of Texas Low Income Housing Plan (SLIHP) no match will be required. In accordance with 10 TAC 53.54(1)(c) the contract term for TBRA shall not exceed 30 months, however, individual household assistance is limited to 24 months.

## **REVIEW OF APPLICATIONS**

HOME project funds will be awarded competitively per State of Texas HOME Program Rules, 10 TAC §§53.50-53.63 for applications received by to April 2, 2007. General Selection Criteria is listed in the State of Texas HOME Program Rules, 10 TAC §§53.50-53.63, and forms the basis for the State's development of scoring criteria for this Activity. Certain sections of the scoring criteria have been waived by the TDHCA Board of Directors, and have been revised in order to reflect specific Housing Program for Persons with Disabilities application requirements.

#### THRESHOLD AND SELECTION CRITERIA

Because this program is a reimbursement program, every Applicant must be able to evidence a threshold standard that they demonstrate the ability to administer the program and commit at least one month of rents for the number of households identified in the application from its funds. This will require evidence of a cash reserve in at least this amount.

It will also be a threshold requirement that every Applicant submit a detailed Self Sufficiency Plan. The documentation must describe the necessary components for the overall self-sufficiency plan proposed for potential tenants. This Plan, like a case management plan, should detail the need of the tenant, how these needs will be addressed including any agreements with service providers, and who shall assist the tenant at meeting these needs.

In accordance with 10 TAC 53.61, Selection Criteria, Applications must meet the minimum threshold score in order to be considered eligible to receive a funding recommendation. In the event of a tie between two or more applicants, the Department reserves the right to determine which application will receive a recommendation for funding. Tied applicants may also receive a partial recommendation for funding.

The maximum score is 100 points and the mandatory threshold score is 70 points. The following selection criteria point breakdown will be utilized when scoring applications:

(1) Affordable Housing Needs Score. Points range from 0 to 7, as published by the Department. Applications for areas exclusively serving persons in PJs will receive a score of zero. Applications for areas serving persons in PJs and non-PJs will receive a weighted score based on the number of households in the PJ and non-PJ areas. Maximum 7 points.

- (2) Income Targeting: Points will be awarded based on the percentage of total units targeted to specific income levels. Counties whose median income is at or below the statewide median income will receive the same number of points for income targeting when serving households at or below 50% AMFI as those counties exceeding the statewide median income targeting households at or below 30% AMFI. Maximum 20 points.
- (A) 0% to 19.99% of units at 60% AMFI, 0 points
- (B) 20% to 39.99% of units at 60% AMFI, 2 points
- (C) 40% to 59.99% of units at 60% AMFI, 4 points
- (D) 60% to 79.99% of units at 60% AMFI, 6 points
- (E) 80% to 99.99% of units at 60% AMFI, 8 points
- (F) 100% of units at 60% AMFI, 10 points
- (G) 0% to 19.99% of units at 30% AMFI, an additional 0 points
- (H) 20% to 39.99% of units at 30% AMFI, an additional 2 points
- (I) 40% to 59.99% of units at 30% AMFI, an additional 4 points
- (J) 60% to 79.99% of units at 30% AMFI, an additional 6 points;
- (K) 80% to 99.99% of units at 30% AMFI, an additional 8 points;
- (L) 100% of units at 30% AMFI, and additional 10 points.
- (3) Previous Award and Past 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. Unsatisfactory past performance on any contract will be forgiven if 2 years from the application deadline date has elapsed. Maximum 20 points.
- (A) Applicant has received a TBRA HOME award prior to 2002 and is 100% committed, drawn and programmatically closed based on the number of units contractually obligated, by application deadline date, 20 points; or
- (B) Applicant has received a TBRA HOME award in 2002-2003 and funds are 100% committed and drawn based on number of units contractually obligated, by application deadline date, 17 points; or
- (C) Applicant received a HOME TBRA award in 2004 and funds are 50% committed and 30% drawn by application deadline date, 14 points; or
- (D) Applicant received a HOME TBRA award during 2005 and funds are 20% committed by application deadline date, 11 points; or
- (E) Applicant has never received a HOME TBRA award, 8 points.
- (4) Leveraging. Points will be awarded based on the dollar amount of eligible leverage in the form of funds and/or the value of leveraged services (office space, salaries, support services, etc.) as a percentage up to 25% of the requested project funds. Maximum 10 points. Percentage of leverage per Project Request:
- (A) 0% to 12.49% of project request, 0 points;
- (B) 12.5% to 15.5% of project request, 6 points;
- (C) 15.51 to 18.5% of project request, 7 points;
- (D) 18.51% to 21.5% of project request, 8 points;
- (E) 21.51% to 24.99% of project request, 9 points;
- (F) 25% or greater of project request, 10 points.

- (5) Citizen Forms. Used as an indicator of demand, points will be awarded based on the number of completed citizen forms as a percentage of the total units proposed. Maximum of 10 points.
- (A) 0% to 9.99% of forms complete, 0 points;
- (B) 10% to 29.99% of forms complete, 12point;
- (C) 30% to 49.99% of forms complete, 24points:
- (D) 50% to 69.99% of forms complete, 6 points;
- (E) 70% to 89.99% of forms complete, 8 points;
- (F) 90% to 100% of forms complete, 10 points.
- (6) Financial Oversight. Submission of 2005 or 2006 "Independent Auditor's Report", 3 points.
- (7) Experience Providing Services to Persons with Disabilities. Maximum 10 points. A total of 10 points will be awarded to organizations that have five (5) or more years experience in providing services specifically targeting the needs of persons with disabilities as evidenced by previous contracts with funding entities for these services. To satisfy this requirement, and obtain points for this category, Applicant may provide evidence of a partnership with an entity or organization that meets this requirement.
- (8) Experience Providing Rental Voucher Services, Maximum 10 points. A total of 10 points will be awarded for organizations that have at least two (2) years experience providing rental voucher services. To satisfy this requirement and obtain points for this category, Applicant may provide evidence of a partnership with an entity or organization that meets this requirement.
- (9) Fostering Independence. Points will be awarded to Applicants who commit to serve only individuals being transitioned from institutionalized settings into a community placement or community setting, i.e. like the Olmstead population. Maximum 10 points.

# **APPLICATION PROCEDURES, FINAL FILING**

The HOME Application Guide for this NOFA will be available on the Department's website at <a href="https://www.tdhca.state.tx.us">www.tdhca.state.tx.us</a> on Monday, February 2, 2007, or you may call (512) 475-1391 to request a copy. Applications must be submitted on forms provided by the Department, and cannot be altered or modified and must be in final form before submitting them to the Department.

Applications mailed via the U.S. Postal Service <u>must</u> be mailed to: Texas Department of Housing & Community Affairs HOME Division P.O. Box 13941 Austin, Texas 78711-3941

Applications mailed by private carrier or hand-delivered will be received at the physical address of:

Texas Department of Housing & Community Affairs HOME Division 221 E. 11th Street Austin, Texas 78701

Applicants are required to remit a non-refundable application fee payable to the Texas Department of Housing and Community Affairs in the amount of \$30 per application. Please send check, cashier's check or money order; do not send cash. Section 2306.147(b) of the Texas Government Code requires the Department to waive grant application fees for nonprofit organizations that offer expanded services such as child care, nutrition programs, job training assistance, health services, or human services. These organizations must include proof of their exempt status in lieu of the application fee. The application fee is not an eligible or reimbursable cost under the HOME Program.

Applications that do not meet the filing deadline and application fee requirements will be returned to the applicant and will not be considered for funding.

Application deficiencies will be processed in accordance to 10 TAC 53.58(c).

An applicant may appeal decisions made by the Department in accordance with 10 TAC §§1.7 This NOFA does not include text of the various applicable regulatory provisions that may be important to the HOME Program. For proper completion of the application, the Department strongly encourages potential applicants to review the State and Federal regulations and to attend application training workshops.

## **APPLICATION WORKSHOPS**

The Department will present a HOME Program Application Workshops that will provide an overview of the HOME Program, application preparation and submission, evaluation criteria and information about the major Federal and State requirements that may affect a HOME project. The HOME Application Workshop schedule and registration will be posted on the Department's website at <a href="https://www.tdhca.state.tx.us">www.tdhca.state.tx.us</a>

# **RESOLUTION REQUIREMENTS**

The Department requires that all applications submitted must include an original resolution from the applicant's direct governing body, authorizing the submission of the application.

## **AUDIT REQUIREMENTS**

An applicant is not eligible to apply for funds or any other assistance from the Department unless a past audit or Audit Certification Form has been submitted to the Department in a satisfactory format on or before the application deadline for funds or other assistance per 10 TAC §1.3(b). This is a threshold requirement outlined in the application, therefore applications that have outstanding past audits will be disqualified. Staff will not recommend applications for funding to the Department's Governing Board unless all unresolved audit findings, questions or disallowed costs are resolved per 10 TAC §1.3(c).

# **CONTACT INFORMATION**

Questions regarding this NOFA should be addressed to: Sandy M. Garcia

HOME Division

221 E. 11th Street

Austin, Texas 78701

Telephone: (512) 475-1391

e-mail: sandy.garcia@tdhca.state.tx.us

## SINGLE FAMILY FINANCE PRODUCTION DIVISION

# **BOARD ACTION REQUEST** February 1, 2007

# **Action Item**

Presentation, Discussion and Possible Approval of a 2007 Notice of Funding Availability (NOFA) for the HOME Homebuyer Assistance Program Directed to Assist Persons with Disabilities.

# **Required Action**

Approval of 2007 HOME NOFA for Homebuyer Assistance Program directed to assist Persons with Disabilities with identified rule waivers.

# **Background**

Staff proposes the release of approximately \$2,000,000 in federal funding from the 2007 HOME Investment Partnerships Program (HOME) to fund housing programs for persons with disabilities. Funds will be made available to increase or preserve homeownership for persons with disabilities through Homebuyer Assistance (HBA) activities. The availability and use of these funds is subject to the State HOME Rules (10 TAC Chapter 53) and the Federal HOME regulations governing the HOME Program (24 CFR Part 92).

HBA is provided to first time homebuyers for down payment and closing cost assistance for the acquisition or, acquisition and rehabilitation of affordable and accessible single family housing. Eligible households must meet the eligibility standards as defined by the Americans with Disabilities Act and/or the definition used by the Promoting Independence Advisory Committee.

Eligible first time homebuyers may receive loans up to \$35,000 for down payment, closing costs and rehabilitation to ensure accessibility. A maximum of \$15,000 of the \$35,000 loan can be used for down payment and closing cost. The balance of the loan can be used for required accessible modifications. All homes purchased with HOME assistance must meet all applicable codes and standards including the Texas Minimum Construction Standards (TMCS).

HBA assistance will be in the form of a 0% interest 10 year deferred forgivable loan creating a 2nd or 3rd lien. The loan is to be repaid at the time of resale of the property, refinance of the first lien, repayment of the first lien, or if the unit ceases to be the assisted homebuyer's principal residence, if any of these occurs before the end of the 10 year term. The affordability term for the home is 10 years. The amount of recapture will be based on the pro-rata share of the remaining loan term. The rehabilitation portion of the homebuyer assistance, if utilized, will be a deferred forgivable loan if the assisted household's income is less than fifty percent (50%) of the Area Median Family Income (AMFI), as defined by HUD. For assisted households whose income is between 51 and 80% of the AMFI, the rehabilitation assistance will be a zero percent interest 30-year repayable loan.

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Section 2306.111(c), Texas Government Code, requires the Department to allocate no less than 95 percent of the HOME Program Funds to applicants which serve households located in a non-participating jurisdiction (non-PJ). Five percent (5%) of the total HOME 2007 allocation, approximately \$2 million dollars, may be expended in a participating jurisdiction (PJ), only if it provides assistance to persons with disabilities. Under this NOFA, up to \$1 million dollars will be targeted to assist households in a Participating Jurisdiction (PJ), however, this may be adjusted at the discretion of the Department not to exceed the \$2 million cap. Applications will be accepted by the Department until **Monday, April 2, 2007** under a competitive method utilizing the regional Allocation Formula. If the maximum amount of HOME funds allowed in a PJ are awarded during the competitive cycle, no further HOME funds will be awarded in a PJ. Applicants desiring to serve all or part of their targeted households within the boundaries of a participating jurisdiction must designate the number of households to be served. Eligible applicants are units of local government, nonprofit organizations or public housing authorities.

Up to \$500,000 may be awarded to HBA applicants whose service area includes multiple counties within a Uniform State Service Region. Applicants may apply in multiple state service regions. Up to six percent (6%) of the project request may be requested for administrative costs. In accordance with the State of Texas Low Income Housing Plan (SLIHP) no match will be required. In accordance with 10 TAC 53.54(1) (b), the contract term for HBA shall not exceed 24 months.

In the process of drafting a NOFA that meets the unique needs of this new use of funds, staff identified several sections of the HOME Rule, 10 TAC 53, that are recommended for waiver. In each case the NOFA clearly outlines the standard to be used by applicants. The rule waivers that are currently integrated into the draft NOFA include:

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Pursuant to the Regional Allocation formula, the table below shows the targeted allocation of HOME funds to each Uniform State service Region and the corresponding rural and urban/exurban distribution within each region for each HOME activity. Applicants are strongly encouraged to apply based on their program's needs and capabilities for administration even if that amount exceeds the targeted formula in their region and sub-region (urban/exurban or rural component of a region)

The process to be used for competitive submissions follows:

- The Department identifies the region and sub-region based on the location of where the homeowner will reside, not the location of where the homeowner originally was living or the location of the Applicant.
- First Applications will be reviewed for threshold eligibility then scored and ranked from highest to lowest scores in their respective region. Funding recommendations to the Board will be made beginning with the highest scoring eligible application in each subregion and will continue to be recommended down the eligible application list by score in that sub-region until all targeted funds for that sub-region have been committed.
- Second if no eligible applications are received in a sub-region, the targeted funds for that sub-region will be merged with the other targeted funds for that region.
- Third if no eligible applications are received in a region, the targeted fund for that region
  will be merged with all other similarly undersubscribed funds from other regions and
  utilized to fund additional eligible applications in regions that have more eligible
  applications than funds available.
- If the high-scoring or only eligible applications for a sub-region or region exceed the
  amount of funds targeted for that sub-region or region, they may still be funded in the
  amount requested to the extent funds are available from regions with unutilized targeted
  funds.
- To the extent that the total amount of funds requested competitively by eligible applications does not exceed the \$2 million available for this NOFA, all eligible applications may be recommended to the Board for award regardless of region or sub-region unless they exceed the limit in PJs.

Table 1. Regional, Rural, and Urban/Exurban Funding Amounts

Region	Place for Geographical Reference	Regional Funding Amount	Regional Funding %	Rural Funding Amount	Rural Funding %	Urban/ Exurban Funding Amount	Urban/ Exurban Funding %
1	Lubbock	\$121,003	6.1%	\$120,981	100.0%	\$21	0.0%
2	Abilene	\$90,332	4.5%	\$88,219	97.7%	\$2,113	2.3%
3	Dallas/Fort Worth	\$355,466	17.8%	\$97,964	27.6%	\$257,502	72.4%
4	Tyler	\$242,969	12.1%	\$214,093	88.1%	\$28,876	11.9%
5	Beaumont	\$120,487	6.0%	\$102,250	84.9%	\$18,237	15.1%
6	Houston	\$137,997	6.9%	\$62,148	45.0%	\$75,849	55.0%
7	Austin/Round Rock	\$82,675	4.1%	\$45,086	54.5%	\$37,590	45.5%
8	Waco	\$67,156	3.4%	\$41,418	61.7%	\$25,737	38.3%
9	San Antonio	\$112,066	5.6%	\$86,994	77.6%	\$25,072	22.4%
10	Corpus Christi	\$146,520	7.3%	\$119,562	81.6%	\$26,958	18.4%
11	Brownsville/Harlingen	\$360,519	18.0%	\$237,297	65.8%	\$123,222	34.2%
12	San Angelo	\$108,020	5.4%	\$40,703	37.7%	\$67,317	62.3%
13	El Paso	\$54,790	2.7%	\$35,202	64.2%	\$19,588	35.8%
	Total	\$2,000,000	100.0%	\$1,291,917	64.6%	\$708,083	35.4%

It should be noted by Applicants that Urban/Exurban areas are not exclusively limited to Participating Jurisdictions. It may be possible to serve households in non-Participating Jurisdictions within an Urban/Exurban area. Households identified in an Application to be committed in non-Participating Jurisdictions within an Urban/Exurban area do not count against the \$1 million cap for this NOFA in PJs.

# DESCRIPTION OF ACTIVITIES

# Homebuyer Assistance (HBA)

Down payment and closing cost assistance is provided to first time homebuyers for the acquisition, or acquisition and rehabilitation, of affordable and accessible single family housing. Rehabilitation must be to ensure accessibility. Each eligible household shall consist of at least one individual who meets the eligibility standards as defined by the Americans with Disabilities Act and/or the definition utilized by the Promoting Independence Advisory Committee which provides that Persons with Disabilities is defined as: (1) A person is considered to have a disability if the person has a physical, mental, or emotional impairment that (i) is expected to be of long-continued and indefinite duration; (ii) substantially impedes his or her ability to live independently; and (iii) is of such a nature that such ability could be improved by more suitable housing conditions. (2) A person will also be considered to have a disability if he or she has a developmental disability, which is a severe, chronic disability that (i) is attributable to a mental or physical impairment or combination of mental and physical impairments; (ii) is manifested before the person attains age twenty-two; (iii) is likely to continue indefinitely; (iv) results in substantial functional limitations in three or more of the following areas of major life activity; selfcare, receptive and expressive language, learning, mobility, self-direction, capacity for independent living, and economic self-sufficiency, and (v) reflects the person's need for a

combination and sequence of special interdisciplinary, or generic care, treatment, or other services that are lifelong or extended duration and are individually planned and coordinated.

Eligible first time homebuyers may receive loans up to \$35,000 for down payment, closing costs and rehabilitation. A maximum of \$15,000 of the \$35,000 loan can be used for down payment and closing cost. The balance of the loan can be used for required accessible modifications. All homes purchased with HOME assistance must meet all applicable codes and standards including the Texas Minimum Construction Standards (TMCS).

HBA assistance will be in the form of a 0% interest 10 year deferred forgivable loan creating a 2nd or 3rd lien. The loan is to be repaid at the time of resale of the property, refinance of the first lien, repayment of the first lien, or if the unit ceases to be the assisted homebuyer's principal residence, if any of these occurs before the end of the 10 year term. The affordability term for the home is 10 years. The amount of recapture will be based on the pro-rata share of the remaining loan term. The rehabilitation portion of the homebuyer assistance, if utilized, will be a deferred forgivable loan if the assisted household's income is less than fifty percent (50%) of the Area Median Family Income (AMFI), as defined by HUD. For assisted households whose income is between 51 and 80% of the AMFI, the rehabilitation assistance will be a zero percent interest 30-year repayable loan.

At the completion of the assistance, all properties must meet all applicable codes, rehabilitation standards, ordinances and zoning ordinances. If a home is newly constructed it must also meet federal energy requirements.

#### MAXIMUM AWARD AMOUNT AND CONTRACT TERM

The maximum award amount per activity per region is \$275,000. Up to \$500,000 may be awarded to applicants whose service includes multiple counties within a Uniform State Service Region. Applicants may apply in multiple state service regions. Up to six percent (6%) of the project request may be requested for administrative costs. In accordance with the State of Texas Low Income Housing Plan (SLIHP) no match will be required. In accordance with 10 TAC 53.54(1) (b), the contract term shall not exceed 24 months.

# **REVIEW OF APPLICATIONS**

HOME project funds will be awarded competitively per State of Texas HOME Program Rules, 10 TAC §§53.50-53.63 for applications received prior to April 2, 2007. General Selection Criteria is listed in the State of Texas HOME Program Rules, 10 TAC §§53.50-53.63, and forms the basis for the State's development of scoring criteria for this Activity. Certain sections of the scoring criteria have been waived by the TDHCA Board of directors, and have been revised in order to reflect specific Housing Program for Persons with Disabilities application requirements.

#### THRESHOLD AND SELECTION CRITERIA

Because this program is a reimbursement program, every Applicant must be able to evidence as a threshold standard that they demonstrate the ability to administer the program and commit cash reserves of at least \$70,000.

It will also be a threshold requirement that every HBA application provide evidence of Homebuyer Counseling. Evidence must include documentation describing the level of homebuyer counseling proposed for potential homebuyers including a copy of the curriculum, a copy of a written agreement with service provider, and a description of post purchase counseling to be provided.

In accordance with 10 TAC 53.61, Selection Criteria, applications must meet the minimum threshold score in order to be considered eligible to be recommended for funding. In the event of a tie between two or more applicants, the Department reserves the right to determine which application will be recommended for funding. Tied applications may receive a partial recommendation for funding.

The maximum score is 100 points and the mandatory threshold score is 70 points. The following selection criteria point breakdown will be utilized when scoring applications:

- (1) Affordable Housing Needs Score. Points range from 0 to 7, as published by the Department. Applications for areas exclusively serving persons in PJs will receive a score of zero. Applications for areas serving persons in PJs and non-PJs will receive a weighted score based on the number of households in the PJ and non-PJ areas. Maximum 7 points.
- (2) Income Targeting: Points will be awarded based on the percentage of total units targeted to specific income levels. Counties whose median income is at or below the statewide median income will receive the same number of points for income targeting when serving households at or below 50% AMFI as those counties exceeding the statewide median income targeting households at or below 30% AMFI. Maximum 20 points.
- (A) 0% to 19.99% of units at 80% AMFI, 5 points;
- (B) 20% to 39.99% of units at 80% AMFI, 4 points;
- (C) 40% to 59.99% of units at 80% AMFI, 3 points;
- (D) 60% to 79.99% of units at 80% AMFI, 2 points;
- (E) 80% to 100% of units at 80% AMFI, 1 point;
- (F) 0% to 9.99% of units at 60% AMFI, an additional 2 points;
- (G) 10% to 19.99% of units at 60% AMFI, an additional 4 points;
- (H) 20% to 29.99% of units at 60% AMFI, an additional 6 points;
- (I) 30% to 39.99% of units at 60% AMFI, an additional 8 points;
- (J) 40% to 49.99% of units at 60% AMFI, an additional 10 points;
- (K) 50% to 59.99% of units at 60% AMFI, an additional 11 points;
- (L) 60% to 69.99% of units at 60% AMFI, an additional 12 points;
- (M) 70% to 79.99% of units at 60% AMFI, an additional 13 points;
- (N) 80% to 89.99% of units at 60% AMFI, an additional 14 points;
- (O) 90% to 100% of units at 60% AMFI, an additional 15 points.

- (3) Previous Award and Past 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. Unsatisfactory past performance on any contract will be forgiven if 2 years from the application deadline date has elapsed. Maximum 20 points.
- (A) Applicant has received a HOME award prior to 2002 and is 100% committed, drawn and programmatically closed based on the number of units contractually obligated, by application deadline date, 20 points; or
- (B) Applicant received a HOME award in 2002-2003 and funds are 100% committed and drawn based on number of units contractually obligated, by application deadline date, 17 points; or
- (C) Applicant received a HOME award in 2004 and funds are 75% committed and 50% drawn by application deadline date, 14 points; or
- (D) Applicant received a HOME award during 2005 and a Contract Environmental Clearance completed by application deadline date, 11 points; or
- (E) Applicant has never received a HOME award, 8 points.
- (4) Leveraging. Points will be awarded based on the dollar amount of eligible leverage in the form of funds and/or the value of leveraged services (office space, salaries, etc) as a percentage up to 25% of the requested project funds Maximum 10 points. Percentage of leverage per Project Request:
- (A) 0% to 12.49% of project request, 0 points;
- (B) 12.5% to 15.5% of project request, 6 points;
- (C) 15.51 to 18.5% of project request, 7 points;
- (D) 18.51% to 21.5% of project request, 8 points;
- (E) 21.51% to 24.99% of project request, 9 points;
- (F) 25% or greater of project request, 10 points.
- (5) Homebuyer Assistance. Description of Lender Products. Points will be awarded based on a review of the commitment letters (up to three letters) submitted from lenders interested in participating in the Applicant's proposed application. To be considered for scoring, the letters must be on the lender's letterhead, including: name of lender; address, city, state, and zip code; and state the willingness and ability to make affordable loan products available for first-time homebuyers. Letters must be signed and dated within three months of application deadline. 2 points per letter for a maximum of 6 points.
- (6) Citizen Forms. Used as an indicator of demand, points will be awarded based on the number of completed citizen forms as a percentage of the total units proposed. Maximum of 10 points.
- (A) 0% to 9.99% of forms complete, 0 points;
- (B) 10% to 29.99% of forms complete, 2 point;
- (C) 30% to 49.99% of forms complete, 4 points;
- (D) 50% to 69.99% of forms complete, 6 points;
- (E) 70% to 89.99% of forms complete, 8 points;
- (F) 90% to 100% of forms complete, 10 points.

- (7) Financial Oversight. Submission of 2005 or 2006 "Independent Auditor's Report", 2 points.
- (8) Experience Providing Services to Persons with Disabilities. Maximum 10 points.

A total of 10 points will be awarded to organizations that have five (5) or more years providing services specifically targeting the needs of persons with disabilities as evidenced by previous contracts with funding entities for these services. To satisfy this requirement and obtain points for this category, Applicant may provide evidence of a partnership with an entity or organization that meets this requirement.

- (9) Experience Providing Homebuyer Assistance Services, Maximum 5 points. A total of 5 points will be awarded for organizations that have at least two (2) years experience providing homebuyer assistance services as evidenced by current or previous contracts with funding entities for these services. To satisfy this requirement and obtain points for this category, Applicant may provide evidence of a partnership with an entity or organization that meets this requirement.
- (10) Plan for Identifying Accessibility Needs of the Homeowner. Maximum 10 points. A total of 10 points will be awarded. Applicant must submit a plan that must clearly describe the process and expertise to be used in determining the accessibility needs of the homebuyer. The process should include resumes of qualified/experienced staff or agreement with a qualified/experienced external company or agency.

# **APPLICATION PROCEDURES, FINAL FILING**

The HOME Application Guide for this NOFA will be available on the Department's website at <a href="https://www.tdhca.state.tx.us">www.tdhca.state.tx.us</a> on Monday, February 5, 2007, or you may call (512) 475-1391 to request a copy. Applications must be submitted on forms provided by the Department, and cannot be altered or modified and must be in final form before submitting them to the Department.

Applications mailed via the U.S. Postal Service must be mailed to: Texas Department of Housing & Community Affairs HOME Division P.O. Box 13941 Austin, Texas 78711-3941

Applications mailed by private carrier or hand-delivered will be received at the physical address of:

Texas Department of Housing & Community Affairs HOME Division 221 E. 11th Street Austin, Texas 78701

Applicants are required to remit a non-refundable application fee payable to the Texas Department of Housing and Community Affairs in the amount of \$30 per application. Please

send check, cashier's check or money order; do not send cash. Section 2306.147(b) of the Texas Government Code requires the Department to waive grant application fees for nonprofit organizations that offer expanded services such as child care, nutrition programs, job training assistance, health services, or human services. These organizations must include proof of their exempt status in lieu of the application fee. The application fee is not an eligible or reimbursable cost under the HOME Program.

Applications that do not meet the filing deadline and application fee requirements will be returned to the applicant and will not be considered for funding. Application deficiencies will be processed in accordance to 10 TAC 53.58(c). An applicant may appeal decisions made by the Department in accordance with 10 TAC §§1.7

This NOFA does not include text of the various applicable regulatory provisions that may be important to the HOME Program. For proper completion of the application, the Department strongly encourages potential applicants to review the State and Federal regulations and to attend application training workshops.

# **APPLICATION WORKSHOPS**

The Department will present HOME Program Application Workshops that will provide an overview of the HOME Program, application preparation and submission, evaluation criteria and information about the major Federal and State requirements that may affect a HOME project. The HOME Application Workshop schedule and registration will be posted on the Department's website at www.tdhca.state.tx.us

# **RESOLUTION REQUIREMENTS**

The Department requires that all applications submitted must include an original resolution from the applicant's direct governing body, authorizing the submission of the application.

# **AUDIT REQUIREMENTS**

An applicant is not eligible to apply for funds or any other assistance from the Department unless a past audit or Audit Certification Form has been submitted to the Department in a satisfactory format on or before the application deadline for funds or other assistance per 10 TAC §1.3(b). This is a threshold requirement outlined in the application, therefore applications that have outstanding past audits will be disqualified. Staff will not recommend applications for funding to the Department's Governing Board unless all unresolved audit findings, questions or disallowed costs are resolved per 10 TAC §1.3(c).

#### **CONTACT INFORMATION**

Questions regarding this NOFA should be addressed to:

Sandy M. Garcia HOME Division 221 E. 11th Street Austin, Texas 78701

Telephone: (512) 475-1391

e-mail: sandy.garcia@tdhca.state.tx.us

# MULTIFAMILY FINANCE PRODUCTION DIVISION BOARD ACTION REQUEST

**December 14, 2006** 

# **Action Item**

Presentation, Discussion and Possible Action of Applicant's request for an appeal to staff's recommendation to terminate HOME loan commitment for Star Village Apartments.

# **Required Action**

Approve, amend or deny the Applicant's appeal of staff's recommendation to terminate HOME CHDO loan commitment #1000383 to Housing Plus, Inc. for the Star Village Apartments.

# **Background**

The Department received an application for HOME CHDO Rental Development funds from Housing Plus, Inc. in November 2004, under the 2004 HOME CHDO Open Cycle Notice Of Funding Availability (NOFA) for Rental Development. The Development received no other funding from the Department. The proposed Development was to be located in San Benito, Cameron County, Texas. The Development included fifty-two (52) multifamily units targeted to the general population with low and very-low incomes. The proposed Development was to be located adjacent to other residential neighborhoods and close to community services and employment opportunities.

The Board approved the award of funds to the Development in May 2005. The Applicant was provided with a six (6) month time period to close on the construction financing for the Development. Subsequently, the Applicant requested and received a four (4) month extension of the closing date until May 1, 2006. Since May 2006, the Applicant has not closed and has requested additional action. The Applicant has presented the following significant changes to the financial structure of the Development:

- o The total development costs increased from \$3,778,713 to \$4,779,213, an increase of \$1,000,500 from the original underwriting analysis.
- o The Applicant requested an increase in their award from \$1,675,000 to \$2,870,313, an increase of \$1,195,313.
- O The Department would remain in a second lien position even though the Department would have more funds and risk in the development because the primary lender will be using a 221(d)(4) mortgage program through FHA. The Department's loan would be required to be a cash flow loan due to limited repayment.
- o The Department's share of total permanent financing would increase from 49% to 60% if the increase in award and costs are approved.

After reviewing the Applicant's requested changes and noting their lack of firm construction pricing or contracts, staff has made the following determinations:

- o The Applicant is not sufficiently prepared to move forward with the Development even if granted an additional extension to the closing deadline.
- o The Department's financial analysis of the Development does not justify the considerable increase in costs.
- o The Department's financial risk in the Development will greatly increase given the increase in costs and additional HOME investment.
- o The Department's financial benefits will effectively be eliminated given requirements to change the loan to a cash flow note.

On November 6, 2006, due to the expiration of the commitment, the Applicant was notified by the Department that the commitment of funds would be rescinded.

Staff also wishes to note that the Applicant is currently under review for a delinquent contract under the HOME Single Family Program. This issue involves the Department's consideration of taking back the deed and title to a property for Single Family Housing Development, in lieu of foreclosure on the subject property. No action has been taken on this issue, however the Applicant may be technically ineligible for additional funding considerations at this time, pursuant to 10 TAC §53.53(b) of the Department's HOME rule.

The Applicant is requesting an appeal to the Executive Director and subsequently the Board to consider their request for an extension to the closing deadline; to allow them to increase their award to \$2,870,313; and to change the payment terms of their award to make repayment of HOME funds to the Department conditioned on available cash flow.

# **Recommendation**

Staff recommends the Board deny the appeal to extend the loan commitment. If the Board grants the Applicant's appeal for an extension, staff recommends a nine (9) month extension with monthly status reports of the construction with no additional funding. If approved, the Real Estate Analysis division will review the financial feasibility of the requested increased award amount and terms. The staff will bring the Application back to the Board in February upon that review.

NOV-13-2006 18:39

To: 15128916588





# Housing Plus, Inc.



November 13, 2006

Mr. Michael Gerber **Executive Director** Texas Department of Housing and Community Affairs P.O. Box 13941 Austin, TX 78711-3941

Re:

Star Village Apartments, Appeal to the Executive Director; CHDO Rental Housing Development

Commitment No. 1000383

Dear Mr. Gerber:

Pursuant to 10 TAC 1.7, Housing Plus, Inc. hereby appeals staff's decision to rescind HOME Program Commitment No. 1000383, a \$1,675,000 Community Housing Development Organization (CHDO) loan for Star Village Apartments, a 52-unit rental housing development in San Benito, Cameron County, Texas (Region 11). The ground for appeal is "procedural error whereas TDHCA did not respond to Housing Plus' request for additional CHDO funds.

Housing Plus' initial costs estimates were submitted in an application to TDHCA over two years ago. Since then, the increased demand for construction materials and labor due to the recovery efforts from Hurricanes Katrina & Rita, and the recent increases in gasoline prices, have directly affected the cost of construction. Housing Plus' current cost estimates are based on the recent submission of two construction bids, and were supported by Dominion Due Diligence, the third-party underwriter of Prudential Huntoon Paige, utilizing the Segregation Method and R.S. Means 2006 Construction Data. Housing Plus has also provided additional responses and data to TDHCA as requested in a letter from Mr. David Danenfelzer, TDHCA Multifamily Finance Division, dated July 11, 2006.

The demand for affordable rental units in San Benito and the surrounding area is still apparent. The completion of Star Village Apartments will help address this demand and meet TDHCA's mission of achieving an improved quality of life. Thank you for the opportunity to submit this appeal, and I look forward to TDHCA's decision.

Should you have any questions, please feel free to contact me at (956) 421-3290.

Respectfully submitted,

Alfredo Huerta **Executive Director** 

cc:

Mr. David Danenfelzer, Multifamily Finance Division, TDHCA



# TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

BOARD MEMBERS Elizabeth Anderson, Chair

Shadrick Bogany C. Kent Conine Sonny Flores

Norberto Salinas

Gloria Ray

www.tdhca.state.tx.us

Rick Perry GOVERNOR

Michael Gerber Executive Director

November 6, 2006

Fred Huerta, Executive Director Housing Plus, Inc. 518 East Harrison St. Harlingen, Texas 78550

Re: Star Village Apartments Loan Commitment (#1000383)

Dear Mr. Huerta,

The Texas Department of Housing and Community Affairs (the "Department") awarded HOME CHDO funds to the above referenced development and subsequently executed a binding commitment on June 30, 2005 The Department executed an amendment to the expiration date of that commitment on Oct. 25, 2005 to extend the expiration date from January 1, 2006 to May 1, 2006. Pursuant to the terms of the original commitment and the amendment, the commitment of funds has expired. This letter is sent to you for notification that the commitment of funds will be rescinded.

Pursuant to 10 TAC  $\S\S1.7-1.8$ , an Applicant may appeal decisions made by staff. You have seven (7) days from the date of this letter to appeal this rescission. If you have any questions please contact David Danenfelzer at (512) 475-3865.

Sincerely,

Robbye G. Meyer

Director of Multifamily/Finance

cc file

## SINGLE FAMILY FINANCE PRODUCTION DIVISION

# **BOARD ACTION REQUEST February 1, 2007**

# **Action Item**

Presentation, discussion and possible approval of Single Family Colonia Model Subdivision Program award recommendations.

# **Required Action**

Approval of Single Family Colonia Model Subdivision Program award recommendations.

# **Background**

Pursuant to the Colonia Model Subdivision Program (CMSP) legislation Texas Government Code 2306.780 Subchapter GG, the Texas Department of Housing and Community Affairs established a program to fund the development of housing that provides alternatives to existing substandard colonias. Up to (\$1.5) million dollars per applicant in HOME Community Housing Development Organization (CHDO) set aside funds was made available on a first come first serve basis. Under the Single Family CHDO Development Activity, the CMSP can fund land acquisition, lot development, construction costs, and down payment assistance for qualified homebuyers. The project must be located in a non-participating jurisdiction (non-PJ) area and in a Colonia as defined in §2306.581, Texas Government Code.

The Department will provide a combination of repayable 0% interest and deferred forgivable loans based on the buyer's income and ability to pay for the acquisition of single family lots, and construction costs of affordable single family residences to be sold to income-qualified homebuyers. All home buyers must be below 60% AMFI, have a backend ratio comparable to those allowed under Fannie Mae's My Community Mortgage product of no higher than 50% and be able to make the required loan payment. Buyers whose income is too low to make minimal payments or whose credit ratio is too high will not be deemed qualified buyers. Families at or below 30% AMFI will be considered by the Department on a case-by-case basis.

The subject properties must be located in a colonia that has been served by the Texas Community Development Program (colonia set-aside) or an equivalent program that has been utilized to bring water service, sewer (septic may be utilized), paved streets, storm drainage and other improvements necessary and suitable for the development of quality single family housing. Applicants can purchase up to 5 lots, and no more than 3 lots can be in development at one time. At no time will funding for more than three units be released without a qualified home buyer and a signed sales contract being submitted to the Department for approval.

The Texas Department of Housing and Community Affairs (Department) made available approximately \$4,000,000 for the Colonia Model Subdivision in an open funding cycle beginning November 1, 2005 and ending on August 31, 2006. A total of five applications were received. One application, Neighborhood Housing Services of Dimmitt County, was identified as having outstanding compliance, loan or other threshold issues and is therefore ineligible. According to 10 TAC 53.53 the Department cannot fund an applicant who has unresolved compliance or loan issues. The remaining four applicants were sent to Real Estate Analysis (REA) for financial review. Two applications were not recommended due to lack of

financial feasibility: Alianza Para El Desarrollo Comunitario, Inc., and Centro De Salud Familiar La Fe, Inc. As a result of the review, funding recommendations are being made for the following two organizations: Pharr Housing Development Corporation and the Community Development Corporation of Brownsville. More information on these recommendations is attached in the underwriting reports.

# 2006 COLONIA MODEL SUBDIVISION PROGRAM APPLICANTS

CMSP Application No.	Applicant Name Service Area	Project Funds Requested	CHDO Operating Funds Requested	Total Funds Requested	# Units Requested	Notes
2006-0216	Pharr Housing Development Corporation Service Area - City of Pharr	\$1,340,449	\$75,000	\$1,415,449	15	Recommended
2006-0215	Community Development Corporation of Brownsville Service Area – Cameron & Willacy County	\$1,500,000	0	\$1,500,000	20	Recommended
2006-0212	Alianza Para El Desarrollo Comunitario, Inc. Service Area - San Elizario, El Paso County	\$1,425,000	\$ 75,000	\$1,500,000	30	Not recommended due to lack of financial feasibility
2006-0213	Neighborhood Housing Services of Dimmitt County Service Area – Carrizo Springs, Dimmit County	\$447,080	\$17,883.	\$464,963.	5	Not recommended threshold issues
2006-0214	Centro De Salud Familiar La Fe, Inc. Service Area - San Elizario, El Paso County	\$727,680	\$50,000	\$777,680	26	Not recommended due to lack of financial feasibility
Total		\$5,440,209	\$217,883	\$5,658,092	96	

# Recommendation

Staff recommends approval of the award to the Pharr Housing Development Program in the amount of \$1,316,043 in development funds and \$75,000 in CHDO operating funds for a total of \$1,391,043 contingent on all conditions stated in the credit underwriting analysis. Staff also recommends approval of an award for the Community Development Corporation of Brownsville in the amount of \$1,500,000 in development funds contingent upon all conditions stated in the credit underwriting analysis. The awards are in accordance with the TDHCA Colonia Model Sub-division Notice of Funding Availability.

# **Pharr Housing Development Corporation, HOME #2006-0216**

Applicant:	Pharr Housing Development Corporation
Developer:	Pharr Housing Development Corporation
Principals/Interested Parties:	Raul "Roy" Navarro, Executive Director
	Pharr Housing Authority
<b>Total Award Amount Requested</b>	\$1,415,449
<b>Total Award Amount Recommended</b>	\$1,316,043
<b>Total CHDO Operating Expenses</b>	\$75,000
<b>Total Funds Recommended</b>	\$1,391,043
Other Funding:	\$0.00
City/County:	City of Pharr
Type of Area:	Urban/Exurban
Participating Jurisdiction:	No
Type of Development:	Scattered Site Single Family
Number of Units	15
<b>Construction Type</b>	New
Population Served:	Borrowers at 60% and less of the AMFI

Staff Recommendation: Staff recommends approval of the award recommendation conditioned on all conditions stated in the credit underwriting analysis report.

# Alianza Para El Desarrollo, Inc. #2006-0212

Applicant:	Alianza Para El Desarrollo, Inc.
Developer:	Alianza Para El Desarrollo, Inc
Principals/Interested Parties:	Daniel Solis, Executive Director
<b>Total Award Amount Requested:</b>	\$1,425,000
<b>Total Award Amount Recommended:</b>	\$0.00
<b>Total CHDO Operating Expenses:</b>	\$75,000
<b>Total Funds Recommended:</b>	\$0.00
Other Funding:	\$0.00
City/County:	San Elizario, El Paso County
Type of Area:	Urban/Exurban
Participating Jurisdiction:	No
Type of Development:	Single Family
Number of Units;	30
<b>Construction Type:</b>	New
Population served:	Borrowers at 60% and less of the AMFI

Staff Recommendation: Staff does not recommend approval of the requested amount due to lack of financial feasibility.

# Neighborhood Housing Services of Dimmit County, Inc. #2006-0213

Applicant:	Neighborhood Housing Services of Dimmit
	County, Inc.
Developer:	Neighborhood Housing Services of Dimmit
	County, Inc.
<b>Principals/Interested Parties:</b>	Manuel Estrada Jr., Executive Director
<b>Total Award Amount Requested:</b>	\$447,080
<b>Total Award Amount Recommended:</b>	\$0.00
<b>Total CHDO Operating Expenses:</b>	\$17,883.20
<b>Total Funds Recommended:</b>	\$0.00
Other Funding:	\$0.00
City/County:	Carrizo Springs, Dimmit County
Type of Area:	Rural
Participating Jurisdiction:	No
Type of Development:	Scattered Site Single Family
Number of Units;	5
<b>Construction Type:</b>	New
Population served:	Borrowers at 60% and less of the AMFI

Staff Recommendation: Staff does not recommend approval of the requested amount due to threshold issues.

# Centro De Salud Familiar La Fe, Inc. #2006-0214

Applicant:	Centro De Salud Familiar La Fe, Inc.
Developer:	Centro De Salud Familiar La Fe, Inc./Le Fe CDC
Principals/Interested Parties:	Salvador Balcorta, CEO and President
<b>Total Award Amount Requested:</b>	\$727,680
Total Award Amount	
Recommended:	\$0.00
<b>Total CHDO Operating Expenses:</b>	\$50,000
<b>Total Funds Recommended:</b>	\$0.00
Other Funding:	\$0.00
City/County:	San Elizario, El Paso County
Type of Area:	Urban/Exurban
Participating Jurisdiction:	No
Type of Development:	Single Family
Number of Units;	26
Construction Type:	New
Population served:	Borrowers at 60% and less of the AMFI

Staff Recommendation: Staff does not recommend approval of the requested amount due to lack of financial feasibility.

# **Community Development Corporation of Brownsville HOME # 2006-0215**

Applicant:	Community Development Corporation of
	Brownsville
Developer:	Community Development Corporation of
	Brownsville
<b>Principals/Interested Parties:</b>	Don Currie, Executive Director
Total Award Amount Requested:	\$1,500,000
<b>Total Award Amount Recommended:</b>	\$1,500,000
<b>Total CHDO Operating Expenses:</b>	\$0.00
<b>Total Funds Recommended:</b>	\$1,500,000
Other Funding:	\$250,000 Unsecured loan
	Rio Grande Valley Multi-Bank
City/County:	Cameron & Willacy County
Type of Area:	Urban/Exurban
Participating Jurisdiction:	No
Type of Development:	Scattered Site Single Family
Number of Units;	20
<b>Construction Type:</b>	New
Population served:	Borrowers at 60% and less of the AMFI

Staff Recommendation: Staff recommends approval of the award recommendation conditioned on all conditions stated in the credit underwriting analysis report.

# TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS CREDIT UNDERWRITING ANALYSIS

**DATE:** December 1, 2006 **PROGRAM:** Colonia Model Subdivision **FILE NUMBER:** 2006-0216

# **DEVELOPMENT NAME**

# PHDC Colonia Scattered Sites

	APPLICANT										
Name:	Pharr Housing Development Corporation, Inc			Contact:	Roy Na	varo					
Address:	104 West Polk Street										
City	Pharr						State:	TX	Zip:	78577	
Phone:	(956) 787-9501 Fax: (956) 783-0955		55	Email:	janie@pharrha.com						
				KEY	PARTICIP	PANTS	;				
Name:	Housing Authority of the City of Pharr Title: Af			Affil	liated with Ph	narr Housing	g Developmer	nt Corp.			
Name:	Mary Henderson Associates Title: Con			Cons	sultant						
1											

	PROPERTY LOCATION								
Location:	Scattered sites in south Pharr								
City:	Pharr			<b>Zip:</b> 78577					
County:	Hidalgo	Region:	11	<b>◯</b> QCT <b>□</b> DDA					

		REQUEST			
<u>Program</u>	<u>Amount</u>	Interest Rate	<b>Amortization</b>	<u>Term</u>	
HOME (CHDO)	\$1,241,043	0%	30 yrs	30 yrs	
HOME (CHDO)	\$75,000	N/A	N/A	N/A	
Down Payment Funds	\$75,000	IN/A	IN/A	1 <b>V</b> /A	
HOME (CHDO)	\$75,000	N/A	N/A	N/A	
Operating Expense Funds	\$75,000	IV/A	IV/A	11/14	
<b>Proposed Use of Funds:</b>	New construction	Type:	Single-Family Purchase		
Target Population:	Family	Other:	The requested funding has been revised.		

# **RECOMMENDATION**

- RECOMMEND APPROVAL OF A HOME AWARD NOT TO EXCEED \$1,316,043, STRUCTURED AS AN INTERIM LOAN TO BE CONVERTED TO UP TO 15 INDIVIDUAL PERMANENT LOANS OF UP TO \$93,345 EACH AND EACH STRUCTURED WITH A 30-YEAR TERM AT 0% INTEREST, SUBJECT TO CONDITIONS.
- RECOMMEND APPROVAL OF A HOME CHOO AWARD FOR OPERATING EXPENSES NOT TO EXCEED \$75,000, STRUCTURED AS A GRANT, SUBJECT TO CONDITIONS.

# CONDITIONS

1. Partition of the permanent loans to include a permanent repayable first lien and a deferred forgivable second lien, per the program guidelines, if the households earn less than 50% of AMI or based on the Department's determination that a deferred forgivable second lien is necessary to achieve affordability.

# TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS CREDIT UNDERWRITING ANALYSIS

- 2. Release of interim funds for not more than five lots and three homes in development at any one time.
- 3. Receipt, review, and acceptance of documentation, should any lot exceed a purchase price of \$16,600, of additional financing or identified budget savings.
- 4. Receipt, review, and acceptance of documentation, should the development of any home exceed the average development cost per unit of \$94,536, of additional financing or identified budget savings.
- 5. Receipt, review, and acceptance of a signed commitment from the Federal Home Loan Bank of Dallas for the proposed grant of at least \$5,000 per unit.
- 6. Receipt, review, and acceptance of confirmation that each of the lots not currently owned by PHDC is zoned appropriately for the proposed homes.
- 7. Receipt, review, and acceptance of evidence that each site is located outside of the 100-year floodplain before release of any funds.
- 8. Receipt, review, and acceptance, before release of funds for each site, of the site control documents for each of the proposed sites, or reasonable alternative sites as outlined by the program guidelines, indicating the contract sale price.
- 9. Receipt, review, and acceptance before commencement of construction on any lot of environmental clearance meeting HOME 24 CFR standards is a condition of this report.
- 10. Review, review, and acceptance of documentation supporting a lot acquisition cost for the identity of interest purchase of any lots in which a completed home will be acquired from the ultimate purchaser of the home or funded in any part with TDHCA funds.

# **REVIEW of PREVIOUS UNDERWRITING REPORTS**

No previous reports.

# **DEVELOPMENT SPECIFICATIONS**

# ARCHITECTURAL REVIEW

The plans depict homes that are comparable to other modern homes. They appear to provide acceptable access and storage. The elevations reflect modest houses.

# STRUCTURAL MATERIALS

The structures will be constructed on concrete slabs. According to the plans provided in the application the exterior will be 100% masonry veneer. The interior wall surfaces will be drywall and the roofs will be finished with composite shingles.

# **UNIT FEATURES**

The interior flooring will be ceramic tile. The units will include a disposal, a refrigerator, an oven/range, an exhaust/vent fax in bathrooms, ceiling fans, laundry connections, an individual heating and air conditioning unit, individual water heater, and tile counter tops in the kitchen and baths. In accordance with 24 CFR 92.251, housing that is assisted or built with HOME funds, at a minimum, must upon completion be in compliance with Texas Minimum Construction Standards, Colonia Housing Standards, or FHA minimum standards, and local building codes and zoning ordinances. The Administrator will conduct necessary inspections to ensure that all health and safety standards are met. If necessary, the homebuyer will be notified of deficiencies and the cost and time required for repair. Newly constructed homes must meet energy standards as verified by a RESCHECK TM certification and the International Residential Code (IRC) as required by Subchapter G, Chapter 214 of the Local Government Code or Chapter 11 of the IRC as required by Chapter 388 of the Health and Safety Code, as applicable. Single Family Accessibility Standards must also be met when applicable.

## **SUBDIVISION AMENITIES**

The Applicant has not indicated any subdivision amenities.

# PROPOSAL and DEVELOPMENT PLAN DESCRIPTION

**<u>Description</u>**: PHDC Colonia Scattered Sites is a 15-lot single family in-fill development with lots scattered throughout south Pharr. The development will be comprised of 15 single story homes as follows:

# TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS CREDIT UNDERWRITING ANALYSIS

Plan Type	No. of Flrs.	No. Planned	<b>Bedrooms</b>	<b>Baths</b>	<b>Square Feet</b>
A-1	1	4	3	2	1,074
B-2	1	2	3	2	1,069
C-3	1	3	3	2	1,120
D-4	1	3	3	2	1,272
E-5	1	3	3	2	1,053

**Development Plan:** The proposed in-fill development will make use of 15 existing developed lots in established neighborhoods. The Applicant has indicated that three of the 15 lots are currently owned by the Pharr Housing Development Corporation (PHDC). Of the remaining 15 lots identified by the Applicant, five or six are advertised for sale and the remaining lots are currently vacant but owned by "absentee owners." The Applicant has undertaken efforts to contact the owners of these lots. The three lots currently owned by PHDC will be the first lots to be developed. These lots are located on David Avenue in the Sun Valley subdivision. Each lot has been developed with adequate infrastructure which includes access to dedicated roads and electric, water, and wastewater services and is within reasonable proximity to fire hydrants and storm drains.

Per the Department guidelines, the Applicant may purchase no more than five lots at one time and have no more than three houses in development at any one time. An additional home may be developed once construction has been completed on a home, and five additional lots may be purchased after closing on the previous five developed homes. Based on the information submitted in the application, the proposed development plan appears to be consistent with this program guideline. The Applicant has proposed a three year timeline with the site purchase, development, and completed sales occurring for five houses each of the three years. However, subsequent discussions with the Applicant have indicated that the expected development timeline may be shortened significantly due to the volume of interest from perspective homebuyers. The timeline may also be impacted by the Applicant's ability to obtain site control for the proposed lots or to identify and secure alternative lots in accordance with the program guidelines.

Since all fifteen lots have not yet been identified, site control, evidence of appropriate zoning, and environmental clearance must be documented for each lot prior to release of funds for that lot as a condition of this report. Additionally, should the acquisition cost for a lot exceed the currently projected \$16,600 average per lot cost, additional funds or documentation of budget savings will need to be evidenced.

SITE ISSUES			
SITE DESCRIPTION			
Average Lot Size:	0.11 acres (50ft x 100ft)	Scattered sites?	⊠ Yes □ No
Flood Zone:	Zone X	Within 100-year floodplain?	☐ Yes ⊠ No
<b>Current Zoning:</b>	Single Family	Needs to be re-zoned?	☐ Yes ☒ No ☐ N/A
SITE and NEIGHRODHOOD CHARACTERISTICS			

<u>Location</u>: The first three lots to be developed are located in the Sun Valley subdivision on the south side of East Thomas Drive approximately four miles south of Pharr's central business district in Pharr, Hidalgo County. As stated above, each of the 15 homes will be located on in-fill lots that are scattered throughout south Pharr.

<u>Subdivision Access</u>: Access to the Sun Valley subdivision is from east or west bound on East Thomas Drive. Highway 281 is located less than one mile to the west of the site and provides access to central Pharr and other communities in the region.

<u>Public Transportation</u>: The availability of public transportation was not identified in the application materials

**Shopping & Services:** According to the Applicant, each lot is "well-situated in close proximity to schools, convenience retail, shopping, grocery stores and financial and fast food services."

# **Adverse Site Characteristics:**

• **Site Control:** The Applicant does not currently have site control documents for twelve of the 15 proposed lots, and six or seven of these lots are owned by "absentee owners" and are not currently being advertised for sale. This will be discussed in more detail in the "Construction Cost Estimate Evaluation"

portion of the report.

- **Zoning:** The Applicant has provided a letter from the City of Pharr confirming each of the three lots currently owned by PHDC are zoned for Single-Family Residential (R-1). However, due to the lack of site control and certainty about the availability of the remaining lots proposed for development, receipt, review, and acceptance of confirmation that each of the lots not currently owned by PHDC is zoned appropriately for the proposed homes is a condition of this report.
- **Floodplain:** The Applicant indicates that the FEMA Flood Zone designation for the three lots owned by the PHDC is Zone X, which is an area outside of the 100-year floodplain. However, a number the sites have not yet been purchased or secured; therefore, receipt, review, and acceptance of evidence that each site is located outside of the 100-year floodplain before release of any funds is a condition of this report.

## HIGHLIGHTS of SOILS & HAZARDOUS MATERIALS REPORT(S)

A Phase I Environmental Site Assessment report was not submitted with the application. Per HOME 24 CFR 58b(5), all HOME funds are subject to environmental regulations and clearance. However, the Department historically has not used HOME funds to reimburse pre-award expenses. Therefore, it is typical for environmental clearance, per HOME 24 CFR, to be evaluated and expensed after the award has been approved. Receipt, review, and acceptance before commencement of construction on any lot of environmental clearance meeting HOME 24 CFR standards is a condition of this report.

#### **TARGET HOUSEHOLDS**

All buyers of HOME assisted properties must have incomes at or below 80% of AMFI as established by HUD. However, all of the proposed homes will target households at or below 60% of AMFI. Seven of the fifteen homes will be reserved for households earning 50% or less of AMFI and eight of the fifteen homes will be reserved for households earning 60% or less of AMFI.

MAXIMUM ELIGIBLE INCOMES									
	1 Person 2 Persons 3 Persons 4 Persons 5 Persons 6 Perso								
60% of AMI	\$18,120	\$20,700	\$23,280	\$25,860	\$27,900	\$30,000			

#### **MARKET HIGHLIGHTS**

The Applicant did not provide a third-party market study for the proposed development. However, the Applicant supplied the following market information:

- The Primary Market Area (PMA) is considered by the Applicant to be the City of Pharr. According to the City, the estimated population of the City of Pharr in the year 2005 was 55,818, and the estimated number of households was 14.746.
- The three lots currently owned by PHDC and proposed for development are located census tract 213.02. "The average sales price of homes in Census Tract 213.02 is approximately \$20,000 less than the median home price for the City as a whole."
- Within this Census Tract, an LIHTC project, Las Canteras, is approximately 85% complete, and some units are already occupied. This is a 100 unit multifamily development is 100% pre-leased and is expected to be fully occupied upon completion in approximately 2 to 3 months. This project is owned by a limited partnership in which Pharr Housing Development Corporation, Inc. is the General Partner."
- "The effective vacancy rate for rental units in this census tract is below 3% and with two proposed LIHTC projects coming on line in the near term, vacancy rates for rental units are projected to drop to less than 1%."
- "According to the 2000 Census, a large percentage of renters are heavily cost-burdened in this census tract as well as throughout the City of Pharr, paying over 35% of their adjusted gross income for housing expenses."
- "The occupancy rate for homes occupied by owners in 2000 in Pharr was an estimated 93 percent."

In addition, the one family LIHTC development located close to the subject sites in south Pharr, Las Canteras Apartments was underwritten in 2004 at the maximum rents allowed under HTC guidelines. The current maximum gross rents (including utility expenses) for the three bedroom units would range from \$336 to \$672 depending on the target income level of each unit. As projected, the monthly PITI payments (not including utilities) will range from \$523 to \$559, which suggests that the proposed units may compete directly with the 8 50% rental units and 21 60% rental units at Las Canteras, once completed.

#### **HOMEBUYER AFFORDABILITY ANALYSIS**

**Proposed Sale Prices:** The Applicant has proposed to sell each home for \$91,819 to \$98,345. Based on the proposed sale prices and the Applicant's projected unit mix, the total mortgage financing, to include 15 individual permanent mortgages, is projected to be \$1,316,043, assuming additional the FHLB down payment assistance. Based on the Underwriter's evaluation of the development proforma, the actual sales prices may need to be higher than those proposed due to the absence of any contingency, low projected construction costs, and high level of multiple unit construction savings (discussed below in cost section). Any unanticipated increase in costs could result in the necessity to raise sales prices in order to maintain financial feasibility.

**Down Payment Assistance:** The Applicant anticipates a grant of \$5,000 per home from the Federal Home Loan Bank of Dallas (FHLB) to be used for down payment assistance. The Applicant has indicated that the assistance will be structured as a 0% loan that is forgiven in 20% increments over a five year period for retention by the homebuyer. In addition, the Applicant has requested \$75,000 or \$5,000 per home in down payment assistance as part of the Colonia Model Subdivision application. The Colonia Model Subdivision Program allows the permanent debt to be structured in two pieces if necessary: a permanent repayable first lien with a 30-year term at 0% interest and a deferred forgivable second lien. The second lien is effectively down payment assistance, which will be assessed based on each household's income ability to pay. The Underwriter's affordability analysis assumes the FHLB down payment of \$5,000, which reduces the need for additional down payment assistance, particularly for households earning above 50% of AMI. The Applicant has also indicated that any additional closing costs will be included in the loan principals.

Affordability Analysis: The underwriting affordability analysis estimates the monthly mortgage payment plus taxes, property insurance, and mortgage insurance for each unit in order to determine the level of affordability for households at the target income levels. Based on the Underwriter's analysis of the proposed sale prices, the proposed units will be affordable to households of four to five persons earning an annual income at 50% of AMFI and to households of three to five earning an annual income of 60% of AMFI, assuming a loan amortized over 30 years accruing interest at 0% and the \$5,000 FHLB down payment assistance. However, per the program guidelines, the TDHCA will offer each qualified buyer a combination of a repayable 0% interest loan and a deferred forgivable loan based on the buyer's income and ability to pay, which is discussed further below. The buyers' income will be evaluated to ensure that each qualifies for the proposed payments. Therefore, by issuing a deferred forgivable second lien for households earning incomes below the affordable threshold, each home effectively becomes affordable all households. The program does not currently have guidelines to limit the deferred second lien to any amount or percentage of the total sales price.

	AFFOR	DABILITY A	NALYSIS (Base	ed on 4 person h	ouseholds)		
Plan Type	<b>Proposed Price</b>	<b>Monthly PITI</b>	60% HH Max	Differential	Differential 50% HH Max		
Plan A-1: 3-BR	\$92,525	\$527	\$647	-\$120	\$539	-\$12	
Plan B-2: 3-BR	\$98,345	\$559	\$647	-\$88	\$539	\$20	
Plan C-3: 3-BR	\$91,861	\$523	\$647	-\$124	\$539	-\$16	
Plan D-4: 3-BR	\$96,061	\$547	\$647	-\$100	\$539	\$8	
Plan E-5: 3-BR	\$91,819	\$523	\$647	-\$124	\$539	-\$16	

In order to target households of three persons at 50% of AMI, a deferred forgivable loan of \$12K to 23K (depending on unit type) would be required. In order to target households of three at 30% of AMI, a deferred forgivable of \$72K to \$84K would be needed; households of four at 30% would need \$62K to \$74K; and households of five at 30% would need \$55K to \$66K.

The program guidelines do not explicitly dictate the terms of the deferred forgivable second lien. Specifically, the Underwriter is concerned that as the loan is forgiven, the homeowner may be required to report this forgiven amount as phantom income, leading to a higher taxable income and resulting in burdensome and unanticipated taxes. The Underwriter suggests that the forgivable portion of each loan, if any, is forgiven over time to mitigate any unintended effects that may burden the homebuyer.

Market Rate Comparison: In addition, to the affordability analysis at the program interest rate of 0%, the Underwriter performed an analysis of the affordability at the market interest rate of 6.95% for the second quarter of 2006, based on data for the McAllen MSA from the Real Estate Center at Texas A&M University. The principal, interest, taxes, and insurance payment for the least expensive home would rise to \$857 per month or \$210 per month more than the targeted affordability for a four person household earning 60% of AMI. Assuming a market interest rate of 6.95%, monthly PITI payments for the proposed units would range from \$857 to \$918, which is below the maximum monthly payment of \$931 for five person households earning 80% or less of AMI.

Based on the Underwriter's analysis, in addition to a down payment of \$5K, a grant subsidy of \$23K to \$32K would be required in order for the proposed units to become affordable to five person households earning 60% of AMI. In order to reach target households of five persons at 50% of AMI, a subsidy ranging from \$40K to \$49K would be needed and a subsidy of between \$72K and 82K for five person households at 30% of AMI. Therefore, it appears that the program, by utilizing an interest rate of 0%, provides a benefit over market rate mortgage loans by forgoing the need for additional subsidy of approximately \$20K to \$30K or more per household.

<u>Conclusion</u>: In order to achieve a reasonable level of affordability, staff believes that HOME CHDO funded single family units should be affordable to households at 80% of AMI at market rates and, due to the benefit from the 0% interest rate, should be affordable to the 50% and 60% target populations.

		ACQUISITIO	N VALUATION	INFORMA	ATION	
		ASSESSED V	ALUE (3 lots ow	ned by I	PHDC)	
Land: 0.11 acres each (estin	mated)	\$12,600	Assessm	ent for th	ne Year of: 2006	
Building:		N/A	Valuation by:		Hidalgo County Appraisal District	
<b>Total Assessed Value:</b>	\$12,600	Tax Rat	<b>Tax Rate:</b> 3.134054			
		EVIDENCE (	of SITE or PROPE	RTY CON	NTROL	
Type of Site Control:	General wa	arranty deed (L	Lots 28, 29, 42, a	ınd 44 in	Sun Valley Subdivision)	
Contract Expiration:	N/A			Valid th	rough Board Date? Yes No	
Acquisition Cost:	\$48,000 (\$	312,000 per lot)	)	Other:	ONLY 3 OF THE PROPOSED 15 LOTS.	
Seller: Sun Valley Su	bdivision,	Corp.		Related	to Development Team? Yes No	

### **CONSTRUCTION COST ESTIMATE EVALUATION**

Acquisition Value: The Applicant has claimed an acquisition cost of \$18,000 per lot based on the Applicant's evaluation of current property values and sales in the area. The Applicant did not provide additional information to evidence the claimed acquisition cost. The Applicant provided a settlement statement for the three lots currently owned by PHDC indicating a contract purchase price of \$12,000 per lot. However, the Applicant does not currently have site control documents for the remaining twelve proposed lots. Although, one of the prospective lots is currently vacant but owned by a potential homebuyer. Therefore, the Applicant has indicated that this lot will be sold to the PDHC and the proceeds will be applied as a down payment. The Applicant has assigned this lot a value of \$15,000 and included the funds as a gift in-kind in the development cost schedule and as a source of funds. Typically, this type of acquisition constitutes an identity of interest transaction and as such requires substantiation of the acquisition cost. However, the Applicant provided no evidence to support the acquisition cost; therefore, receipt, review, and acceptance of documentation supporting a lot acquisition cost for the identity of interest purchase of any lots in which a

completed home will be acquired from the ultimate purchaser of the home or funded in any part with TDHCA funds is a condition of this report.

Obtaining site control for all fifteen lots may be particularly difficult due to the extended time frame required by the program as a result of the limits on concurrent site development and purchase. The Applicant provided MLS listings for fourteen potential sites, five of which listed sale prices ranging from \$16,000 to \$22,000. Due to the absence of site control documents and the available information pointing to the reasonableness the Applicant's claimed acquisition cost, the Underwriter has valued the lots currently owned by PHDC equal to the contract price of \$12,000 per lot, the lot owned by a prospective home buyer at \$15,000, and the remaining eleven lots at the Applicant's claimed cost of \$18,000 per lot. This results in an average cost per lot of \$16,600. Receipt, review, and acceptance, before release of funds for each site, of the site control documents for each of the proposed sites, or reasonable alternative sites as outlined by the program guidelines, indicating the contract sale price is a condition of this report. Additionally, receipt, review, and acceptance of documentation, should any lot exceed a purchase price of \$16,600, of additional financing or identified budget savings is a condition of this report.

<u>Sitework Cost</u>: The Applicant originally embedded the anticipated sitework costs into the direct construction cost estimate. However, at the request of the Underwriter, the Applicant has separated the sitework and direct costs. The projected sitework costs of \$3,050 per unit are within the Department's guideline; therefore, third party substantiation is not required. Of note, as each of the lots is anticipated to be in fill of an existing subdivision sitework may be minimal.

<u>Direct Construction Cost</u>: The Applicant's direct construction cost estimate is \$55K or 6% lower than the Underwriter's Marshall & Swift *Residential Cost Handbook*-derived estimate. It should be noted that the Underwriter's costs are based upon a maximum level of efficiency assumed as a result of the consecutive construction of multiple units. Based on the Underwriting tools, an estimated cost savings of 20% on direct construction costs and 13% on the total development cost is required. Additionally, the Applicant included no itemized amount for contingency and therefore, the Underwriter's evaluation includes no contingency. As a result, while the Applicant's costs are acceptable, they appear to contain very little margin for future cost increases.

<u>Fees:</u> The Applicant's contractor's fees for general requirements, general and administrative expenses, and profit are all within the maximums allowed by TDHCA guidelines. The Applicant's proforma indicates total Developer overhead and profit of 8.06% of the total cost which is within the TDHCA guideline of 15%. Therefore, the Applicant's claimed Developer fees are generally acceptable. Also of note, the Underwriter's proforma indicates Developer profit and overhead which is also with the Department's guideline when the Applicant's proposed sales prices are used.

The Applicant appears to have miscalculated the gross sales proceeds based on the per unit sales prices submitted. Due to the actual gross sales proceeds being higher than the Applicant's submitted amount and higher than the total sources of funding (including the Applicant's requested HOME funds), the Applicant may not have sufficient sources of permanent homebuyer mortgage financing. However, this issue may be mitigated by a reduction in the developer's fees by \$14,970 or through an equivalent amount in cash down payment contributions from the qualified homebuyers. While of concern for the Underwriter, this issue should be easily mitigated but could affect the financial feasibility of the transaction. The recommended financing structure reflects a reduction in developer fees by \$14,970 to the amount that the Underwriter believes was intended, based on the information submitted in the application.

<u>Conclusion</u>: The Applicant's total development cost is within 5% of the Underwriter's estimate; therefore, the Applicant's cost schedule, reflecting a total net development cost of \$1,391,043, based upon the Applicant's projected unit mix, will be used to determine the development's need for interim funds and permanent mortgage financing. Moreover, if the homebuyers ultimately choose the most expensive unit type proposed, the total development cost could increase to \$1,475,175, or 6% more than currently proposed.

Particularly important, due to the extended timeframe that is required to meet the program's consecutive lot purchase and development guideline, increases in construction costs could jeopardize development of all 15 proposed homes. However, the funds for development of the second or third phase of five homes will not be released until after successful development of the preceding phase of five homes. Therefore, the viability of

these phases will be assessed at a later date and are dependent upon the developer's initial success. This limits the Department's exposure and increases the Applicant's accountability for the development plan. In addition, as discussed above, the budgeted costs appear to have limited the built-in project contingency and profit and therefore also limit the margin for error or unanticipated future cost increases. As a result of these concerns, receipt, review, and acceptance of documentation, should the development of any home exceed the average development cost per unit of \$94,536, of additional financing or identified budget savings is a condition of this report.

		FINAN	ICING STRUCTURE			
			FINANCING			
Source:	TDHCA			Contact:	Skip Beaird	
Principal:	\$1,316,043	Interest Rate: (	0%		Term:	360 months
Documentation	: Signed Te	rm Sheet LOI	Firm Commitment	Conditiona	l Commitment 🛛 A	pplication
Comments:						
			GRANT			
Source:	Federal Home Loan	Bank of Dallas		Contact:	Bruce Hatton	
In-Kind:	\$75,000	Conditions:				
Documentation	: Signed Te	rm Sheet 🗌 LOI 🔀	Firm Commitment	Conditiona	l Commitment  A	pplication
Comments:						
		GRANT/IN	-KIND CONTRIBUTIO	ON		
Source:	City of Pharr			Contact:	Fernando Flores	
In-Kind:	\$12,000	Conditions:		•		
Documentation	: Signed Te	rm Sheet 🗌 LOI 🔀	Firm Commitment	Conditiona	l Commitment	pplication
Comments:	Waiver of \$800	per house in tap fee	es and building perm	its.		
			OTHER			
Amount: \$1	5,000	Source:	Lot Equity			
		FINIANIGINI	CTDUCTURE ANALY	/C1C		

Interim Financing: The Applicant has requested development funding from the TDHCA's Colonia Model Subdivision program in the amount of \$1,316,043. The Applicant's request was revised down to this amount after revisions to the development proforma that resulted in lower construction costs per unit. Per the application, \$75,000 of the requested funds is to be a grant to be used as Homebuyer Down Payment Assistance. However, the Colonia Model Subdivision program has been designed to accommodate down payment assistance based on the Applicant's ability to pay. The TDHCA will offer each qualified buyer a combination of a repayable 0% interest loan and a deferred forgivable loan based on the Applicant's income. The deferred forgivable loan will constitute homebuyer down payment assistance. The Applicant has also requested \$75,000 grant CHDO operating expenses. These funds are used for the operation of the CHDO in the administration of this award, and as such, are not considered a direct funding source for the development.

<u>Private Grant</u>: The Applicant has submitted a commitment for a \$75,000 (\$5,000 per home) grant from the Federal Home Loan Bank of Dallas that will be used as development funds and as down payment assistance for qualified buyers. The Applicant has indicated that the \$5,000 in down payment assistance per home will be forgiven in 20% increments over 5 years. However, the commitment has not been signed; therefore, receipt, review, and acceptance of a signed commitment from the Federal Home Loan Bank of Dallas for the proposed grant is a condition of this report.

**Equity Contribution:** The Applicant has indicated equity of \$15,000 from one lot that is currently owned by a prospective homebuyer. As discussed above, the Applicant has indicated that the current owner of the lot would sell to PDHCA for \$15,000, and the completed home would be sold back to the previous lot owner

with the \$15,000 proceeds to be used for a down payment. Under this structure, which may be required to meet the program guidelines, the \$15,000 would be a source of funds. Therefore, the Underwriter's recommended financing structure includes this source as lot equity.

<u>Cash Reserves</u>: The Applicant has indicated a cash reserve of \$100,000 that may be drawn upon during the development process. The Applicant provided a Resolution passed by the City of Pharr indicating approval of the cash reserves to be structured as a revolving loan at 0% interest to be repaid upon reimbursement for expenditures with the requested HOME CHDO funds. This is a critical tool needed to eliminate any interim financing interest costs.

**Permanent Mortgage Financing:** The Applicant anticipates as many as 15 permanent mortgages up to \$93,345 each with a term of 30 years at 0% interest. The permanent mortgages will be accompanied by \$5,000 in down payment assistance from the Federal Home Loan Bank of Dallas. As proposed, and assuming a reduction in the developer fees of \$14,970, the total permanent mortgage financing will amount to \$1,316,043.

<u>Financing Conclusions</u>: The Underwriter's recommended funding will be determined using the Applicant's adjusted development cost schedule as reflected in the recommended uses of funds and based on the gap in financing from the Underwriter's recommended financing structure. The recommended financing structure, based on the development plan and unit mix as submitted, indicates a gap in financing of 1,316,043, which is equal to the Applicant's requested amount. If changes to the unit mix, to the acquisition cost, or construction cost increases materialize, the development could face a deficit in funding. However, the Underwriter believes that this potential deficit may be managed through close, ongoing budget scrutiny and financed with the available cash reserves during the development process. Therefore, based on the Underwriter's analysis, the requested HOME loan should not exceed \$1,316,043 to be released in accordance with program guidelines and restrictions on consecutive lot purchase and development. In addition, the requested HOME CHDO operating expenses grant should not exceed \$75,000.

# DEVELOPMENT TEAM IDENTITIES OF INTEREST

No identities of interest have been indicated in the application, except the potential lot acquisition for one lot from a potential homebuyer discussed above. In addition, the Applicant will serve as the developer and market and directly sell the homes to prospective purchasers.

#### APPLICANT'S/PRINCIPALS' FINANCIAL HIGHLIGHTS, BACKGROUND, and EXPERIENCE

<u>Financial Highlights</u>: The Applicant, Pharr Housing Development Corporation, submitted an unaudited financial statement as of June 30, 2006 reporting total assets of \$1.1M and consisting of \$31K in cash, \$329K in investments, \$265K in other current assets, \$369K in fixed assets, and \$68K in other assets. Liabilities totaled \$206K, resulting in net assets of \$857K.

Background & Experience: PHDC owns eleven rental units, has developed ten affordable homes through the Texas Bootstrap Loan Program, and has been awarded over \$150K in AHP funds to assist approximately 30 first-time homebuyers in the City of Pharr. Additionally, PDHC has acted as General Partner in the development of Las Canteras, a 100 unit LIHTC multifamily development in South Pharr, and has received a forward commitment at the August 2006 TDHCA Board meeting to construct Mesquite Terrace, a 106 unit LIHTC elderly multifamily development located in south Pharr.

# SUMMARY OF SALIENT RISKS AND ISSUES

- Significant environmental/locational risks exist regarding unknown site locations.
- The seller of the property has an identity of interest with the Applicant.

Underwriter:		Date:	December 1, 2006
	Cameron Dorsey		
Director of Real Estate Analysis:		Date:	December 1, 2006
	Tom Gouris		

# PHDC Colonia Scattered Sites, Pharr, #2006-0216

FLOOR PLAN NUMBER		A-1	B-2	C-3	D-4	E-5	AVERAGE	TDHCA TOTAL	APPLIC	ANT	
NUMBER PLOTTED		4	2	3	3	3		15			
SQUARE FOOTAGE		1,074	1,069	1,120	1,272	1,053	1,118	16,769	16,769		
DESCRIPTION	Max.	3 BD 2 BA	3 BD 2 BA	3 BD 2 BA	3 BD 2 BA	3 BD 2 BA					
Raw Land Acquisition Cost		\$16,600	\$16,600	\$16,600	\$16,600	\$16,600	\$16,600	\$249,000	\$270,000		
Off-Sites		0	0	0	0	0	0	0	0		
Site Work		3,050	3,050	3,050	3,050	3,050	3,050	45,750	45,750	\$	2.73
Direct Construction Costs		66,970	69,888	68,815	78,604	65,510	69,763	1,046,442	834,540	\$	49.77
Indirect Construction Costs		1,700	1,700	1,700	1,700	1,700	1,700	25,500	25,500	\$	1.52
General Requirements & Overhead	8.0%	5,602	5,835	5,749	6,532	5,485	5,825	87,375	70,035		7.96%
Contractor's Profit	6.0%	4,201	4,376	4,312	4,899	4,114	4,369	65,532	52,218		5.93%
Developer's Overhead	5.0%	4,906	5,072	5,011	5,569	4,823	5,065	75,980	97,500		6.42%
Contingency	0.0%	0	0	0	0	0	0	0	0		0.00%
Financing		0	0	0	0	0	0	0	0		
Other:		0	0	0	0	0	0	0	0		
SUBTOTAL COSTS		\$103,030	\$106,522	\$105,237	\$116,954	\$101,281	\$106,372	\$1,595,579	\$1,395,543	\$	83.22
Sales Commission	0.0%	0	0	0	0	0	0	0	0		0.00%
Buyer's closing csts pd by Dev.		1,500	1,500	1,500	1,500	1,500	1,500	22,500	22,500		
TOTAL COST		\$104,530	\$108,022	\$106,737	\$118,454	\$102,781	\$107,872	\$1,618,079	\$1,418,043	\$	84.56
Less: Grants & Gifts In-Kind		(1,800)	(1,800)	(1,800)	(1,800)	(1,800)	(1,800)	(27,000)	(27,000)		
NET COST		\$102,730	\$106,222	\$104,937	\$116,654	\$100,981	\$106,072	\$1,591,079	\$1,391,043	\$	82.95
GROSS SALES PROCEEDS		\$92,525	\$98,345	\$91,861	\$96,061	\$91,819	\$93,734	1,406,013	\$1,406,013	\$	83.85
NET PROFIT		(\$10,205)	(\$7,877)	(\$13,076)	(\$20,593)	(\$9,162)	(\$12,338)	(\$185,066)	\$14,970		
DIRECT CONSTRUCTION COST p	er SF	\$62.36	\$65.38	\$61.44	\$61.80	\$62.21	\$62.40	\$62.40	\$49.77		
SUBTOTAL COST per SQ FT		\$95.93	\$99.65	\$93.96	\$91.95	\$96.18	\$95.15	\$95.15	\$83.22		
TOTAL COST per SQ FT		\$97.33	\$101.05	\$95.30	\$93.12	\$97.61	\$96.49	\$96.49	\$84.56		
SALES PRICE per SQ FT		\$86.15	\$92.00	\$82.02	\$75.52	\$87.20	\$83.85	\$83.85	\$83.85		
DEVELOPER FEES to COST RATIO	)	-5.14%	-2.63%	-7.66%	-12.85%	-4.28%	-6.84%	-6.84%	8.06%		
TOTAL PROFIT to COST RATIO		-5.83%	-3.29%	-8.33%	-13.42%	-4.98%	-7.49%	-7.49%	4.81%		

### PHDC Colonia Scattered Sites, Pharr, #2006-0216

### **DIRECT CONSTRUCTION COST ESTIMATE**

Single Family Residence Average Quality Basis

Plan A-1

Plan B-2

Plan C-3

					TIGHTE			Tidil 6 6						
CATEGORY	FACTOR	UNITS/SF	PER SF	AMOUNT	CATEGORY	FACTOR	UNITS/SF	PER SF	AMOUNT	CATEGORY	FACTOR	UNITS/SF	PER SF	AMOUNT
Base Cost		1,074	\$76.67	\$82,348	Base Cost		1,069	\$76.74	\$82,039	Base Cost		1,120	\$76.03	\$85,154
Adjustments					Adjustments					Adjustments				
Roofing			0.00	0	Roofing			\$0.00	\$0	Roofing			\$0.00	\$0
Subfloor			(2.28)	(2,449)	Subfloor			(2.28)	(2,437)	Subfloor			(2.28)	(2,554)
Floor Cover			2.92	3,136	Floor Cover			2.92	3,121	Floor Cover			2.92	3,270
Plumbing	\$940	0	0.00	0	Plumbing	\$940	0	0.00	0	Plumbing	\$940	0	0.00	0
Built-In Appliances	\$1,000	1	0.93	1,000	Built-In Appliances	\$1,000	1	0.94	1,000	Built-In Appliances	\$1,000	1	0.89	1,000
Heating/Cooling			1.62	1,740	Heating/Cooling			1.62	1,732	Heating/Cooling			1.62	1,814
Garages/Carports	\$23.97	198	4.42	4,746	Garages/Carports	\$20.71	440	8.52	9,112	Garages/Carports	\$23.97	198	4.24	4,746
Porches	\$18.77	80	1.40	1,502	Porches	\$18.77	78	1.37	1,464	Porches	\$18.77	60	1.01	1,126
Subdivision Discount	0.00%		0.00	0	Subdivision Discount	0.00%		0.00	0	Subdivision Discount	0.00%		0.00	0
Other:			0.00	0	Other:			0.00	0	Other:			0.00	0
SUBTOTAL	-		\$85.68	\$92,023	SUBTOTAL			\$89.83	\$96,032	SUBTOTAL			\$84.43	\$94,557
Current Cost Multiplier	1.07		91.68	98,464	Current Cost Multiplier	1.07		96.12	102,754	Current Cost Multiplier	1.07		90.34	101,176
Local Multiplier	0.81		(16.28)	(17,484)	Local Multiplier	0.81		(17.07)	(18,246)	Local Multiplier	0.81		(16.04)	(17,966)
TOTAL DIRECT CONSTRUCTION	COSTS		\$75.40	\$80,980	TOTAL DIRECT CONST	RUCTION C	OSTS	\$79.05	\$84,508	TOTAL DIRECT CONSTR	RUCTION CO	OSTS	\$74.29	\$83,210
Plans/specs, svy, prmts	3.40%		(\$2.56)	(2,753)	Plans/specs, svy, prmts	3.40%		(\$2.69)	(2,873)	Plans/specs, svy, prmts	3.40%		(\$2.53)	(2,829)
Interim Construction Int.	1.50%		(\$1.13)	(1,215)	Interim Construction Int.	1.50%		(\$1.19)	(1,268)	Interim Construction Int.	1.50%		(\$1.11)	(1,248)
Contractor's OH & Profit	12.40%		(\$9.35)	(10,042)	Contractor's OH & Profit	12.40%		(\$9.80)	(10,479)	Contractor's OH & Profit	12.40%		(\$9.21)	(10,318)
NET DIRECT CONSTRUCTION C	OSTS		\$62.36	\$66,970	NET DIRECT CONSTRU	CTION COS	STS	\$65.38	\$69,888	NET DIRECT CONSTRU	CTION COS	TS	\$61.44	\$68,815

### PHDC Colonia Scattered Sites, Pharr, #2006-0216

#### **DIRECT CONSTRUCTION COST ESTIMATE**

Single Family Residence Average Quality Basis

Plan D-4

Plan E-5

CATEGORY	FACTOR	UNITS/SF	PER SF	AMOUNT	CATEGORY	FACTOR	UNITS/SF	PER SF	AMOUNT		
Base Cost		1,272	\$73.26	\$93,183	Base Cost		1,053	\$76.97	\$81,047		
Adjustments					Adjustments						
Roofing			\$0.00	\$0	Roofing			\$0.00	\$0		
Subfloor			(2.28)	(2,900)	Subfloor			(2.28)	(2,401)		
Floor Cover			2.92	3,714	Floor Cover			2.92	3,075		
Plumbing	\$940	0	0.00	0	Plumbing	\$940	0	0.00	0		
Built-In Appliances	\$1,000	1	0.79	1,000	Built-In Appliances	\$1,000	1	0.95	1,000		
Heating/Cooling			1.62	2,061	Heating/Cooling			1.62	1,706		
Garages/Carports	\$20.71	440	8.14	9,112	Garages/Carports	\$23.97	198	4.24	4,746		
Porches	\$18.77	32	0.47	601	Porches	\$18.77	60	1.07	1,126		
Subdivision Discount	0.00%		0.00	0	Subdivision Discount	0.00%		0.00	0		
Other:			0.00	0	Other:			0.00	0		
SUBTOTAL			\$84.91	\$108,008	SUBTOTAL			\$85.48	\$90,015		
Current Cost Multiplier	1.07		90.86	115,568	Current Cost Multiplier	1.07		91.47	96,317		
Local Multiplier	0.81		(16.13)	(20,521)	Local Multiplier	0.81		(16.24)	(17,103)		
TOTAL DIRECT CONSTR	RUCTION C	OSTS	\$74.72	\$95,047	TOTAL DIRECT CONSTR	UCTION CO	STS	\$75.23	\$79,214		
Plans/specs, svy, prmts	3.40%		(\$2.54)	(3,232)	Plans/specs, svy, prmts	3.40%		(\$2.56)	(2,693)		
Interim Construction Int.	1.50%		(\$1.12)	(1,426)	Interim Construction Int.	1.50%		(\$1.13)	(1,188)		
Contractor's OH & Profit	12.40%		(\$9.27)	(11,786)	Contractor's OH & Profit	12.40%		(\$9.33)	(9,822)		
NET DIRECT CONSTRU	CTION COS	TS	\$61.80	\$78,604	NET DIRECT CONSTRUC	TION COST	s	\$62.21	\$65,510		

# **HOMEBUYER AFFORDABILITY ANALYSIS EXHIBIT**

# \$5000 DOWNPAYMENT ASSUMPTION

PHDC Colonia Scattered Sites, Pharr, #2006-0216

	ASSUMPTIONS								
Interest Rate:	0.00%	Tax Rate per \$100:	3.134054						
Loan Term (mos):	360	Property Insurance:	0.35%						
Assessed Value (est.):	90%	Mortgage Insurance:	0.50%						

LOAN CALCULATIONS								
	Plan A-1	Plan B-2	Plan C-3	Plan D-4	Plan E-5			
Sales Price:	\$92,525	\$98,345	\$91,861	\$96,061	\$91,819			
\$ 5,000 Downpayment	5,000	5,000	5,000	5,000	5,000			
Deferred Forgivable	-	-	-	-	-			
Loan Amount:	\$87,525	\$93,345	\$86,861	\$91,061	\$86,819			

MONTHLY PAYMENT									
P & I	\$243.13	\$259.29	\$241.28	\$252.95	\$241.16				
Taxes	217.48	231.16	215.92	225.80	215.82				
Insurance	30.00	30.00	30.00	30.00	30.00				
MIP	36.47	38.89	36.19	37.94	36.17				
TOTAL PAYMENT	\$527	\$559	\$523	\$547	\$523				

	QUALIFYING	INCOME			
	1-Person	2-Person	3-Person	4-Person	5-Person
30% of Median Annual Income	\$9,050	\$10,350	\$11,650	\$12,950	\$14,000
Monthly Income	\$754	\$863	\$971	\$1,079	\$1,167
PITI Affordability @ 30%	\$226	\$259	\$291	\$324	\$350
50% of Median Annual Income	\$15,100	\$17,250	\$19,400	\$21,550	\$23,250
Monthly Income	\$1,258	\$1,438	\$1,617	\$1,796	\$1,938
PITI Affordability @ 30%	\$378	\$431	\$485	\$539	\$581
60% of Median Annual Income	\$18,120	\$20,700	\$23,280	\$25,860	\$27,900
Monthly Income	\$1,510	\$1,725	\$1,940	\$2,155	\$2,325
PITI Affordability @ 30%	\$453	\$518	\$582	\$647	\$698
80% of Median Annual Income	\$24,150	\$27,600	\$31,050	\$34,500	\$37,250
Monthly Income	\$2,013	\$2,300	\$2,588	\$2,875	\$3,104
PITI Affordability @ 30%	\$604	\$690	\$776	\$863	\$931

# SINGLE FAMILY RESIDENCE DEVELOPMENT SOURCES and USES OF FUNDS EXHIBIT

# PHDC Colonia Scattered Sites, Pharr, #2006-0216

		RECYCLE	TDHCA	APPLICANT	RECOMMENDED	
	TYPE OF CREDIT FACILITY	FACTOR	AMOUNT	AMOUNT	AMOUNT	SOURCE/PRIORITY
1	HOME Loan	1	\$1,316,043	\$1,316,043	\$1,316,043	TDHCA
2	Neighborhood Partnership	1				TDHCA
3	Housing Trust Fund Loan	1				TDHCA
4	TX Community Dev. Program	1				TDHCA
5	Other TDHCA Program Loan	1				TDHCA
6	Cash Equity	1				
7	In-Kind Equity	1	12,000	12,000	12,000	City of Pharr
8	Other CDBG	1				
9	Other HOME Loan	1				
10	RECD Loan(s)	1				
11	Other Federal Loan or Grant	1				
12	Local Municipality Loan or Grant	1				
13	Private Loan or Grant	1	75,000	75,000	75,000	FHLB Dallas
14	Conventional Loan	1				
15	Lot Equity	1	15,000	15,000	15,000	Potential Homebuyer
TOT	AL SOURCES OF FUNDS		\$1,418,043	\$1,418,043	\$1,418,043	

USES OF FUNDS								
	TDHCA APPLICANT RECOMMENDED							
	DESCRIPTION	AMOUNT	AMOUNT	AMOUNT				
1	Raw Land Acquisition Cost	\$249,000	\$270,000	\$270,000				
2	Off-Sites	-	-	-				
3	Site Work	45,750	45,750	45,750				
4	Direct Construction Costs	1,046,442	834,540	834,540				
5	Indirect Construction Costs	25,500	25,500	25,500				
6	General Requirements & Overhead	87,375	70,035	70,035				
7	Contractor's Profit	65,532	52,218	52,218				
8	Developer's Overhead	75,980	97,500	97,500				
9	Contingency	-	-	-				
10	Financing	-	-	-				
11	Other:	-	-	-				
12	Sales Commission	-	-	-				
13	Buyer's closing csts pd by Dev.	22,500	22,500	22,500				
14	Other: Net Developer Profit	(185,066)	14,970	-				
TOT	AL USES OF FUNDS	\$1,433,013	\$1,433,013	\$1,418,043				



1" = 1.09 mi

Data Zoom 11-5

**DATE:** December 1, 2006 **PROGRAM:** Colonia Model Subdivision **FILE NUMBER:** 2006-0215

#### **DEVELOPMENT NAME**

#### CDC Brownsville

	APPLICANT						
Name:	Community Development Corporation of Brownsville	Contact:	Nick Mitchell-Bennett				
Address:	901 East Levee						
City	Brownsville	State:	TX <b>Zip:</b> 78520				
Phone:	(956) 541-4955 <b>Fax:</b> (956) 541-4990	Email:	nmitchell@cdcb.org				

	PROPERTY LOCATION								
Location:	Scattered sites in Cameron County								
City:	San Benito			<b>Zip:</b> 78586					
County:	Cameron	Region:	11	<b>◯</b> QCT <b>◯</b> DDA					

		REQUEST		
<b>Program</b>	<b>Amount</b>	<b>Interest Rate</b>	<b>Amortization</b>	<u>Term</u>
HOME (CHDO)	\$1,241,043	0%	30 yrs	30 yrs
Proposed Use of Funds:	New construction	Type:	Single-Family Purchase	
Target Population:	Family	Other:		

#### **RECOMMENDATION**



RECOMMEND APPROVAL OF A HOME AWARD NOT TO EXCEED \$1,500,000, STRUCTURED AS AN INTERIM LOAN TO BE CONVERTED TO UP TO 20 INDIVIDUAL PERMANENT LOANS OF UP TO \$81,500 EACH AND EACH STRUCTURED WITH A 30-YEAR TERM AT 0% INTEREST, SUBJECT TO CONDITIONS.

### **CONDITIONS**

- 1. Partition of the permanent loans to include a permanent repayable first lien and a deferred forgivable second lien, per the program guidelines, if the households earn less than 50% of AMI or based on the Department's determination that a deferred forgivable second lien is necessary to achieve affordability.
- 2. Release of interim funds for not more than five lots and three homes in development at any one time.
- 3. Receipt, review, and acceptance of a settlement statement for each of the unidentified 17 lots and documentation that the sales price attributed a lot less the purchase price listed on the settlement statement is not greater than \$11,250 on average.
- 4. Receipt, review, and acceptance of documentation, should the development of any home exceed the average development cost per unit of \$75,000, of additional financing or identified budget savings.
- 5. Receipt, review, and acceptance of confirmation that each of the lots is zoned appropriately for the proposed homes.
- 6. Receipt, review, and acceptance of evidence that each site is located outside of the 100-year floodplain before release of any funds.
- 7. Receipt, review, and acceptance before commencement of construction on any lot of environmental clearance meeting the HOME rules in Title 24 of the Code of Federal Regulations (CFR) Part 58.

#### **REVIEW of PREVIOUS UNDERWRITING REPORTS**

No previous reports.

# DEVELOPMENT SPECIFICATIONS ARCHITECTURAL REVIEW

The plans depict homes that are comparable to other modern homes. They appear to provide acceptable access and storage. The elevations reflect modest houses.

# STRUCTURAL MATERIALS

The structures will be constructed on concrete slabs. According to the plans provided in the application the exterior will be 100% masonry veneer. The interior wall surfaces will be drywall and the roofs will be finished with composite shingles.

#### **UNIT FEATURES**

The interior flooring will be vinyl and carpet. The units will include an oven/range, ceiling fans, laundry connections, an individual heating and air conditioning unit, individual water heater, and laminate counter tops in the kitchen and baths. In accordance with 24 CFR 92.251, housing that is assisted or built with HOME funds, at a minimum, must upon completion be in compliance with Texas Minimum Construction Standards, Colonia Housing Standards, or FHA minimum standards, and local building codes and zoning ordinances. The Administrator will conduct necessary inspections to ensure that all health and safety standards are met. If necessary, the homebuyer will be notified of deficiencies and the cost and time required for repair. Newly constructed homes must meet energy standards as verified by a RESCHECK TM certification and the International Residential Code (IRC) as required by Subchapter G, Chapter 214 of the Local Government Code or Chapter 11 of the IRC as required by Chapter 388 of the Health and Safety Code, as applicable. Single Family Accessibility Standards must also be met when applicable.

### **SUBDIVISION AMENITIES**

The proposed homes will be constructed on existing developed lots. No existing or planned subdivision amenities have been identified.

### PROPOSAL and DEVELOPMENT PLAN DESCRIPTION

**<u>Description</u>**: The Community Development Corporation of Brownsville has proposed a 20-lot single family in-fill development with lots scattered throughout southern Cameron County. The development is projected be comprised of 20 single story homes as follows, subject to buyer demand:

<u>Plan Type</u>	No. of Flrs.	No. Planned	<b>Bedrooms</b>	<b>Baths</b>	<u>Square Feet</u>
864	1	5	3	1	864
994	1	5	3	1	994
1023	1	5	3	2	1,023
1241	1	5	3	2	1.241

<u>Development Plan</u>: The proposed in-fill development will make use of 20 existing developed lots in established neighborhoods. The Applicant identified three of the 20 lots currently owned by the Community Development Corporation of Brownsville (CDCB). The remaining 17 lots planned for development have not been identified in the application. However, the Applicant has indicated an anticipated average lot acquisition cost of \$15,000. The CDCB has indicated that they currently have a portfolio of over 700 lots reserved for residential development including 300 in rural areas of Cameron County and that the remaining 17 lots have already been secured but have not yet been identified for the Colonia Model Subdivision Program (CMSP). Each of the first three lots has been developed with adequate infrastructure which includes access to dedicated roads and electric, water, and wastewater services and is within reasonable proximity to fire hydrants and storm drains. The Applicant has indicated that the remaining 17 lots will be developed lots and anticipates no off-sites costs.

Per the Department guidelines, the Applicant may purchase no more than five lots at one time with CMSP funds and have no more than three houses in development at any one time with CMSP funds. An additional home may be developed once construction has been completed on a home, and additional lots may be purchased after closing on the previous developed homes on a one for one basis. Based on the information

submitted in the application, the proposed development plan appears to be consistent with this program guideline. The Applicant has indicated that a substantial portion of the pre-development work has been completed and anticipates that the first three homes will be completed by June of 2007. The homes will be sold before construction begins. Due to the program guideline limiting consecutive lot acquisition and development, price increases are of concern for many planned developments. However, the Applicant plans to purchase materials in bulk for up to 40 homes at a time as part of its ongoing home production activities and has indicated that the prices are secured with suppliers up to 6 months in advance, which minimizes the risk associated with potential future cost increases.

Since all twenty lots have not yet been identified, site control, evidence of no zoning or appropriate zoning, and environmental clearance must be documented for each lot prior to release of funds for that lot as a condition of this report.

SITE ISSUES							
SITE DESCRIPTION							
Average Lot Size:	$\approx 0.36$ acres (100ft x 157ft)	Scattered sites?	⊠ Yes □ No				
Flood Zone:	Zone C	Within 100-year floodplain?	☐ Yes ⊠ No				
<b>Current Zoning:</b>	No Zoning for Single Family	Needs to be re-zoned?	☐ Yes ☐ No ☒ N/A				

#### SITE and NEIGHBORHOOD CHARACTERISTICS

<u>Location</u>: The first three lots to be developed are located in the Rancho Grande West subdivision on the north side of Highway 281 (Military Highway) approximately four miles south of San Benito's central business district in the Encantada Colonia area, Hidalgo County. As stated above, each of the 20 homes will be located on in-fill lots that may be scattered throughout the southern portion of the county.

<u>Subdivision Access</u>: Access to the Rancho Grande West subdivision is from east or west bound on Highway 281, which provides access to area amenities and communities in the region.

<u>Public Transportation</u>: The availability of public transportation was not identified in the application materials.

**Shopping & Services:** According to the Applicant, "area amenities are concentrated along Military Hwy 281 and along roads branching of Hwy 281." A major supermarket, restaurants, public elementary and secondary schools, and retail stores are located within four miles of the Rancho Grande West subdivision.

#### **Adverse Site Characteristics:**

- **Site Control:** The Applicant did not submit site control documents for seventeen of the twenty proposed lots. However, the Applicant has indicated that the CDCB maintains a portfolio of more than 300 rural lots that may be used for development of the proposed homes.
- **Zoning:** The Applicant has indicated that the County of Cameron does not have a residential zoning ordinance for single family housing. However, receipt, review, and acceptance of confirmation of the absence of zoning or appropriate zoning for each site is a condition of this report.
- **Floodplain:** The Applicant indicates that the FEMA Flood Zone designation for the three lots owned by the PHDC is Zone C, which is an area outside of the 100-year floodplain. However, a number the sites have not yet been identified; therefore, receipt, review, and acceptance of evidence that each site is located outside of the 100-year floodplain before release of any funds is a condition of this report.

#### HIGHLIGHTS of SOILS & HAZARDOUS MATERIALS REPORT(S)

The Applicant did not submit a Phase 1 Environmental Site Assessment for the subject property. However, an Environmental Review dated October 9, 2002 and performed by Ambiotec Environmental Consultants, Inc was submitted for Encantada Colonia. Due to the substantial area reviewed, the depth of the review, and the age of the report, the submitted Environmental Review is not sufficient. Of note, the subject sites appear to be located in Zone C Unshaded based on the FEMA Flood Zone Map included in the report.

Per the HOME rule in 24 CFR 58, all HOME funds are subject to environmental regulations and clearance. However, the Department historically has not used HOME funds to reimburse pre-award expenses. Therefore, it is typical for environmental clearance, per the HOME rules in 24 CFR 58, to be evaluated and expensed after the award has been approved. Receipt, review, and acceptance before commencement of construction on

any lot of environmental clearance meeting the HOME rules in 24 CFR 58 standards is a condition of this report.

#### **TARGET HOUSEHOLDS**

All buyers of HOME assisted properties must have incomes at or below 80% of AMFI as established by HUD. However, all of the proposed homes will target households at or below 60% of AMFI. Five of the twenty homes will be reserved for households earning 30% or less of AMFI, ten home will be reserved for households earning 50% or less of AMI, and five homes will be reserved for households earning 60% or less of AMFI.

MAXIMUM ELIGIBLE INCOMES							
	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	
60% of AMI	\$18,120	\$20,700	\$23,280	\$25,860	\$27,900	\$30,000	

#### MARKET HIGHLIGHTS

The Applicant did not provide a third-party market study for the proposed development. However, the Applicant supplied the following market information:

- "According to Texas A&M Real Estate Center, housing prices in the area continue to escalate with median sales prices for homes in the Brownsville/Harlingen/San Benito MSA at \$133,300. According to the Texas Affordable Housing Index (4th Quarter 2005), a Cameron County family earning the median income does not have a sufficient income to purchase a median priced home using traditional mortgage financing."
- "Only 57% of the families in the MSA earn enough to afford a home in the MSA."
- "According to the TX A&M index, the MSA is the least affordable housing market in the State of Texas when comparing housing price to family income. The National Association of Homebuilders lists Cameron County as the 7th least affordable housing market in the United States when comparing median income to average home sales price."
- "A 2005 study by the Texas Low Income Housing Information Service also classified Cameron County as 'one of the least affordable housing markets in Texas' with regard to rents, with 49% of renter families unable to pay HUD Fair Market rent for a one bedroom apartment, and 58% of families not able to pay for a two bedroom apartment."
- "The vacancy rate for owner-residences is 4.5% in Encantada, and the vacancy rate for rental units is 0%."
- "More than 10% of owner-occupied and renter households suffer from overcrowding (more than 1.5 persons avg. per room), which is more than three times the national level. The average household size in the colonia is 4.5 people, compared to 2.6 at the national level. More than 13% of the area's owner occupied units are mobile homes."

# HOMEBUYER AFFORDABILITY ANALYSIS

<u>Proposed Sale Prices</u>: The Applicant has proposed to sell each home for \$69,750 to \$81,500. Based on the proposed sale prices and the Applicant's projected unit mix, the total mortgage financing, to include 20 individual permanent mortgages, is projected to be \$1,500,000. Based on the Underwriter's evaluation of the development proforma, the actual sales prices may need to be higher than those proposed due to the absence of measurable contingency, low projected construction costs, and high level of multiple unit construction savings (discussed below in cost section). Any unanticipated increase in costs could result in the necessity to raise sales prices and reduce the total number of units developed in order to maintain financial feasibility.

<u>Down Payment Assistance</u>: The Colonia Model Subdivision Program allows the permanent debt to be structured in two pieces if necessary: a permanent repayable first lien with a 30-year term at 0% interest and a deferred forgivable second lien. The second lien is effectively down payment assistance, which will be

assessed based on each household's income ability to pay. The Underwriter's affordability analysis assumes a down payment equal to 3% of the sales price, which may be paid from homebuyer savings or through a deferred forgivable second lien. The Applicant has indicated that a down payment equal to 3% of the sales price is in line with typical CDCB requirements.

Affordability Analysis: The underwriting affordability analysis estimates the monthly mortgage payment plus taxes, property insurance, and mortgage insurance for each unit in order to determine the level of affordability for households at the target income levels. Based on the Underwriter's analysis of the proposed sale prices, the proposed units will be affordable to households of three to five persons earning an annual income at 50% of AMFI and to households of two to five earning an annual income of 60% of AMFI, assuming a loan amortized over 30 years accruing interest at 0% and 3% down payment. However, per the program guidelines, the TDHCA will offer each qualified buyer a combination of a repayable 0% interest loan and a deferred forgivable loan based on the buyer's income and ability to pay, which is discussed further below. The buyers' income will be evaluated to ensure that each qualifies for the proposed payments. Therefore, by issuing a deferred forgivable second lien for households earning incomes below the affordable threshold, each home effectively becomes affordable all households. The program does not currently have guidelines to limit the deferred second lien to any amount or percentage of the total sales price.

A fully amortized loan at 5.39% and 2.84% would be affordable to households at 60% and 50% of AMFI respectively. Households earning 30% of AMFI can only support a loan of \$40K at 0% interest and the remaining \$39K (not including a 3% down payment) would be needed in the form of a deferred forgivable.

	AFFORDABILITY ANALYSIS (Based on 4 person households)							
Plan Type	Proposed Price	Monthly PITI	60% HH Max	Differential	50% HH Max	Differential		
Plan 864: 3-BR	\$69,750	\$410	\$647	-\$237	\$539	-\$129		
Plan 994: 3-BR	\$74,500	\$436	\$647	-\$211	\$539	-\$103		
Plan 1023: 3-BR	\$74,250	\$435	\$647	-\$212	\$539	-\$104		
Plan 1241: 3-BR	\$79,055	\$474	\$647	-\$173	\$539	-\$65		

The program guidelines do not explicitly dictate the terms of the deferred forgivable second lien. Specifically, the Underwriter is concerned that as the loan is forgiven, the homeowner may be required to report this forgiven amount as phantom income, leading to a higher taxable income and resulting in burdensome and unanticipated taxes. The Underwriter suggests that the forgivable portion of each loan, if any, is forgiven over time to mitigate any unintended effects that may burden the homebuyer.

Market Rate Comparison: In addition, to the affordability analysis at the program interest rate of 0%, the Underwriter performed an analysis of the affordability at the market interest rate of 6.95%, based on data for the Brownsville/Harlingen MSA from the Real Estate Center at Texas A&M University for the second quarter of 2006. The principal, interest, taxes, and insurance payment for the least expensive home would rise to \$670 per month or \$23 per month more than the targeted affordability for a four person household earning 60% of AMI. Assuming a market interest rate of 6.95%, monthly PITI payments for the proposed units would range from \$670 to \$778, which is below the maximum monthly payment of \$931 for five person households earning 80% or less of AMI.

Based on the Underwriter's analysis, in addition to a down payment of 3%, a grant subsidy of \$0 to \$12K would be required in order for the proposed units to become affordable to five person households earning 60% of AMI at conventional interest rates. In order to reach target households of five persons at 50% of AMI, a subsidy ranging from \$12K to \$28K would be needed and a subsidy of between \$45K and 61K for five person households at 30% of AMI at conventional interest rates.

<u>Conclusion</u>: In order to achieve a reasonable level of affordability, staff believes that HOME CHDO funded single family units should be affordable to households at 80% of AMI at market rates and, due to the benefit from the 0% interest rate, should be affordable to the 30%, 50%, and 60% target populations.

	ACQUISITION VA				
Land: 0.38 acres	ASSESSED VALUE (Lot 14 Bloc \$15,000	Assessment for t	-		
Building:	N/A	Valuation by: Cameron County Appraisal District			
Total Assessed Value:	\$15,000	Tax Rate:	0.497391		
	ASSESSED VALUE (Lot 16 Bloc	k 19 Rancho Gr	ande Subdivision)		
Land: 0.38 acres \$9,600 Assessment for the Year of: 2005					
Building:	N/A	Valuation by: Cameron County Appraisal District			
Total Assessed Value:	\$9,600	Tax Rate:	0.497391		
	ASSESSED VALUE (Lot 62 Bloc	k 22 Rancho Gr	ande Subdivision)		
Land: 0.33 acres	\$8,400	Assessment for t	the Year of: 2005		
Building:	N/A	Valuation by:	Cameron County Appraisal District		
Total Assessed Value:	\$8,400	Tax Rate:	0.497391		
	EVIDENCE of SITE	or PROPERTY CO	ONTROL		
Type of Site Control:	General warranty deed (4 Lots i	n Grande Rancho	Subdivision)		
Contract Expiration:	N/A	Valid throug	gh Board Date? Yes No		
Acquisition Cost:	\$15,500 per lot (\$62,000 total)	Other: IN	NCLUDES FIRST 3 OF 20 LOTS.		
Seller: El Valle Inv	estments, Ltd	Related to D	Development Team? Yes No		

### **CONSTRUCTION COST ESTIMATE EVALUATION**

Acquisition Value: The Applicant has claimed an acquisition cost of \$15,000 per lot based on the Applicant's evaluation of current property values and sales in the area. The Applicant did not provide additional information to evidence the claimed acquisition cost. The Applicant provided a warranty deed for the three lots currently owned by CDCB and a settlement statement indicating an average purchase price of \$15,500, which is \$500 per lot greater than the claimed acquisition cost. While only three of the 20 lots have been identified, the Applicant has indicated that CDCB currently maintains a portfolio with over 700 single family lots with 300 located rural areas that may be identified for development with the requested funds. The purchase prices for the 17 unidentified lots are unknown. In addition, the Applicant indicated that the Developer fee is embedded in the acquisition cost estimate, which is discussed in detail below. The Underwriter has used the Applicant's acquisition cost of \$15,000, but has conditioned the report upon receiving a settlement statement for each lot.

<u>Sitework Cost</u>: The Applicant has embedded the sitework costs for each lot into the direct construction cost estimate. The Underwriter requested that the Applicant break out the sitework cost from the direct construction cost estimate. However, the Applicant replied, "Construction costs are...paid to the general contractor on a turn key basis for labor." As a result the Applicant could not effectively break down the total construction costs as typically desired for effective evaluation during underwriting. This is discussed in more detail below.

<u>Direct Construction Cost</u>: The Applicant's development cost schedule reflects a direct construction cost estimate of \$1,120,000 or \$56,000 per unit. However, The Applicant has consolidated a number of line items into this estimate, including: sitework, indirect construction costs, general requirements and overhead, and contractor's profit. In addition, this estimate may also include some portion of the developer overhead, developer profit, and contingency. As noted above, the Underwriter requested that the Applicant break out these costs into separate line items. However, the Applicant replied that their method of coordinating the development and construction of units does not allow for such a breakdown. The Underwriter has utilized

Marshall & Swift's *Residential Cost Handbook* in order to estimate the direct construction costs for the units as proposed. However, the Applicant's direct estimate is not comparable to the Underwriter's direct estimate. Therefore, the Underwriter has evaluated the transaction on a total development cost basis. Based on this evaluation the Applicant's costs appear to be below the extreme low end of reasonable verifiable costs based on the current underwriting standards. Effectively, the Applicant must achieve a level of cost savings for the proposed units that the Department's underwriting tools cannot independently verify. This difference represents a total development cost savings of approximately 22% or an estimated cost savings of as much as 32% on direct construction costs alone. The Applicant has provided a list of cost savings techniques that have been successfully implemented in the past and will be applied to the subject development, which includes the following items:

- Each Applicant is restricted is three (3) floor plans in the colonia areas and four (4) plans per subdivision, no custom homes are built.
- All floor plans have reduced or eliminated hall space to reduce 'dead space' in the home.
- A utility 'closet' has been built into the floor design, either in the home itself or in the carport area.
- All homes are built with brick veneer or hardiboard to reduce siding repair and painting cost in the future.
- Allowing CDCB and the new homeowner to take advantage of 'bulk rate' cost for sub-contractors.
- CDCB bids out materials in 'packages' of 40 or 50 homes allowing the homeowner to take advantage of 'bulk rate' cost for materials as well as locking material prices up to six months in advance of construction. This method of cost savings has been utilized for 15 years and allows savings of \$3,000 to \$4,000 per home.
- CDCB is a nonprofit and pays no taxes on building materials purchased for construction of the homes. The tax savings can be as high as \$3,000 per home for the type and size of unit proposed.

The Underwriter corresponded extensively in order to understand the development process that allows the level of cost savings that is claimed. The Applicant explained that the CDCB agrees on a turn key price with a particular contractor before the construction begins. CDCB at times contracts with its Youth Build program for construction of units or may use any number of other private contractors that have worked with the CDCB in the past or that meet the standards set by the CDCB. The builder contracts directly with the homebuyer which means that the builder has to maintain an affordable cost for construction of the units in order to reach the targeted population. Therefore, risk is shifted to the builder as the ability to sell a home to a target household is dependent on controlled costs. In addition, a home is sold prior to the commencement of construction on the home and the builder achieves economies of scale by contracting to build 40 to 50 homes. The CDCB completed 137 single family homes during the last year using this methodology. The Applicant did not provide concrete evidence of the ability to complete the proposed units (such as previous written agreements with builders or AIA documents) for the projected costs. In addition, as stated above, based on the Underwriter's evaluative tools, the Applicant's development costs require a level of efficiency above the maximum level expected for a typical single family development transaction.

<u>Fees:</u> The Applicant's contractor fees for general requirements, general and administrative expenses, and profit are all embedded into the direct construction cost estimate provided by the Applicant. However, as stated above, the analysis indicates that an above maximum level of efficiency will be required in order to develop the proposed units within the projected budget. As a result, there appears to be minimal risk that the contractor will be able to extract fees that exceed the maximums typically allowed by the Department. In addition, the Applicant estimated the combined total net profit for the contractor and developer is \$80,000 (\$4,000 per unit). This estimated net profit appears to have been left out of the development proforma calculation and includes a combination of a number of line items. The Underwriter was unable to provide a usable breakdown of this estimate. However, \$80,000 represents 5% of the total development cost of \$1,500,000, which alone is within the Department's maximum for the developer fee or contractor profit. Through correspondence with the Applicant, the Underwriter learned that the Developer's fee is essentially the estimated sales price attributed to the lots less the cost of the lots. Therefore, Developer's profit is

embedded in the acquisition cost estimate. Based on the claimed acquisition cost of \$15,000 and the actual purchase price for the first three lots of \$15,500, there appears to be no profit potential. However, if the final average lot cost is less than \$15,000 per lot, then the difference will be developer profit. The maximum developer fee is limited to 15% of the total development cost or \$225,000 (\$11,250 x 20) for the subject transaction, which is the maximum allowed under TDHCA guidelines. Therefore, receipt, review, and acceptance of a settlement statement for each of the unidentified 17 lots and documentation that the sales price attributed to a lot less the purchase price listed on the settlement statement is not greater than \$11,250 on average is a condition of this report.

Conclusion: As discussed above, the Applicant's development structure is not typical based on previous single family transactions evaluated. The Applicant is unable to provide the detailed breakdown of development costs that is typically expected of an Applicant. In addition, the Applicant's development budget appears to require a level of efficiency that is above the verifiable maximum. The budgeted costs appear to have limited the built-in project contingency and profit and therefore, also limit the margin for error or unanticipated future cost increases. However, the Applicant's extensive experience in single family development provides a record of successful implementation of the proposed development model, which is discussed in detail in the "Background & Experience" section below. In addition, the program guidelines limit the Department's exposure during the development process. Due to the program's limit on consecutive site development, only a portion of the funds will be available at a particular time. The funds for development of the second or third phase of five homes will not be released until after successful development of the preceding phase of five homes. Therefore, the viability of these phases will be assessed at a later date and are dependent upon the developer's initial success. This limits the Department's exposure and increases the Applicant's accountability for the development plan. However, as a result of the concerns, receipt, review, and acceptance of documentation, should the development of any home exceed the average development cost per unit of \$75,000, of additional financing or identified budget savings is a condition of this report.

The Applicant's total development cost is within 5% of the Underwriter's estimate assuming significant cost savings based on the CDCB's prior experience; therefore, the Applicant's cost schedule, reflecting a total net development cost of \$1,500,000, based upon the Applicant's projected unit mix, will be used to determine the development's need for interim funds and permanent mortgage financing. Moreover, if the homebuyers ultimately choose the most expensive unit type proposed, the total development cost could increase to \$1,630,000, or 8.67% more than currently proposed. If this is the case, the Applicant's development plan will be reduced from 20 homes to 18 homes in order to prevent the total development cost from exceeding the Applicant's request and program limit of \$1.5M.

		FINA	NCING STRUCTURE					
			FINANCING					
Source:	TDHCA			Contact:	Skip B	Seaird		
Principal:	\$1,500,000	Interest Rate:	0%			Term:	360 months	
Documentation	: Signed To	erm Sheet LOI	Firm Commitment	Conditiona	al Commi	tment 🛭	Application	
Comments:	Comments:							
		INTER	RIM LINE OF CREDIT					
Source:	Rio Grande Valley	Multibank		Contact:	N/A			
Principal:	\$250,000	Interest Rate:	Prime			Term:	N/A	
Documentation	: Signed To	erm Sheet 🗌 LOI	Firm Commitment	Conditiona	al Commi	tment 🔲 A	Application	
Comments:	Unsecured line	of credit in name of	of CDC Brownsville.					
FINANCING STRUCTURE ANALYSIS								
Subdivision	Interim Financing: The Applicant has requested development funding from the TDHCA's Colonia Model Subdivision program in the amount of \$1,500,000 at 0% interest. Development costs will be reimbursed after the costs have been incurred. Additionally, the Department historically has not used HOME funds to							

reimburse pre-award expenses.

<u>Line of Credit</u>: The Applicant has indicated an unsecured line of credit with Rio Grande Valley Multibank, which may be drawn upon during the development process. This is a critical tool; however, reliance upon this line of credit may result in unanticipated interim financing costs and unnecessarily the total cost, thereby decreasing the financial feasibility of the transaction as proposed. Based on the development model proposed by the Applicant, the contractor may be responsible for much of the potential interim interest costs incurred. Therefore, these costs may be built into the direct cost estimate provided by the Applicant.

**Permanent Mortgage Financing:** The Applicant anticipates as many as 20 permanent mortgages up to \$81,500, each with a term of 30 years at 0% interest. As proposed, the total permanent mortgage financing will amount to a maximum of \$1,500,000.

Financing Conclusions: The Underwriter's recommended funding will be determined using the Applicant's adjusted development cost schedule as reflected in the recommended uses of funds and based on the gap in financing from the Underwriter's recommended financing structure. The recommended financing structure, based on the development plan and unit mix as submitted, indicates a gap in financing of \$1,500,000, which is equal to the Applicant's requested amount. If changes to the unit mix, to the acquisition cost, or construction cost increases materialize, the development could face a deficit in funding. However, the Underwriter believes that any potential deficit may be managed through close, ongoing budget scrutiny. In addition, the conditions of this report and limitations on consecutive site purchase and development limit the Department's exposure and place responsibility for the development plan on the Applicant. Therefore, based on the Underwriter's analysis, the requested HOME loan should not exceed \$1,500,000 to be released in accordance with program guidelines and restrictions on consecutive lot purchase and development.

# DEVELOPMENT TEAM IDENTITIES of INTEREST

The Applicant is the current owner of the first three proposed lots and may be the current owner of the seventeen additional lots that have not yet been identified for development with the requested funds. In addition, the Applicant may ultimately serve as the contractor.

# APPLICANT'S/PRINCIPALS' FINANCIAL HIGHLIGHTS, BACKGROUND, and EXPERIENCE

<u>Financial Highlights:</u> The Applicant, Community Development Corporation of Brownsville, submitted an unaudited financial statement as of June 30, 2006 reporting total assets of \$33.1M and consisting of \$5.4M in cash, \$14.1M in receivables, \$209K in other assets, \$12.6K in investments, and \$800K in property and equipment. Liabilities totaled \$13.9M, resulting in net assets of \$19.2M.

**Background & Experience:** Since 1974, CDCB has been the major sub-recipient of over \$55,000,000 in Federal, State, and local funds made available for housing in Southern Cameron County. CDCB has managed numerous federally and privately funded housing programs including HOME, CDBG, Rental Rehabilitation, HODAG, FMHA, Section 312, HOPE II, CASA, YouthBuild, HUD Rural & Economic Development, HUD Colonia Initiative; USDA Empowerment Zone, USDA 523 Mutual Self Help, Stuart B. McKinney funds, Americorp, Department of Labor, Texas Housing Trust Fund, Federal Home Loan Bank of Dallas, H.B. Haron Foundation, Fannie Mae Foundation, Chase Bank Foundation, HOME Depot, Sisters of Charity Washington Mutual, and the Hispanic Housing Foundation funds.

From its beginnings to eliminate "pit privies" within the city of Brownsville 31 years ago, CDCB has evolved to the largest producer of single family housing for homeownership in the State of Texas. CDCB operates seven housing and educational programs to meet the needs of Cameron County residents. Since 1993-1994 the Community Development Corporation of Brownsville has built and/or mortgage financed 2,549 affordable homes in the Southern Cameron County area. In 2004 –2005, CDCB delivered 177 affordable homes into the local market.

Since 1998 CDCB and its private contractor partners have built 10% of all homes built in the City of Brownsville, making up over 6% of all permit revenue in the City. To meet the growing demand, and to spur large scale production of affordable housing, CDCB began its Affordable Housing Subdivision Program in 1996 with the Windwood Subdivision in North Brownsville on 48.16 acres of raw land. As of September, 2005 CDCB has developed a total of eleven (11) subdivisions totaling 1,465 lots in Southern Cameron. These affordable family subdivisions have provided housing for homeownership for over 1,079 families (74% of all lots). CDCB maintains a three year inventory of raw land and/or developed lots to be used for subdivision

### development.

To meet the housing needs of colonia residents, CDCB, in 1996, implemented a Colonia Redevelopment Program. CDCB has adopted a three part redevelopment plan to upgrade colonia housing stock that includes rehabilitation, reconstruction, and new housing construction. Between January, 1996 and September, 2004, CDCB's Colonia Redevelopment Program has assisted 204 families (information taken from the CDCB Strategic Plan 2005-2010).

### **SUMMARY OF SALIENT RISKS AND ISSUES**

- Significant environmental/locational risks exist regarding unknown site locations.
- The seller of the property has an identity of interest with the Applicant.

Underwriter:		Date:	December 1, 2006
	Cameron Dorsey		
Director of Real Estate Analysis:		Date:	December 1, 2006
	Tom Gouris		

# CDC Brownsville, Cameron County, #2006-0215

FLOOR PLAN NUMBER		A-1	B-2	C-3	D-4	AVERAGE	TDHCA TOTAL	APPLIC	ANT	
NUMBER PLOTTED		5	5	5	5		20			
SQUARE FOOTAGE		864	994	1,023	1,241	1,031	20,610	20,610		
DESCRIPTION	Max.	3BR 1BA	3BR 1BA	3BR 2BA	3BR 2BA					
Raw Land Acquisition Cost		\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$300,000	\$300,000		
Off-Sites		0	0	0	0	0	0	0		
Site Work		0	0	0	0	0	0	0	\$	-
Direct Construction Costs		39,102	44,256	46,959	53,503	45,955	919,103	1,120,000	\$	54.34
Indirect Construction Costs		0	0	0	0	0	0	0	\$	-
General Requirements & Overhead	8.0%	3,128	3,541	3,757	4,280	3,676	73,528	0		0.00%
Contractor's Profit	6.0%	2,346	2,655	2,818	3,210	2,757	55,146	0		0.00%
Developer's Overhead	5.0%	2,979	3,273	3,427	3,800	3,369	67,389	0		0.00%
Contingency	0.0%	0	0	0	0	0	0	0		0.00%
Financing		0	0	0	0	0	0	0		
Other: Closing Costs		4,000	4,000	4,000	4,000	4,000	80,000	80,000		
SUBTOTAL COSTS		\$66,556	\$72,725	\$75,960	\$83,793	\$74,758	\$1,495,166	\$1,500,000	\$	72.78
Sales Commission	0.0%	0	0	0	0	0	0	0		0.00%
Buyer's closing csts pd by Dev.		0	0	0	0	0	0	0		
TOTAL COST		\$66,556	\$72,725	\$75,960	\$83,793	\$74,758	\$1,495,166	\$1,500,000	\$	72.78
Less: Grants & Gifts In-Kind		0	0	0	0	0	0	0		
NET COST		\$66,556	\$72,725	\$75,960	\$83,793	\$74,758	\$1,495,166	\$1,500,000	\$	72.78
GROSS SALES PROCEEDS		\$69,750	\$74,500	\$74,250	\$81,500	\$75,000	1,500,000	\$1,500,000	\$	72.78
NET PROFIT		\$3,194	\$1,775	(\$1,710)	(\$2,293)	\$242	\$4,834	\$0		
DIRECT CONSTRUCTION COST p	er SF	\$45.26	\$44.52	\$45.90	\$43.11	\$44.59	\$44.59	\$54.34		
SUBTOTAL COST per SQ FT		\$77.03	\$73.16	\$74.25	\$67.52	\$72.55	\$72.55	\$72.78		
TOTAL COST per SQ FT		\$77.03	\$73.16	\$74.25	\$67.52	\$72.55	\$72.55	\$72.78		
SALES PRICE per SQ FT		\$80.73	\$74.95	\$72.58	\$65.67	\$72.78	\$72.78	\$72.78		
DEVELOPER FEES to COST RATIO	)	9.28%	6.94%	2.26%	1.80%	4.83%	4.83%	0.00%		
TOTAL PROFIT to COST RATIO		8.32%	6.09%	1.46%	1.09%	4.01%	4.01%	0.00%		

### CDC Brownsville, Cameron County, #2006-0215

### **DIRECT CONSTRUCTION COST ESTIMATE**

Single Family Residence Average Quality Basis

Plan 864

Plan 994

Plan 1023

CATEGORY	FACTOR	UNITS/SF	PER SF	AMOUNT	CATEGORY	FACTOR	UNITS/SF	PER SF	AMOUNT	CATEGORY	FACTOR	UNITS/SF	PER SF	AMOUNT
Base Cost		864	\$80.14	\$69,245	Base Cost		994	\$77.82	\$77,350	Base Cost		1,023	\$77.39	\$79,168
Adjustments					Adjustments					Adjustments				
Roofing			0.00	0	Roofing			\$0.00	\$0	Roofing			\$0.00	\$0
Subfloor			(2.28)	(1,970)	Subfloor			(2.28)	(2,266)	Subfloor			(2.28)	(2,332)
Floor Cover			2.92	2,523	Floor Cover			2.92	2,902	Floor Cover			2.92	2,987
Plumbing	\$940	(3)	(3.26)	(2,820)	Plumbing	\$940	(3)	(2.84)	(2,820)	Plumbing	\$940	0	0.00	0
Built-In Appliances	\$2,375	1	2.75	2,375	Built-In Appliances	\$2,375	1	2.39	2,375	Built-In Appliances	\$2,375	1	2.32	2,375
Heating/Cooling			1.62	1,400	Heating/Cooling			1.62	1,610	Heating/Cooling			1.62	1,657
Garages/Carports	\$17.54	250	5.08	4,385	Garages/Carports	\$17.54	250	4.41	4,385	Garages/Carports	\$23.64	237	5.47	5,591
Porches	\$18.77	40	0.87	751	Porches	\$18.77	108	2.04	2,027	Porches	\$18.77	22	0.40	413
Subdivision Discount	32.00%		(25.65)	(22,158)	Subdivision Discount	32.00%		(24.90)	(24,752)	Subdivision Discount	32.00%		(24.76)	(25,334)
Other:			0.00	0	Other:			0.00	0	Other:			0.00	0
SUBTOTAL			\$62.19	\$53,730	SUBTOTAL			\$61.18	\$60,812	SUBTOTAL			\$63.07	\$64,525
Current Cost Multiplier	1.07		66.54	57,491	Current Cost Multiplier	1.07		65.46	65,069	Current Cost Multiplier	1.07		67.49	69,042
Local Multiplier	0.81		(11.82)	(10,209)	Local Multiplier	0.81		(11.62)	(11,554)	Local Multiplier	0.81		(11.98)	(12,260)
TOTAL DIRECT CONSTRUCTION	N COSTS		\$54.72	\$47,282	TOTAL DIRECT CONST	RUCTION C	OSTS	\$53.84	\$53,515	TOTAL DIRECT CONSTR	RUCTION C	OSTS	\$55.51	\$56,782
Plans/specs, svy, prmts	3.40%		(\$1.86)	(1,608)	Plans/specs, svy, prmts	3.40%		(\$1.83)	(1,819)	Plans/specs, svy, prmts	3.40%		(\$1.89)	(1,931)
Interim Construction Int.	1.50%		(\$0.82)	(709)	Interim Construction Int.	1.50%		(\$0.81)	(803)	Interim Construction Int.	1.50%		(\$0.83)	(852)
Contractor's OH & Profit	12.40%		(\$6.79)	(5,863)	Contractor's OH & Profit	12.40%		(\$6.68)	(6,636)	Contractor's OH & Profit	12.40%		(\$6.88)	(7,041)
NET DIRECT CONSTRUCTION (	COSTS		\$45.26	\$39,102	NET DIRECT CONSTRU	CTION COS	STS	\$44.52	\$44,256	NET DIRECT CONSTRU	CTION COS	TS	\$45.90	\$46,959

### CDC Brownsville, Cameron County, #2006-02

### **DIRECT CONSTRUCTION COST ESTIMATE**

Single Family Residence Average Quality Basis

Plan 1241

1 1011 12-71										
CATEGORY	FACTOR	UNITS/SF	PER SF	AMOUNT						
Base Cost		1,241	\$72.01	\$89,361						
Adjustments										
Roofing			\$0.00	\$0						
Subfloor			(2.28)	(2,829)						
Floor Cover			2.92	3,624						
Plumbing	\$940	0	0.00	0						
Built-In Appliances	\$2,375	1	1.91	2,375						
Heating/Cooling			1.62	2,010						
Garages/Carports	\$17.54	250	4.29	4,385						
Porches	\$18.77	120	1.81	2,252						
Subdivision Discount	32.00%		(23.04)	(28,596)						
Other:			0.00	0						
SUBTOTAL			\$59.24	\$73,517						
Current Cost Multiplier	1.07		63.39	78,663						
Local Multiplier	0.81		(11.26)	(13,968)						
TOTAL DIRECT CONSTR	RUCTION C	OSTS	\$52.13	\$64,695						
Plans/specs, svy, prmts	3.40%		(\$1.77)	(2,200)						
Interim Construction Int.	1.50%		(\$0.78)	(970)						
Contractor's OH & Profit	12.40%		(\$6.46)	(8,022)						
NET DIRECT CONSTRU	CTION COS	TS	\$43.11	\$53,503						

# **HOMEBUYER AFFORDABILITY ANALYSIS EXHIBIT**

# **3% DOWNPAYMENT ASSUMPTION**

CDC Brownsville, Cameron County, #2006-0215

ASSUMPTIONS							
Interest Rate:	0.00%	Tax Rate per \$100:	3.134054				
Loan Term (mos):	360	Property Insurance:	0.35%				
Assessed Value (est.):	90%	Mortgage Insurance:	0.50%				

LOAN CALCULATIONS							
	Plan 864	Plan 994	Plan 1023	Plan 1241			
Sales Price:	\$69,750	\$74,500	\$74,250	\$81,500			
3.0% Downpayment	2,093	2,235	2,228	2,445			
Deferred Forgivable	-	-	-	-			
Loan Amount:	\$67,658	\$72,265	\$72,023	\$79,055			

MONTHLY PAYMENT									
P&I	\$187.94	\$200.74	\$200.06	\$219.60					
Taxes	163.95	175.12	174.53	191.57					
Insurance	30.00	30.00	30.00	30.00					
MIP	28.19	30.11	30.01	32.94					
TOTAL PAYMENT	\$410	\$436	\$435	\$474					

	QUALIFYING INCOME									
	1-Person	2-Person	3-Person	4-Person	5-Person					
30% of Median Annual Income	\$9,050	\$10,350	\$11,650	\$12,950	\$14,000					
Monthly Income	\$754	\$863	\$971	\$1,079	\$1,167					
PITI Affordability @ 30%	\$226	\$259	\$291	\$324	\$350					
50% of Median Annual Income	\$15,100	\$17,250	\$19,400	\$21,550	\$23,250					
Monthly Income	\$1,258	\$1,438	\$1,617	\$1,796	\$1,938					
PITI Affordability @ 30%	\$378	\$431	\$485	\$539	\$581					
60% of Median Annual Income	\$18,120	\$20,700	\$23,280	\$25,860	\$27,900					
Monthly Income	\$1,510	\$1,725	\$1,940	\$2,155	\$2,325					
PITI Affordability @ 30%	\$453	\$518	\$582	\$647	\$698					
80% of Median Annual Income	\$24,150	\$27,600	\$31,050	\$34,500	\$37,250					
Monthly Income	\$2,013	\$2,300	\$2,588	\$2,875	\$3,104					
PITI Affordability @ 30%	\$604	\$690	\$776	\$863	\$931					

# SINGLE FAMILY RESIDENCE DEVELOPMENT SOURCES and USES OF FUNDS EXHIBIT

# CDC Brownsville, Cameron County, #2006-0215

		SOURCE	OF FUNDS			
		RECYCLE	TDHCA	APPLICANT	RECOMMENDED	
	TYPE OF CREDIT FACILITY	FACTOR	AMOUNT	AMOUNT	AMOUNT	SOURCE/PRIORITY
1	HOME Loan	1	\$1,500,000	\$1,500,000	\$1,500,000	TDHCA
2	Neighborhood Partnership	1				TDHCA
3	Housing Trust Fund Loan	1				TDHCA
4	TX Community Dev. Program	1				TDHCA
5	Other TDHCA Program Loan	1				TDHCA
6	Cash Equity	1				
7	In-Kind Equity	1				
8	Other CDBG	1				
9	Other HOME Loan	1				
10	RECD Loan(s)	1				
11	Other Federal Loan or Grant	1				
12	Local Municipality Loan or Grant	1				
13	Private Loan or Grant	1				
14	Conventional Loan	1				
15	Lot Equity	1				
TOT	AL SOURCES OF FUNDS		\$1,500,000	\$1,500,000	\$1,500,000	

	USES OF FUNDS								
		TDHCA	APPLICANT	RECOMMENDED					
	DESCRIPTION	AMOUNT	AMOUNT	AMOUNT					
1	Raw Land Acquisition Cost	\$300,000	\$300,000	\$300,000					
2	Off-Sites	-	-						
3	Site Work	-	-						
4	Direct Construction Costs	919,103	1,120,000	1,120,000					
5	Indirect Construction Costs	-	-	-					
6	General Requirements & Overhead	73,528	-						
7	Contractor's Profit	55,146	-						
8	Developer's Overhead	67,389	-						
9	Contingency	-	-						
10	Financing	-	-						
11	Other: Closing Costs	80,000	80,000	80,000					
12	Sales Commission	-	-						
13	Buyer's closing csts pd by Dev.	-	-						
14	Other: Net Developer Profit	4,834	-	-					
TOT	AL USES OF FUNDS	\$1,500,000	\$1,500,000	\$1,500,000					

**DATE:** December 1, 2006 **PROGRAM:** Colonia Model Subdivision **FILE NUMBER:** 2006-0014

DAIE:	Decembe	1 1, 2006	PROGRAM.	Coic	ilia Model S	oudaivisioi	1 FILE	NUMBER	2000-0014			
	DEVELOPMENT NAME											
Pueblo de La Fe												
APPLICANT												
Name:	La Fe Community Development Corporation				Contact:	Carlos Gallinar						
Address:	520 S. C	Ochoa Street										
City	El Paso					State:	TX	Zip:	79901			
Phone:	(915)	533-6805	Fax:	(915)	533-6900	Email:	cgallina	r@htg.net				
										_		
	PROPERTY LOCATION											
Location:	12101 S	ocorro Road	d									
City:	San Eliz	zario						<b>Zip:</b> 79	9849			
County:	El Paso				Region:	13		⊠ QCT	☐ DDA			

REQUEST									
<b>Program</b>	<b>Amount</b>	Interest Rate	<b>Amortization</b>	<u>Term</u>					
HOME (CHDO)	\$727,680	N/A	N/A	N/A					
HOME (CHDO)	\$50,000	N/A	N/A	N/A					
Operating Exp. Funds	\$30,000	IN/A	IN/A	IN/A					
<b>Proposed Use of Funds:</b>	New construction	Type:	Single-Family Purchase						
Target Population:	Family	Other:							

# RECOMMENDATION

## $\boxtimes$

#### NOT RECOMMENDED DUE TO THE FOLLOWING:

 Based on the Applicant's costs and this analysis, the proposed units would not be affordable to households at 80% of AMI if funded conventionally and would require an excessive amount of subsidy in order to reach a reasonable level of affordability for the target populations.

SHOULD THE BOARD APPROVE THIS AWARD, THE BOARD MUST WAIVE ITS RULES FOR THE ISSUES LISTED ABOVE AND SUCH AN AWARD SHOULD BE CONDITIONED UPON THE FOLLOWING:

## CONDITIONS

- 1. Approval of a HOME award not to exceed \$692,263 structured as an interim loan to be converted to up to five individual permanent loans of up to \$149,638 each and each structured with a 30-year term at 0% interest.
- 2. Approval of a HOME CHDO award for operating expenses not to exceed \$50,000, structured as a grant.
- 3. Partition of the permanent loans to include a permanent repayable first lien and a deferred forgivable second lien, per the program guidelines, based on the Department's determination that a deferred forgivable second lien is necessary to achieve affordability.
- 4. Release of interim funds for not more than five lots and three homes in development at any one time.

- 5. Receipt, review, and acceptance if the lot acquisition cost exceeds \$25,100 per lot of an additional source of funds equal to the additional cost.
- 6. Receipt, review, and acceptance, before commencement of construction, of a Phase 1 Environmental Site Assessment or assurance that the site will meet the minimum standard in Title 24 of the Code of Federal Regulations Part 58.
- 7. Receipt, review, and acceptance of a letter indicating that the Applicant elects to reserve three of the five planned units reserved for households at or below 50% of AMI and two units reserved for households at or below 60% of AMI.
- 8. Receipt, review, and acceptance of a third party market study for the proposed development to include a survey of all comparable single family new construction in San Elizario in order to determine appropriate lot sales prices.

#### **REVIEW of PREVIOUS UNDERWRITING REPORTS**

No previous reports.

### **DEVELOPMENT SPECIFICATIONS**

#### ARCHITECTURAL REVIEW

The plans depict homes that are comparable to other modern homes. They appear to provide acceptable access and storage. The elevations reflect modest houses.

#### STRUCTURAL MATERIALS

The structures will be constructed on concrete slabs. According to the plans provided in the application the exterior will be 100% 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 ceramic tile. The units will include a range/oven with hood and fan, a garbage disposal, a dishwasher, washer and dryer connections, individual water heaters, and an individual evaporative cooling and forced air unit. In accordance with 24 CFR 92.251, housing that is assisted or built with HOME funds, at a minimum, must upon completion be in compliance with Texas Minimum Construction Standards, Colonia Housing Standards, or FHA minimum standards, and local building codes and zoning ordinances. The Administrator will conduct necessary inspections to ensure that all health and safety standards are met. If necessary, the homebuyer will be notified of deficiencies and the cost and time required for repair. Newly constructed homes must meet energy standards as verified by a RESCHECK TM certification and the International Residential Code (IRC) as required by Subchapter G, Chapter 214 of the Local Government Code or Chapter 11 of the IRC as required by Chapter 388 of the Health and Safety Code, as applicable. Single Family Accessibility Standards must also be met when applicable.

# SUBDIVISION AMENITIES

The Applicant has elected to provide two community park areas within the subdivision. However, it is unclear from the revised development plan whether these park areas will be completed in accordance with the proposed homes. One of the park areas appears to be part of Phase II, which is not part of the proposed plan.

### PROPOSAL and DEVELOPMENT PLAN DESCRIPTION

**<u>Description</u>**: Pueblo de La Fe is a 66-lot single family subdivision development located in San Elizario. The Applicant's proposed revised development plan will be comprised of five homes as follows:

Plan Type	No. of Flrs.	No. Planned	<b>Bedrooms</b>	<b>Baths</b>	<b>Square Feet</b>
38	1	2	3	2	1,318
9B	1	1	4	2	1,342
25	1	2	4	2	1,385

<u>Development Plan</u>: The proposed five single family homes will comprise a small portion of the 26 home, Phase 1 of the two phase Pueblo de La Fe subdivision. The completed subdivision will consist of approximately 66 houses and two community park areas. A portion of the property with frontage on Socorro Road is reserved for commercial development. The property is currently undeveloped with the exception of one existing single family residence located on a portion of the property that will not affect the proposed

development plans. Dedicated roadways and on-site utilities will be developed before the property is purchased and developed with the proposed single family homes.

The current development plan has been revised significantly from the initial plan submitted at application. The original development plan consisted of 26 single family homes which would comprise the entire first phase of the larger two phase subdivision. However, the Applicant's original plan did not comply with the guidelines of the Colonia Model Subdivision Program. The Applicant planned to develop the 26 homes for more than \$2.6M using a mix of private financing and the requested HOME funds. Based on the application it appeared that the Applicant also had a private source for the permanent mortgages to couple with the requested HOME funds. However, through substantial correspondence, it became clear that the Applicant anticipated the Department would finance the entire amount of permanent mortgages. This would consist of permanent financing in excess of \$2.6M, which is significantly higher than the program cap of \$1.5M and more than three and a half times the amount of funding requested at application. The revised development plan has been scaled back in order to ensure sufficient sources of funding and to bring the development plan inline with the current program guidelines and funding caps.

Per the Department guidelines, the Applicant may purchase no more than five lots at one time and have no more than three houses in development at any one time. An additional home may be developed once construction has been completed on a home, and five additional lots may be purchased after closing on the previous five developed homes. Based on the information submitted in the application, the revised development plan appears to be consistent with this program guideline to the extent that the CHDO participant will acquire the lots from the development partner. The Applicant submitted a proposed timeline for the construction of the first unit, which projects a period of over one year from the pre-development stage to completion of the unit. The timeline may also be significantly affected by the need to development necessary infrastructure prior to conveyance of the lots to the CHDO.

SITE ISSUES						
SITE DESCRIPTION						
Average Lot Size:	0.13 acres	Scattered sites?	☐ Yes ⊠ No			
Flood Zone:	Zone C Unshaded	Within 100-year floodplain?	☐ Yes ⊠ No			
<b>Current Zoning:</b>	Residential / Historic	Needs to be re-zoned?	☐ Yes ☒ No ☐ N/A			
SITE and NEIGHRORHOOD CHARACTERISTICS						

<u>Location</u>: San Elizario is located in the southeast portion of El Paso County approximately 17 miles southeast of the City of El Paso. The site is located at 12101 Socorro Road just south of Thompson Road.

<u>Subdivision Access</u>: Access to the subdivision will be from north or south bound along Socorro Road. The interior subdivision roadways have not yet been developed but, based on submitted plans, appear to be sufficient to serve each site. Access to Interstate Highway 10 lies approximately two miles east of Socorro. The Interstate and a network of rural highways connect Socorro with nearby communities and the metropolitan El Paso area.

<u>Public Transportation</u>: The availability of public transportation was not identified in the application materials.

**Shopping & Services:** A major supermarket, other retail stores and restaurants, primary and secondary schools, a medical clinic, and churches are located within one mile of the proposed site.

### HIGHLIGHTS of SOILS & HAZARDOUS MATERIALS REPORT(S)

A Phase I Environmental Site Assessment report was not provided with the application. However, housing assisted with HOME funds must have passed an environmental review in accordance with 24 CFR Part 58. Therefore, receipt review, and acceptance, before commencement of construction, of a Phase 1 Environmental Site Assessment or completion of environmental review required under HOME rules is a condition of this report.

#### **TARGET HOUSEHOLDS**

The homes as proposed do not appear to be affordable to households at 80% of AMFI without subsidy. Prior to the significant revision of the development plan, the Applicant elected to reserve 16 (61.54%) of the 26

homes for households earning at or below 50% of AMFI and the remaining ten (48.46%) homes for households earning at of below 60% of AMFI. The Applicant did not revise this election upon revision of the development plan from 26 units to five units. Therefore, the Underwriter has assumed that the Applicant will continue to target the same populations with three (60%) of the five planned units reserved for households at or below 50% of AMI and two (40%) units reserved for households at or below 60% of AMI. Additionally, this report is conditioned upon receipt, review, and acceptance of a letter indicating that the Applicant elects to reserve three (60%) of the five planned units reserved for households at or below 50% of AMI and two (40%) units reserved for households at or below 60% of AMI.

MAXIMUM ELIGIBLE INCOMES						
	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons
60% of AMI	\$18,120	\$20,700	\$23,280	\$25,800	\$27,900	\$30,000

#### **MARKET HIGHLIGHTS**

The Applicant did not provide a third party market study for the proposed development. However, the Appraisal submitted with the application provided the following market information:

- "The 1990 Census indicated a neighborhood population of 30,094, increasing to 48,830 according to the 2000 Census. According to CCIM's Site to Do Business, the 2005 population is estimated to be 55,094 persons, with a 2010 projection of over 61,000 persons" (p. 12).
- "Persons living within the subject neighborhood are employed in a variety of occupations. A large number work on farms or in agricultural-related jobs. Other sizeable groups work in retail sales or manufacturing related jobs in El Paso" (p. 15).
- "In general, the neighborhood is a stable are with modest increasing in value" (p. 16).

In addition to the information provided by the Applicant, the Underwriter performed some research by contacting local real estate agents and through use of the Internet. The following information was provided and/or uncovered:

- According to a presentation by Fannie Mae on April 6, 2006 at the Momentum Texas II: The Best of Texas Attendees Community Development Investment Resources Panel, JKS Homes (a member of the development team and builder for the proposed development) has participated in the development of over 200 new construction single family units in San Elizario.
- According the presentation, El Presidio, "the first traditional subdivision in San Elizario," consists of 72 single family units which sold for \$72,000 to \$115,000.
- According to a real estate agent servicing primarily the Socorro area, a larger town located approximately three miles northeast of the subject and closer to central El Paso, is undergoing a substantial amount of growth. Currently, new construction starter homes in the area range in price from \$80K to \$150K.
- Very few relatively new houses located in the San Elizario area were identified using the local Multiple Listing Service (MLS). However, one comparable three bedroom, 1,176 square foot house constructed within the last four years and located within a quarter mile of the proposed site was listed at \$85,000. Another local real estate agent stated that she had only home listed in San Elizario. The 1,600 square foot house with four bedrooms was constructed in 2002 and listed for \$85,000.
- One local real estate agent relayed that older "starter" homes in the area were valued at approximately \$70K to \$75K.

While limited, the available market information the proposed units appear to be priced above the affordable range for starter homes in the San Elizario area. In addition, Mission Palms, a proposed 76 unit LIHTC multifamily development, received an allocation of 9% HTCs during the 2006 round. Mission Palms will likely begin lease-up during 2008. Mission Palms is planned to have 28 three bedroom units at the 30%, 50% and 60% of AMI levels and was underwritten at the 2006 maximum HTC gross rent limits of \$336 per month for 30% units, \$560 for 50% units, and \$672 for 60% units. The estimated monthly PITI payment for the

proposed houses ranges from \$760 to \$806 per month (assuming a 3% down payment and no additional subsidy). Due to uncertainties concerning the market value of the proposed units, receipt, review, and acceptance of a third party market study, by an analyst on the Department's approved market analyst list, for the proposed development to include a survey of all comparable single family new construction in San Elizario with sales prices is a condition of this report.

#### **HOMEBUYER AFFORDABILITY ANALYSIS**

**Proposed Sale Prices:** The Applicant has proposed to sell each home at \$128,476 to \$137,012. However, the Applicant appears to have omitted pre-development costs from the development cost schedule submitted in the application. Although, pre-development costs of \$63,131 are indicated as a use of funds in the uses of funds portion of the application. Due to their exclusion from the development cost schedule, the net development cost and sales prices are artificially low. Therefore, the Underwriter has increased the total development cost by \$63,131 and each unit sale price by a fifth of the claimed pre-development costs (\$63,131/5=\$12,626). The resulting sale prices range from \$141,102 to \$149,638.

<u>Down Payment Assistance</u>: The Applicant has not indicated non-TDHCA sources of down payment assistance. However, the Underwriter has assumed a down payment equal to three percent of the sale price of the each unit for the affordability analysis. The actual down payment assistance will be based on the Applicant's ability to pay and will constitute the deferred forgivable second lien as dictated by the program guidelines. Additionally, the Applicant has indicated that the closing costs will be paid by the Developer and will ultimately carry through to the permanent homebuyer mortgages.

Affordability Analysis: The underwriting affordability analysis estimates the monthly mortgage payment plus taxes, property insurance, and mortgage insurance for each unit in order to determine the level of affordability for households at the target income levels. Based on the Underwriter's analysis of the adjusted sale prices, the proposed homes will not be affordable to the target families earning 60% of AMI without substantial subsidy (in addition to the assumed down payment assistance of 3%) through provision of a deferred forgivable loan. Per the program guidelines, the TDHCA will offer each qualified buyer a combination of a repayable 0% interest loan and a deferred forgivable loan based on the buyer's income and ability to pay, which is discussed further below. The buyers' income will be evaluated to ensure that each qualifies for the proposed payments. Therefore, by issuing a deferred forgivable second lien for households earning incomes below the affordable threshold, each home effectively becomes affordable all households. The program does not currently have guidelines to limit the deferred second lien to any amount or percentage of the total sales price. The program guidelines provide a mechanism to create affordability through the deferred forgivable loan even though the sale prices may be substantially above the median sale prices for the area or above any reasonably affordable range.

According to data provided by the Real Estate Center at Texas A&M University the median home price for El Paso County during the Second Quarter of 2006 is equal to \$127,000. The adjusted sale prices for the proposed homes are 11.1% to 17.8% higher than El Paso county's median home price. There is currently no program specific guideline capping the home sale prices; although the program guidelines do specifically state that the Department will be looking at the affordability of proposed houses. In addition, the HOME program is subject to the FHA 203(b) mortgage limits, which establish a maximum mortgage of \$160,176 for single family homes in El Paso County, and the 221(d)(3) limits on the maximum sudsidy per home, which establish a limit of \$146,003 for a three bedroom home and \$160,262 for a four bedroom home in El Paso County. This maximum is the same for all non-metro areas of Texas and some smaller MSAs. Therefore, while the proposed development does not specifically violate the HOME rules, the affordability of the units is a substantial concern for the Underwriter. Of note, the uniform application submitted by the Applicant indicates that the as completed appraised value, as of January 17, 2006, of the proposed homes ranges from \$92,000 to \$123,000, which is significantly below the projected sales prices and costs. Typically, subsidized single family homes are worth more than the total cost of production.

In order to target households of six persons at 60% of AMI, a 0% 30 year amortized loan with a deferred forgivable loan of \$3K to \$18K (depending on unit type; in addition to the 3% down payment) would be required. In order to target households of five at 60% of AMI, a deferred forgivable loan of \$20K to \$34K is

needed, four persons at 60% of AMI, would need \$36K to \$50K, and households of three at 60% would need \$56K to \$70K. In order to target households of six persons at 50% of AMI, a deferred forgivable loan of \$56K to 70K would be required. In order to target households of five at 50% of AMI, a deferred forgivable of \$56K to 70K would be needed, households of four at 50% would need \$69K to \$84K, and households of three at 50% would need \$86K to \$101K. In order to target any household earning 30% or less of AMI, a subsidy well above \$100K (more than 67% of the sales price) would be required.

Of concern, the program guidelines do not explicitly dictate the terms of the deferred forgivable second lien. Specifically, the Underwriter is concerned that as the loan is forgiven, the homeowner may be required to report this forgiven amount as phantom income, leading to a higher taxable income and resulting in burdensome and unanticipated taxes. The Underwriter urges the Department and Applicant to work to mitigate any unintended effects that may burden the homebuyer.

AFFORDABILITY ANALYSIS (Based on 5 person households)						
Plan Type	Proposed Price	Monthly PITI	60% HH Max	Differential	50% HH Max	Differential
Plan 38: 3-BR	\$142,164	\$806	\$698	\$108	\$581	\$225
Plan 9B: 4-BR	\$128,579	\$760	\$698	\$62	\$581	\$179
Plan 25: 4-BR	\$131,340	\$774	\$698	\$76	\$581	\$193

Market Rate Comparison: In addition, to the affordability analysis at the program interest rate of 0%, the Underwriter performed an analysis of the affordability at the market interest rate of 6.76%, based on second quarter of 2006 data for the McAllen MSA from the Real Estate Center at Texas A&M University. Based on the Underwriter's analysis, in addition to a down payment of 3%, a subsidy of \$75K to \$86K would be required in order for the proposed units to become affordable to six person households earning 60% of AMI. In addition, based on the projected sales prices, the estimated monthly principal, interest, taxes, and insurance obligation at the market interest rate for each unit would not be affordable to households earning income at 80% or less of AMI. Even if the originally submitted sales prices are used, the permanent mortgages at market the market rate would still not be affordable at the 80% of AMI level. Therefore, while utilization of the program interest rate provides a benefit over market rate mortgages, it is likely that most households targeted will require substantial additional subsidy in the form of a deferred forgivable second lien.

Conclusion: While the adjusted sales prices do not violate the federal HOME rules or any specific program guideline, the program specifically states that affordability will be a limiting factor in the provision of funds. Based on the Underwriter's affordability analysis, the sales prices for the proposed units are above any reasonable measure of affordability. In order to achieve a reasonable level of affordability, the staff believe that HOME CHDO funded single family units should be affordable to households at 80% of AMI at market rates. A zero percent fully amortized loan generally should make any home in the program affordable to the 60% target population without substantial additional subsidy. Based on this analysis, the proposed units would not be affordable to households at 80% of AMI, and if funded, would require substantial subsidy in order to reach a reasonable level of affordability for the target populations; therefore, the subject application is not recommended for funding.

ACQUISITION VALUATION INFORMATION						
APPRAISED VALUE						
Larger and (	Cul-de-Sac lots	\$30,000		Date of Valuation:	1/17/2006	
Typical Sized Lots		\$25,100		Date of Valuation:	1/17/2006	
Appraiser:	Martha Gayle Reid, l	MAI Firm: Gayle-Reid Appra		aisal Services City:	El Paso	
ADDDAICAL ANALYSIS (CONCUESIONS						

### APPRAISAL ANALYSIS/CONCLUSIONS

The Applicant submitted an appraisal for the subject subdivision dated January 1, 2006. The Appraiser utilized a bulk land sale method for the valuation with comparable bulk raw land sales purportedly for development as single family subdivisions. Five comparable sales were provided as the basis for the valuation which determined two larger lots (7,473 SF and 7,925 SF) valued at \$30,000 each and 24 "average" sized lots (4,863 SF to 6,500 SF) valued at \$25,100. However, the Underwriter expressed some concern about the bulk sale methodology as well as the validity of at least one sale used in the valuation, which was approved as the site for Mission Palms Apartments during the 2006 9% HTC round. As the Mission Palms property will not

be developed as a single family subdivision, the comparability of this site is questionable at the least. Therefore, the Underwriter requested that the Appraiser submit an addendum to the appraisal with comparable individual developed single family lot sales. The Appraiser submitted a grid of unadjusted sale prices ranging from \$19K to \$33K and adjusted prices ranging from \$20K to \$27K. The original appraised values appear to be on the high end of the adjusted sale prices identified in the addendum. Two of the comparable sales in the addendum are from similar subdivisions apparently developed by JKS Homes (member of the development team). According to the appraisal addendum, the unadjusted sales price for the lot sold 2 to 4 years ago is \$19,200 and \$22,900 for one sold 1 to 2 years ago.

ASSESSED VALUE						
Land: 16.32 acres	\$154,436	Assessment for the Year of: 2005				
Building:	\$46,207	Valuation by: El Paso County Appraisal District				
Total Applicable Value:	\$154,436	<b>Tax Rate:</b> 2.665192				
EVIDENCE of SITE or PROPERTY CONTROL						
Type of Site Control: Unimproved Property Contract (26 developed residential lots, Phase 1 of Pueblo de La Fe)						
Contract Expiration:	N/A	Valid through Board Date?				
Acquisition Cost:	\$662,400 (\$25,476 per lot)	Other: \$2	5,100 and \$30,000 per lot as appraised			
Seller: KARMA-JK	S PROPERTIES, INC	Related to De	evelopment Team?			

#### **CONSTRUCTION COST ESTIMATE EVALUATION**

**Acquisition Value:** The acquisition of the property is an identity of interest transaction. The builder and 10% owner of the developer is the current owner of the proposed sites. The Applicant claimed a revised acquisition cost of \$25,540 per lot. This cost was revised by the Applicant during the underwriting process. The Applicant provided an appraisal supporting a value of \$25,477 per lot (\$25,100 or \$30,000 depending on lot size). The property is currently undeveloped, but the appraisal and the Applicant's acquisition cost are based on the finished cost after the development of roads, on-site utilities, and other infrastructure per the site control document which is subject to the development of this infrastructure. The Applicant provided a cost breakdown for the planned infrastructure to support the acquisition cost used; however, due to the nature of the planned infrastructure, the Underwriter is unable to reasonably verify the claimed acquisition cost. The Appraisal valuates the property using purchases of large parcels planned for residential subdivision development. The Underwriter identified that at least one of the comparable properties used will be developed as a multifamily tax credit property, and therefore, may not be comparable. In addition, the Underwriter performed independent research on the Internet to determine typical asking prices for individual single-family lots in the San Elizario area which suggests that many similar single-family lots are seeking sale prices from \$15,000 to \$20,000 per lot. In addition to these issues, the Applicant has not identified which of the 26 single family lots in Phase I of the subdivision will be developed with the proposed funds. The Underwriter used the original appraised value for the smaller subdivision lots of \$25,100; although, the Underwriter is concerned about the identity of interest nature of the transaction and that the lots prices are above the market value. If the Applicant's costs are used in the final determination, the sources and uses of funds will be adjusted by the difference in acquisition costs to ensure that TDHCA funds are not used to fund a potential excess of profit on the identity of interest transfer of land. Receipt, review, and acceptance if the lot acquisition cost exceeds \$25,100 per lot of an additional source of funds equal to the additional cost.

<u>Sitework Cost</u>: The Applicant's claimed sitework costs of \$400 per unit. The lots will be improved with streets prior to acquisition.

<u>Direct Construction Cost</u>: The Applicant's per unit direct construction costs appear to be roughly comparable to the Underwriter's Marshall & Swift *Residential Cost Handbook*-derived estimates. However, it is difficult to assess the cost savings that may be attained due to the close proximity of each site and the potential economies of scale involved with consecutive development of the units. The Underwriter has discounted the development cost per unit due to the potential increased efficiency that may be attained as a result of the development of multiple units consecutively. It should be noted that the efficiency discount is on

### TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS CREDIT UNDERWRITING ANALYSIS

the low end for typical single family development and may indicate higher than average construction costs, embedded profits, or embedded contingencies, which is of concern for the Underwriter and may contribute to the lack of affordability discussed above.

In addition, the Applicant's unit mix may change during the development process due to the tastes and preferences favored by the homebuyers, which impedes efforts to more accurately estimate the direct construction costs at the development plan level.

<u>Fees</u>: The Applicant's contractor's for general requirements and overhead, and profit are each above the typical thresholds of 8% and 6% respectively. The Applicant's general requirements and overhead amount to 10.19% of hard costs and the claimed profit amounts to 10.19% of hard costs. The Applicant's developer overhead and profit amount to 4.25% of the total development cost, which is within the underwriting tolerance; therefore, no adjustment is necessary. If the Applicant's costs are used, the recommended financing structure will reflect a reduction in the claimed contractor's fees in order to prevent funding an excess of profit.

<u>Contingency</u>: The Applicant did not claim any contingency, and therefore, the Underwriter did not include contingency. As noted above, the contingency may be built into the direct construction costs; however, if no contingency is built into the development budget, the financial feasibility of the transaction could be heavily influenced by the actual development timeline. This is especially important due to the need to develop essential infrastructure prior to the closing on the property and commencement of construction on the proposed units. Any unanticipated delay in the development process could render the development infeasible if adequate contingencies are not built into the proforma.

Other Costs: The Applicant failed to include \$63,131 in pre-development costs in the development proforma. These costs are clearly indicated in the uses of funds; therefore, the Underwriter has added the pre-development costs to the both sides of the development proforma in order to more accurately correspond with the Applicant's actual perceived uses of funds. The result is an increase of \$12,626 per unit in development costs. This increase warrants an equivalent increase in the projected sales prices in order prevent losses from occurring on the sale of the completed units and ensure that the Applicant has planned for sufficient sources of funds. Other effects of the increase in development costs and sales prices are also reflected in the affordability analysis above.

<u>Conclusion</u>: The Applicant's total development cost is within 5% of the Underwriter's estimate; therefore, the Applicant's cost schedule adjusted for potential excess profit as discussed above, will be used to determine the development's need for interim funds and permanent mortgage financing. As discussed throughout this section, the Underwriter is concerned about the development costs claimed by the Applicant, particularly the potentially overstated construction and acquisition costs.

	FINANCING STRUCTURE								
	INTERIM AND PERMANENT MORTGAGE FINANCING								
Source:	TDHCA			Contact:	Skip Beaird				
Principal:	\$727,680	Interest Rate:	N/A; requested as a	grant	Term:	N/A			
Documentation	: Signed 🗌 7	Term Sheet LOI	Firm Commitment	Conditiona	al Commitment 🛛 A	Application			
Comments:	Comments: The Applicant has requested TDHCA funds as a grant.								
	FINANCING STRUCTURE ANALYSIS								

**Interim Financing:** The Applicant has applied for TDHCA HOME CHDO funds in the amount of \$727,680, \$674,557 of which is anticipated for use as interim funds during the development of the proposed single family homes. While the pre-development and development funds were request as grant, the program guidelines dictate that the interim financing is structured as a 0% interest loan. In addition, the Applicant has requested a HOME CHDO operating expenses grant of \$50,000. These funds are used for the operation of the CHDO in the administration of an award, if made, and as such, are not considered a direct funding source for the development.

**Additional Financing:** No additional financing has been indicated in the revised materials submitted.

## TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS CREDIT UNDERWRITING ANALYSIS

**Reserves:** The Applicant supplied a commitment from First National Bank indicating a \$1.5M Master Construction Line of Credit in the form of a development loan. A reserve of this kind is important as TDHCA funds reimburse expenditures that have been incurred. While no interest rate is indicated, the Underwriter anticipates the lender to apply a market rate of interest. However, no interim interest is indicated in the Applicant's proforma, which could result in higher development costs if the borrowed interim funds are not repaid quickly.

Permanent Mortgage Financing: The Applicant has requested \$727,680 to be used for five permanent homebuyer mortgages up to \$149,638 each, based on the adjusted sales prices. Each permanent mortgage would be structured as 0% interest loan with a 30 year term. In addition, the mortgages may be split into a 0% interest first lien mortgage and a deferred forgivable second lien based on the homebuyer's ability to pay. The affordability analysis indicates that the deferred forgivable may be as high as \$50K in order to target a household of four at 60% of AMI and \$84K for a household of four at 50% of AMI. Although, the actual mortgages will vary depending on the unit type selected by each homebuyer and their ability to pay.

<u>Financing Conclusions</u>: The need for funds is determined using the Applicant's adjusted development cost schedule and sales prices as reflected in the recommended uses of funds and based on the gap in financing from the Underwriter's recommended financing structure. The recommended financing structure, based on the unit mix and development plan as submitted, indicates a gap in financing of \$692,263, which is below the Applicant's requested amount of \$727,680. However, as discussed above, based on the Underwriter's analysis, the proposed units are not considered to be affordable to the target populations and would require substantial subsidies in order to reach the affordable level. Therefore, the subject application is not recommended for funding.

## DEVELOPMENT TEAM IDENTITIES of INTEREST

- The Applicant, Developer, and General Contractor are related entities.
- The seller of the lots is a member of the development team and the general contractor.

#### APPLICANT'S/PRINCIPALS' FINANCIAL HIGHLIGHTS, BACKGROUND, and EXPERIENCE

#### **Financial Highlights:**

- The Applicant is did not provide material financial statements for evaluation.
- The parent organization for the Applicant, Centro de Salud Familiar la Fe, submitted an unaudited budget financial statement for the 2005 fiscal year reporting total revenues and grants of \$13.5M; however, the assets and liabilities are not clear from the information provided.

**Background & Experience:** The builder, Karma-JKS Properties, has experience in the design and development of at least two large single-family affordable subdivisions in the San Elizario area. They developed 72 single family houses in El Presidio, the first traditional single family subdivision in the area.

#### SUMMARY OF SALIENT RISKS AND ISSUES

- Significant inconsistencies in the application could affect the financial feasibility of the development.
- Significant environmental and locational risks have not been studied and could exist.
- The proposed targeted population cannot reasonable be expected to be served based on the application.
- The seller of the property has an identity of interest with the Applicant.

Underwriter:		Date:	December 1, 2006
	Cameron Dorsey		
Director of Real Estate Analysis:		Date:	December 1, 2006
	Tom Gouris		

#### SINGLE FAMILY RESIDENCE DEVELOPMENT PROFORMA

#### Pueblo de La Fe, San Elizario, 2006-0014

FLOOR PLAN NUMBER		38	9B	25	AVERAGE	TDHCA TOTAL	APPLIC	ANT	
NUMBER PLOTTED		2	1	2		5			
SQUARE FOOTAGE		1,318	1,342	1,385	1,350	6,748	6,748		
DESCRIPTION	Max.	3 BD 2 BA	4 BD 2 BA	4 BD 2 BA					
Raw Land Acquisition Cost		\$25,100	\$25,100	\$25,100	\$25,100	\$125,500	\$136,620		
Off-Sites		0	0	0	0	0	0		
Site Work		1,000	1,000	1,000	1,000	5,000	5,000	\$	0.74
Direct Construction Costs		75,196	71,728	74,367	74,171	370,855	375,631	\$	55.67
Indirect Construction Costs		1,860	1,860	1,860	1,860	9,300	9,300	\$	1.38
General Requirements & Overhead	8.0%	6,096	5,818	6,029	6,014	30,068	38,792		10.19%
Contractor's Profit	6.0%	4,572	4,364	4,522	4,510	22,551	38,792		10.19%
Developer's Overhead	5.0%	5,691	5,494	5,644	5,633	28,164	12,500		2.22%
Contingency	0.0%	0	0	0	0	0	0		0.00%
Financing		0	0	0	0	0	0		
Other: Pre-Development Costs		12,626	12,626	12,626	12,626	63,131	63,131		
SUBTOTAL COSTS		\$132,141	\$127,990	\$131,148	\$130,914	\$654,569	\$679,766	\$	100.74
Sales Commission	6.0%	8,978	8,466	8,619	8,732	43,661	18,124		2.49%
Buyer's closing csts pd by Dev.		2,417	2,417	2,417	2,417	12,083	12,083		
TOTAL COST		\$143,536	\$138,872	\$142,184	\$142,063	\$710,313	\$709,973	\$	105.21
Less: Grants & Gifts In-Kind		0	0	0	0	0	0		
NET COST		\$143,536	\$138,872	\$142,184	\$142,063	\$710,313	\$709,973	\$	105.21
GROSS SALES PROCEEDS		\$149,638	\$141,102	\$143,650	\$145,536	727,679	\$727,679	\$	107.84
NET PROFIT		\$6,102	\$2,230	\$1,466	\$3,473	\$17,366	\$17,706		
DIRECT CONSTRUCTION COST per S	SF	\$57.05	\$53.45	\$53.69	\$54.96	\$54.96	\$55.67		
SUBTOTAL COST per SQ FT		\$100.26	\$95.37	\$94.69	\$97.00	\$97.00	\$100.74		
TOTAL COST per SQ FT		\$108.90	\$103.48	\$102.66	\$105.26	\$105.26	\$105.21		
SALES PRICE per SQ FT		\$113.53	\$105.14	\$103.72	\$107.84	\$107.84	\$107.84		
DEVELOPER FEES to COST RATIO		8.22%	5.56%	5.00%	6.41%	6.41%	4.25%		
TOTAL PROFIT to COST RATIO		8.08%	5.15%	4.57%	6.10%	6.10%	8.31%		

#### SINGLE FAMILY RESIDENCE DEVELOPMENT PROFORMA

#### Pueblo de La Fe, San Elizario, 2006-0014

#### **DIRECT CONSTRUCTION COST ESTIMATE**

Single Family Residence Average Quality Basis

Plan 38

Plan 9B

Plan 25

CATEGORY	FACTOR	UNITS/SF	PER SF	AMOUNT	CATEGORY	FACTOR	UNITS/SF	PER SF	AMOUNT	CATEGORY	FACTOR	UNITS/SF	PER SF	AMOUNT
Base Cost		1,318	\$67.83	\$89,406	Base Cost		1,342	\$67.61	\$90,737	Base Cost		1,385	\$67.22	\$93,097
Adjustments					Adjustments					Adjustments				
Roofing			0.00	0.00	Roofing			\$0.00	\$0	Roofing			\$0.00	\$0
Subfloor			(2.28)	(3,005.04)	Subfloor			(2.28)	(3,060)	Subfloor			(2.28)	(3,158)
Floor Cover			2.92	3,848.56	Floor Cover			2.92	3,919	Floor Cover			2.92	4,044
Plumbing	\$2,260	1	1.71	2,260.00	Plumbing	\$380	1	0.28	380	Plumbing	\$380	1	0.27	380
Built-In Appliances	\$2,300	1	1.75	2,300.00	Built-In Appliances	\$2,300	1	1.71	2,300	Built-In Appliances	\$2,300	1	1.66	2,300
Heating/Cooling			2.00	2,636.00	Heating/Cooling			2.00	2,684	Heating/Cooling			2.00	2,770
Garages/Carports	\$34.71	399	10.51	13,849.29	Garages/Carports	\$43.69	216	7.03	9,437	Garages/Carports	\$41.88	253	7.65	10,590
Porches	\$29.02	49	1.08	1,421.98	Porches	\$29.02	48	1.04	1,393	Porches	\$29.02	58	1.22	1,683
Subdivision Discount	5.00%		(3.39)	(4,470.29)	Subdivision Discount	5.00%		(3.38)	(4,537)	Subdivision Discount	5.00%		(3.36)	(4,655)
Other:			0.00	0.00	Other:			0.00	0	Other:			0.00	0
SUBTOTAL			\$82.13	\$108,246	SUBTOTAL			\$76.94	\$103,253	SUBTOTAL			\$77.29	\$107,052
Current Cost Multiplier	1.04		85.41	112,576	Current Cost Multiplier	1.04		80.02	107,384	Current Cost Multiplier	1.04		80.39	111,334
Local Multiplier	0.80		(16.43)	(21,649)	Local Multiplier	0.80		(15.39)	(20,651)	Local Multiplier	0.80		(15.46)	(21,410)
TOTAL DIRECT CONSTR	UCTION CO	STS	\$68.99	\$90,927	TOTAL DIRECT CONSTRUCTION COSTS \$64.63 \$86,733 TOTAL DIRECT CONSTRUCTION COSTS		OSTS	\$64.93	\$89,923					
Plans/specs, svy, prmts	3.40%		(\$2.35)	(3,092)	Plans/specs, svy, prmts	3.40%		(\$2.20)	(2,949)	Plans/specs, svy, prmts	3.40%		(\$2.21)	(3,057)
Interim Construction Int.	1.50%		(\$1.03)	(1,364)	Interim Construction Int.	1.50%		(\$0.97)	(1,301)	Interim Construction Int.	1.50%		(\$0.97)	(1,349)
Contractor's OH & Profit	12.40%		(\$8.55)	(11,275)	Contractor's OH & Profit	12.40%		(\$8.01)	(10,755)	Contractor's OH & Profit	12.40%		(\$8.05)	(11,151)
NET DIRECT CONSTRUC	CTION COST	S	\$57.05	\$75,196	NET DIRECT CONSTRU	ICTION COS	STS	\$53.45	\$71,728	NET DIRECT CONSTRU	CTION COS	TS	\$53.69	\$74,367

#### **HOMEBUYER AFFORDABILITY ANALYSIS EXHIBIT**

#### **3% DOWNPAYMENT ASSUMPTION**

Pueblo de La Fe, San Elizario, 2006-0014

		ASSUMPTIONS		
Interest Rate:	0.00%	Tax Rate per \$100:	2.665192	
Loan Term (mos):	360	Property Insurance:	0.35%	
Assessed Value (est.):	90%	Mortgage Insurance:	0.50%	

LOAN CALCULATIONS							
	Plan 38	Plan 9B	<u>Plan 25</u>				
Sales Price:	\$149,638	\$141,102	\$143,650				
3% Downpayment	4,489	4,233	4,310				
Deferred Forgivable	Deferred Forgivable						
Loan Amount:	\$145,149	\$136,869	\$139,341				

MONTHLY PAYMENT							
P&I	\$403.19	\$380.19	\$387.06				
Taxes	299.11	282.05	287.14				
Insurance	43.64	41.15	41.90				
MIP	60.48	57.03	58.06				
TOTAL PAYMENT	\$806	\$760	\$774				

	QUALIFYING INCOME								
	1-Person	2-Person	3-Person	4-Person	5-Person	6-Person			
30% of Median Annual Income	\$9,050	\$10,350	\$11,650	\$12,950	\$14,000	\$15,000			
Monthly Income	\$754	\$863	\$971	\$1,079	\$1,167	\$1,250			
PITI Affordability @ 30%	\$226	\$259	\$291	\$324	\$350	\$375			
50% of Median Annual Income	\$15,100	\$17,250	\$19,400	\$21,550	\$23,250	\$25,000			
Monthly Income	\$1,258	\$1,438	\$1,617	\$1,796	\$1,938	\$2,083			
PITI Affordability @ 30%	\$378	\$431	\$485	\$539	\$581	\$625			
60% of Median Annual Income	\$18,120	\$20,700	\$23,280	\$25,860	\$27,900	\$30,000			
Monthly Income	\$1,510	\$1,725	\$1,940	\$2,155	\$2,325	\$2,500			
PITI Affordability @ 30%	\$453	\$518	\$582	\$647	\$698	\$750			
80% of Median Annual Income	\$24,150	\$27,600	\$31,050	\$34,500	\$37,250	\$40,000			
Monthly Income	\$2,013	\$2,300	\$2,588	\$2,875	\$3,104	\$3,333			
PITI Affordability @ 30%	\$604	\$690	\$776	\$863	\$931	\$1,000			

## SINGLE FAMILY RESIDENCE DEVELOPMENT SOURCES and USES OF FUNDS EXHIBIT

#### Pueblo de La Fe, San Elizario, 2006-0014

		RECYCLE	TDHCA	APPLICANT	RECOMMENDED	
	TYPE OF CREDIT FACILITY	FACTOR	AMOUNT	AMOUNT	AMOUNT	SOURCE/PRIORITY
1	HOME Loan	1	\$727,680	\$727,680	\$692,263	TDHCA
2	Neighborhood Partnership	1				TDHCA
3	Housing Trust Fund Loan	1				TDHCA
4	TX Community Dev. Program	1				TDHCA
5	Other TDHCA Program Loan	1				TDHCA
6	Cash Equity	1				
7	In-Kind Equity	1				
8	Other CDBG	1				
9	Other HOME Loan	1				
10	RECD Loan(s)	1				
11	Other Federal Loan or Grant	1				
12	Local Municipality Loan or Grant	1				
13	Private Loan or Grant	1				
14	Conventional Loan	1				
15	Conventional Loan	1				
TOT	AL SOURCES OF FUNDS		\$727,680	\$727,680	\$692,263	

	USES	OF FUNDS					
	TDHCA APPLICANT RECOMMENDED						
	DESCRIPTION	AMOUNT	AMOUNT	AMOUNT			
1	Raw Land Acquisition Cost	\$125,500	\$136,620	\$125,500			
2	Off-Sites	-	-				
3	Site Work	5,000	5,000	5,000			
4	Direct Construction Costs	370,855	375,631	375,631			
5	Indirect Construction Costs	9,300	9,300	9,300			
6	General Requirements & Overhead	30,068	38,792	30,450			
7	Contractor's Profit	22,551	38,792	22,838			
8	Developer's Overhead	28,164	12,500	12,500			
9	Contingency	-	-				
10	Financing	-	-				
11	Other: Pre-Development Costs	63,131	63,131	63,131			
12	Sales Commission	43,661	18,124	18,124			
13	Buyer's closing csts pd by Dev.	12,083	12,083	12,083			
14	Other: Developer Profit	17,366	17,706	17,706			
TOT	AL USES OF FUNDS	\$727,679	\$727,679	\$692,263			

MN (9.2°E)

1" = 4,166.7 ft

Data Zoom 12-0



#### TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

#### Memorandum

To:

Eric Pike, Director of Single Family

From:

Cameron Dorsey and Tom Gouris

cc:

Date:

January 18, 2007

Re:

2006-0212 La Primavera Subdivision Development Plan and Financing

Structure

Several months ago we conducted a preliminary review of the La Primavera Subdivision development plan and financing structure. Alianza Para El Desarrollo Comunitarion, Inc. (Applicant) submitted an application for \$1,425,000 in HOME CHDO funds and \$75,000 in HOME CHDO Operating Expense funds through the 2006 Colonia Model Subdivision program (CMSP) round for development of a 30 home subdivision in San Elizario, El Paso County, Texas. The Applicant's proposed financing structure marries the CMSP funds with other funding sources, including: TDHCA Homebuyers' Assistance Program (\$50K); and TDHCA Texas Bootstrap Program (\$199K) and private mortgages. The Applicant appears to have received a \$600,000 grant from the TDHCA through the Homebuyers' Assistance Program and \$900,000 from the TDHCA through the Texas Bootstrap Program. Rather than utilizing the CMSP and other TDHCA funds to fully finance the 30 permanent mortgages, the Applicant has indicated that the Area Credit Union Housing Service Organization plans to finance each mortgage with a 30 year amortization and 3% interest rate and thereby limiting the deep level of targeting which might otherwise have been possible. In additional the commitment for these local mortgages did not actually reflect any of the terms of the commitment.

The Applicant has proposed the use of an eight acre tract of land that is currently zoned for agriculture and is undeveloped (i.e. without the necessary infrastructure). The development plan does not detail the plan for constructing the necessary roads, utilities, etc. The site plan that was subsequently provided describes the general concept rather than the engineering details necessary to proceed. The development plan indicates thirty 1,300 to 1,400 square foot homes constructed with adobe. However, floor plans for these homes were not yet available and so an evaluation of them could not be completed.

The Applicant indicates that the homebuyers will contribute 60% of the construction labor necessary for development of their home and has estimated a \$20,000 per unit cost savings as a result. The contribution of sweat equity is a requirement for integrating Texas Bootstrap funds into the financing structure. The Applicant's total development cost of \$1.8M (including site acquisition and development, direct costs, off sites, indirect costs, developer overhead, and contingency) is equivalent to \$60,000 per home. This does not include the estimated \$20,000 of sweat equity. The Bootstrap funds are being redirected based on an apparent lack of need or opportunity for their original purpose.

The new CMSP funds amount to \$47,500 per unit and when combined with the other \$8,300 in already allocated TDHCA funds to be redirected by the Applicant to this development amounts to \$55,800. This leaves and average of \$4,200 per home to be funded by private mortgages or other funds. Thus, the private mortgage might then result in a loan with a less than 10% loan to value.

Given the limitations of this development regarding readiness to proceed (lack of detailed site plan, building plans and detailed commitments) and this organization's past performance in expending allocated funds (their plan to redirect funds to this development) it does not appear to be reasonable to conclude that the applicant could expend an additional \$1.5M in TDHCA funds in the timeframes required. Moreover, further analysis of this development would require receipt of the additional detail discussed herein and described in our deficiency letter to the applicant dated September 6, 2006. Therefore, we do not recommend moving forward with this transaction at this time.



#### TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

September 6, 2006

Daniel Solis P.O. Box 290717 El Paso, TX 79929 Phone: 915-858-8829

Fax: 915-858-0909

Re: Application for La Primavera Single Family Development (#2006-0212)

Dear Mr. Solis:

RICK PERRY

Governor

BOARD MEMBERS
Elizabeth Anderson, Chair
Shadrick Bogany
C. Kent Conine
Sonny Flores
Vidal Gonzalez
Norberto Salinas

MICHAEL GERBER

Executive Director

An initial review of the subject application has revealed that important information is needed to complete the underwriting analysis. Please provide the following information by 4:00pm on Wednesday September 14, 2006 to allow for timely completion of the underwriting process.

- 1. **Building Plans.** The application does not include building plans for the proposed units. Please provide a floorplan and elevation of each unit type.
- 2. **Site Plan.** The application does not include a site plan for the proposed development. Please provide a site plan which includes any existing or planned infrastructure, planned lot boundaries, and planned unit footprints.
- 3. Uses of Funds. Please revise the uses of funds portion of the application to match the line items and values in the development cost schedule.
- 4. Adobe Construction Cost. Please provide documentation, if available, of the costs associated with construction of adobe homes. The strongest documentation may include an executed construction contract for an adobe home similar in size and characteristics to the proposed units and close in proximity to the proposed site.
- 5. Commitment Letter. Please provide a financing commitment letter from Area Credit Union Housing Service Organization with terms and conditions. If, as indicated during previous correspondence, the source of permanent mortgages will be provided through different means, please explain.
- 6. **Zoning.** Please submit evidence that an application to re-zone the property for the proposed use has been submitted to the city.

(Page 1 of 2)

If you have any questions or concerns regarding the above information or are unsure what documentation should be provided, please contact Cameron Dorsey at 512-475-2691 or by email at cameron.dorsey@tdhca.state.tx.us.

Sincerely,

Cameron F. Dorsey Real Estate Analysis

CFD

#### SINGLE FAMILY FINANCE PRODUCTION DIVISION

#### **BOARD ACTION REQUEST** February 1, 2007

#### **Action Item**

Presentation, discussion and action regarding use of the Housing Trust Fund as leverage for the FEMA Alternative Housing Pilot Program in an amount up to \$250,000.

#### **Required Action**

Approval regarding use of the Housing Trust Fund as leverage for the FEMA Alternative Housing Pilot Program in an amount up to 250,000.

#### **Background**

TDHCA staff submitted an alternative housing pilot program proposal to the U.S. Department of Homeland Security – Federal Emergency Management Agency (FEMA) on October 20, 2006. The application consisted of proposed pilot projects to address the ongoing housing challenges created by the 2005 hurricane season. The requested total was in excess of \$63 million and consisted of six proposed projects including five from private sector companies and one from a university. \$1 million from the State of Texas Housing Trust Fund was conditionally pledged as leverage with the condition that the funds would be subject to approval by the TDHCA Governing Board. From an original pool of potential applicants including non-profits and university sponsored projects, staff conditionally pledged the funds contingent upon the project(s) selected. Staff believed it would be more appropriate to provide leveraging if a non-profit or university sponsored project were selected.

On December 22, 2006, FEMA announced its final decision regarding grant awards and the State of Texas was selected to receive an award up to \$16,471,725 for the project proposed by the Heston Group, a private sector defense contractor. Prior to formal receipt of the award, FEMA requested evidence that TDHCA's Board has formally committed these funds and asked that the funds be included in the project budget.

#### Recommendation

Based on FEMA's project selection of a private sector company in an amount significantly less than the requested amount, staff believes it inappropriate and an inefficient use of Housing Trust Fund dollars to recommend approval of \$1 million in leveraged funds. However, to demonstrate an effort of good faith, staff does recommend approval of an amount up to \$250,000 that may be leveraged at the Executive Director's discretion for the Alternative Housing Pilot Program.

Should the approval be denied, it is possible the FEMA award may not be made.

#### **BOND FINANCE DIVISION**

#### **BOARD ACTION REQUEST** February 1, 2007

#### **Action Items**

Resolution authorizing application to the Texas Bond Review Board for reservation of single family private activity bond authority and presentation, discussion and possible preliminary approval of Single Family Mortgage Revenue Bonds, 2007 Series A, Single Family Mortgage Revenue Bonds, 2007 Series B (Variable Rate Demand Bonds), Single Family Mortgage Revenue Refunding Bonds, 2007 Series C and Approval of Underwriting Team for Program 69.

#### **Required Action**

Approve the attached resolution authorizing application to the Texas Bond Review Board for reservation of single family private activity bond authority and preliminary approval of Single Family Mortgage Revenue Bonds, 2007 Series A, Single Family Mortgage Revenue Bonds 2007 Series B (Variable Rate Demand Bonds), Single Family Mortgage Revenue Refunding Bonds, 2007 Series C and Approval of Underwriting Team for Program 69.

#### **Background**

TDHCA's 2007 volume cap allocation for single family bonds has increased to \$186,495,078. This is a \$16 million increase from our 2006 volume cap due to an increase in the sub-ceiling. In 2006, TDHCA issued an unprecedented \$368 million in single family bonds for very low, low, and moderate income families for the State of Texas. TDHCA's marketing efforts have placed a record 2,531 families in homes in 2006. The Bond Finance Division has evaluated available proceeds from our most recent bond issue. As of January 22, 2007, 53% or \$70.3 million of the \$132 million of Program 68 lendable proceeds have been purchased, or are in the pipeline to be purchased. If TDHCA's single family lending continues at its current pace, staff projects expending all statewide unrestricted funds by May 2007. All unrestricted Hurricane Rita Gulf Opportunity Zone (Rita GO Zone) funds have already been expended.

Funds remain available in the Rita GO Zone that is restricted to families with income below 60% Area Medium Family Income (AMFI). If the funds are not used the one-year restriction will be removed so families in the Rita GO Zone with income up to 140% AMFI will benefit in 2007. On June 29, 2007 approximately \$22 million will be made available for Program 66 and on November 16, 2007, approximately \$16 million will be made available for Program 68. In addition to the funds described here that will become available in the future, TDHCA is recommending making an additional \$15 million available to the Rita GO Zone with assisted mortgages under this proposed Program 69 for families with 140% AMFI.

The high volume of TDHCA's single family loan demand can be attributed to the competitive rates created under the Department's 2006 Series of Bonds and the down payment assistance offered to Rita GO Zone as well as statewide borrowers. As the Texas housing market continues to grow stronger and TDHCA continues to see record volume purchases of its loan products, TDHCA would like to continue offering mortgage products for first-time homebuyers that will enable TDHCA to generate mortgage demand at recent levels. The rates and assistance offered by the Department in

2006, in addition to achieving the primary goal of being very attractive to first-time homebuyers and borrowers in dire need of assistance, were also the maximum rates allowable under the Federal Tax Code (referred to as "full spread rates"). These were all achievable through a fortuitous combination of interest rates available in the market and subsidies (in the form of 0% funds) that were available to the Department from previous bond financings.

Unfortunately, no 0% funds remain today and current interest rates alone will not allow TDHCA to offer competitive rates *and* achieve full spread on the Program 69 financing. The Department will be able to generate some new 0% funds with this next bond financing by refunding \$29 million of the 1997 Series A bonds and \$13 million of 1997 Series D bonds, but even using this newly created subsidy will not get TDHCA to "full spread rates" while still offering competitive rates. Therefore, to address the needs of Texans in 2007 and beyond, staff believes that it is necessary to consider a bond structure that includes variable rate demand bonds (to be hedged with an interest rate swap to reduce interest rate exposure) so the Department may replenish 0% funds. The use of 0% funds can be used to blend down the mortgage rate to achieve Department goals as well as subsidize down payment assistance. If all or a portion of the 0% fund is not needed for Program 69 it will be banked and used for future programs.

The Department has prudently utilized this structure a number of times in recent years when the market environment has warranted it and the rating agencies are very comfortable with our approach as evidenced by last year's S&P upgrade to AAA from A+. Staff believes that mortgage interest rates created under this structure will be competitive enough with the conventional market for the Department to continue to generate demand for its lending products, achieve full spread, and potentially generate substantial subsidy for use in the future.

The table below illustrates Bond Finance use of both fixed rate, variable rate and a combination of both types of structures in the past. With program 62A, Bond Finance was forced to match program 59A, 61 and 62 mortgage rates set at 4.99%. Bond Finance achieved this rate using a 100% variable rate bond hedged with a swap while contributing \$2.2 million in 0% funds to blend down the rate. No subsidies were generated with program 62A. The 100% fixed rate structure of program 66 allowed TDHCA to have competitive rates due to Freddie Mac buying our bonds through the market and having Bond Finance contribute \$5 million in 0% funds to blend down the rate. In program 68, Bond Finance wanted to have competitive and similar rates as we did in program 66. To achieve these competitive and similar rates, Bond Finance used a combination of fixed and variable rate bonds hedged with a swap along with Bond Finance contributing \$1 million in 0% funds to help with down payment assistance.

	Program 62A	Program 66	Program 68
Bond Structure	100% Hedged Variable Rate Bonds	100% Fixed Rate Bonds	70% Fixed Rate Bonds, 30% Hedged Variable Bonds
Unassisted Mortgage Rate	4.99%	5.625%	5.65%
Assisted Mortgage Rate (5% Statewide)	N/A	6.125%	6.20%
Assisted Mortgage Rate (5% Rita GO Zone)	N/A	5.875%	5.99%

Staff will present to the TDHCA Board at its March 8, 2007 meeting a final structure for approval. Prior to that Board meeting, staff will communicate our need for funds to members of the Texas Bond Review Board and Texas Treasury Safekeeping Trust Company so that new lending rates can be established soon after the bond pricing and before the Department runs out of funds in May 2007. As we proceed, Bond Finance will i) monitor the capital markets for any changes to make adjustments that we feel are appropriate, and, ii) explain any proposed deviations from the current structure to the Board at the time.

Bond Finance Division and the Texas Home Ownership Program Division have analyzed the current mortgage market and found mortgage rates in Texas are at approximately 5.50% with 2 points. In order for TDHCA mortgages to be competitive we are proposing an unassisted mortgage rate at 5.15% and an assisted mortgage rate at 6.15% (borrowers receiving a 5% grant for down payment assistance is not as rate sensitive.) TDHCA will provide approximately \$58 million of unassisted and \$46 million of assisted mortgages with this structure. Based on mortgage market conditions in Texas at the time of pricing, Bond Finance can make adjustments to the unassisted and assisted mortgage rates to remain competitive.

The table below reflects several structuring options assuming the same target mortgage rates available under current market conditions. The differences of the three structures (100% fixed, fixed and variable and 100% hedged variable rate bonds) below are quantified first on the Projected Transaction Cost line which is TDHCA's out of pocket transaction cost. The Fixed rate structure is the most expensive and the hedged variable rate structure is the least expensive. The next two lines show the effect of not achieving full spread under Scenario 1 and under Scenario 2 full spread is achieved but without creating future benefits available under Scenario 3. Under Scenario 3 there are over \$7 million in 0% funds that can be used to buy down existing or future mortgage rates or used for down payment assistance.

Scenario *	1	2	3
<b>Bond Structure</b>	100% Fixed Rate Bonds	70% Fixed Rate Bonds, 30% Hedged Variable Bonds	100% Hedged Variable Rate Bonds
Unassisted Mortgage Rate	5.15%	5.15%	5.15%
Assisted Mortgage Rate (5% Statewide)	6.15%	6.15%	6.15%
Assisted Mortgage Rate (5% Rita GO Zone)	6.15%	6.15%	6.15%
Projected Transaction Costs	\$950,000	\$815,000	\$315,000
Cost of Not Lending at "Full Spread"	\$1,390,000	\$0	\$0
Future Subsidy Generated	\$0	\$0	\$7,545,000

^{*} Preliminary, subject to change.

Program 69's mortgages will be securitized and will be marketed to very low, low and moderate income residents of Texas. If authorized, the bonds are expected to be priced in mid-April and the bond closing will occur approximately four to six weeks subsequent to the bond pricing.

Continuing with the senior manager rotation plan, Bond Finance recommends Bear, Stearns & Co. Inc. as senior manager for this issuance of TDHCA's proposed 2007 Series A-C bonds. 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
George K. Baum & Co.	Co-Senior
Estrada Hinojosa	Co-Manager
Morgan Keegan	Co-Manager
M.R. Beal and Company	Co-Manager
Piper Jaffray	Co-Manager

In the bond market, a syndicate of bankers is needed to market the structure. The number of bonds available for sale typically dictates the size of the syndicate needed at the time of pricing. With TDHCA's structures over \$100 million, a pool of bankers including the senior underwriter, co-senior and four co-managers have previously been successfully used to market the bonds.

#### Recommendation

Approve the attached resolution authorizing application to the Texas Bond Review Board for reservation of single family private activity bond authority and preliminary approval of Single Family Mortgage Revenue Bonds, 2007 Series A, Single Family Mortgage Revenue Bonds, 2007 Series B (Variable Rate Demand Bonds), Single Family Mortgage Revenue Refunding Bonds, 2007 Series C and Approval of Underwriting Team for Program 69.

#### **Transaction Overview**

Program Designation	Program 69 (Scenario 2)
Bond Indenture	Single Family Mortgage Revenue Bond Indenture
2007 Private Activity Bond Authority	\$105,000,000
1997 Series A Bond Refunding	\$ 28,970,000
1997 Series D Bond Refunding	\$ 12,315,000
Total Program 69 Issuance	\$146,285,000
2007 Single Family Series A, B, C *	\$146,285,000
Statewide Assisted Funds	\$ 31,500,000 (Very Low Income Reservation 60% AMFI for One Year)
Statewide Unassisted Funds	\$ 52,500,000
Statewide Unassisted Funds	\$ 6,000,000 Targeted Areas
Hurricane Rita GO Zone Assisted Funds	\$ 15,000,000
Total Approximate Lendable Proceeds	\$105,000,000
Down Payment Assistance (%)	5% (For Very Low Income Reservation and GO Zone)
Possible Single Family Refunding Candidates	1997 Series A, 1997 Series D
Approximate Refunding Amount	\$ 41,285,000
Total Tax-exempt Issuance Amount	\$146,285,000

^{*} Final mix of fixed and variable rate bonds will be presented during TDHCA March Board Meeting.

#### **Transaction Timetable ****

Activity	<b>Key Dates</b>
TDHCA Preliminary Approval	February 1, 2007
TDHCA Approval Date	March 8, 2007
Bond Review Board Planning Session	March 13, 2007
Bond Review Board Approval	March 22, 2007
Pricing Window	April 23, 2007
Pre-Closing/Closing Dates	June 4-5, 2007

^{**} Timetable preliminary and subject to change

#### **Mortgage Pipeline Information**

Current lendable proceeds in existing programs as of January 22, 2007

Program Number	Current Allocation	Rate	Committed/ In Pipeline	Loans Purchased	Uncommitted Allocation
61	175,865,983	4.99%- 5.50%	1,315,656	174,495,300	55,027
62A	101,764,092	4.99%	6,938,069	95,059,135	0
66	238,697,801	5.625% 5.875% 6.125%	73,930,396	141,694,899	25,759,178*
68	132,030,000	5.65% 5.99% 6.20%	55,376,126	14,961,925	61,691,949**
TOTAL:	\$648,357,876		\$137,560,247	\$426,211,259	\$87,506,154

^{*} Of the \$25.8 million uncommitted under Program 66, \$22.9 million are for families with income below 60% AMFI. This restriction will be lifted on June 29, 2007 and mortgage loans with down payment assistance will be made available to families with income up to 140% AMFI.

^{**} Of the \$61.7 million uncommitted under Program 68, \$33.9 million are for families with income below 60% AMFI. This restriction will be lifted on November 16, 2007 and mortgage loans with down payment assistance will be made available to families with income up to 140% AMFI.

#### Resolution No. 07-001

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 2007 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 2007;

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 maximum amount of \$110,000,000, together with any other documents and opinions required by the Bond Review Board as a condition to the granting of the Reservation.

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

<u>Section 3 - Purposes of Resolution</u>. 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.

<u>Section 4 - Mortgage Credit Certificate Authority</u>. 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.

<u>Section 5 - Effective Date</u>. 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 <a href="Texas Register">Texas Register</a> 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 <a href="Texas Register">Texas Register</a> not later than seven (7) days before the meeting of the Board as required by Section 2306.032, Texas Government Code, as amended.

778458 1.DOC -2-

### PASSED AND APPROVED this 1st day of February, 2007.

	Chair, Governing Board	
ATTEST:		
Secretary to the Governing Board		
(SEAL)		

# REPORT ITEMS

## MULTIFAMILY FINANCE PRODUCTION DIVISION QUARTERLY REPORT OF CHANGES IN OWNERSHIP

(Covers changes subsequent to report of October 12, 2006)

	Date			Entity Departing or Replaced (GP=general partner, O=owner, SLP=special limited			Type of Ownership Change (S=sale. FS=sale involving foreclosure. R=restructure. D=default/removal of GP. NC=name change.	
Dev. No.	Approved	Development	City	County	Region	partner, NP=Nonprofit)	New Member or Owner	L=change of limited partner)
060056	10/2/06	Langwick Senior Residences	Houston	Harris	6	Songhai Ventures, Inc. (D)	Songhai Development Company, LLC (D)	<b>R</b> - New developer has same principal as original developer.
04410	10/2/06	The Vistas	Marble Falls	Burnet	7	Marble Falls Housing Opportunity Corporation (GP)	THF Housing Opportunity Corporation (GP)	R - New regional housing authority, Texas Housing Foundation (THF) affiliated with original sponsor of development, Marble Falls Housing Authority (MFHA), replaced original sponsor. New GP is instrumentality of THF.
AHDP 190089448	10/5/06	Stone Creek	Tyler	Smith	4	MBS-Stone Creek, Ltd. (O)	TLG Stone Creek Apartments, LLC (O)	S - The development was purchased by an investor.
060201	10/9/06	Moore Grocery Lofts	Tyler	Smith	4	Landmark Asset Services, Inc.; Sari & Company; Fitch Development Group, Inc. (Co- GPs)	Moore Grocery Lofts, GP, LLC (GP)	R - The new GP has the old GPs as its sole members.
05207	10/11/06	Parker Lane Seniors	Austin	Travis	7	Capital Area Housing Finance Corporation (GP)	Strategic Housing Finance Corporation of Travis County (GP)	S - Original GP departed due to hardship. New GP was solicited by Guarantor. Guarantor remained same.
060080	10/23/06	Spanish Creek Townhomes	El Paso	El Paso	13	Investment Builders, Inc. (GP); Ike Monty, President.	IBI Spanish Creek Townhomes LLC (GP)	, <b>R</b> - Original GP was replaced. Sole member of new GP is original GP.
93167	11/3/06	Spring Ridge	Dallas	Dallas	3	Shared Resources, Ltd. (O)	Legendary Lane, LP (O)	S - The development was purchased by an investor.
060419	11/10/06	Gardens of Weatherford	Weatherford	Parker	3	Continental Associates VI, Inc. (SLP)	Continental Associates VI, Inc. (Co-GP)	
060420	11/10/06	Gardens of Decordov	a Granbury	Hood	3	Continental Associates VII, Inc. (SLP)	Continental Associates VII, Inc. (Co-GP)	R - Special limited partner became co-general partner.
00044T	11/20/06	Red Hills Villas	Round Rock	Williamson	7	None	William R. Caparis (Owner of GP)	R - New owner of GP joins original original two owners.

## MULTIFAMILY FINANCE PRODUCTION DIVISION QUARTERLY REPORT OF CHANGES IN OWNERSHIP

(Covers changes subsequent to report of October 12, 2006)

Dev. No.	Date Approved	Development	City	County	Region	Entity Departing or Replaced (GP=general partner, O=owner, SLP=special limited partner, NP=Nonprofit)		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)
091022	11/20/06	Telstar Apartments	Dallas	Dallas	3	Telstar Associates, Ltd. (GP)	Happy Habitats, LLC (GP); Dallas Clearwater Ventures, LLC (Co-GP)	S - The development was purchased by investors.
96095	11/30/06	Woodforest Chase	Houston	Harris	6	New Wild Plum Associates, L.P. (0)	WillMax Woodforest, L.P. (O)	S - The development was purchased by an investor.
97151	11/30/06	Lake Crest Village	Houston	Harris	6	Lake Crest Village Associates, L.P. (O)	WillMax Lakecrest, L.P. (0)	S - The development was purchased by an investor.
96153	12/4/06	Sovereign Apartments	Houston	Harris	6	Tasek Management (GP)	Alix Development Corporation (GP)	R - Both the original and new GPs are wholly owned by Joseph Lopez.
04120	12/4/06	Sedona Springs Village	Odessa	Ector	12	Odessa Housing Authority (SLP)	None	R - Housing authority withdrew. No new members entered.
02456	12/19/06	Rosemont at Palo Alto	San Antonio	Bexar	9	San Antonio Development Agency (GP)	Housing Authority of Bexar County (GP)	S - Transfer of the property from one nonprofit entity to another.
04002	12/13/06	Cricket Hollow Apts.	Willis	Montgomery	6	David Longoria (owner of HUB GP)	Terri Torregrossa (owner of HUB GP)	R - One person replaced another as majority owner of HUB that is GP.
060149	12/14/06	Women's Shelter of East Texas	Lufkin	Angelina	5	Womens Shelter of East Texas (GP)	Pineywoods HOME Team Affordable Housing, Inc. (GP)	R - Departing GP remains development operator and provider of supportive services and was affiliate of new GP in sponsoring of the development.
95001	12/27/06	St. Cloud	Houston	Harris	6	Jaysac, Ltd. (O)	Happy Village, LLC (O)	S - The development was purchased by an investor.

### **TDHCA Outreach Activities, December 2006 and January 2007**

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

Event	Location	Date	Division	Purpose
Webb County Scoring	Laredo	December 1	Office of Colonia	Participant
Committee Meeting			Activities	<b>r</b>
Lender Training/Bond	Amarillo	December 4	Single Family	Training
Program 68				
Meeting with Members of	Austin	December 4	Executive, Policy and	Participant
the Disability Community			Public Affairs	
Community Resource	Austin	December 5	Policy and Public	Participant
Coordination Group			Affairs	
Meeting				
Lender Training/Bond	Tyler	December 5	Single Family	Training
Program 68				
Meeting with members of	Austin	December 6	Executive, Policy and	Participant
the Disability Community			Public Affairs	T. C. T. C.
Mental Health	Austin	December 6	Policy and Public	Participant
Transformation Group			Affairs	T. C. T. C.
MetroTex Association of	Dallas	December 6	Single Family	Training
Realtors				6
Lender Training/Bond	Corpus Christi	December 7	Single Family	Training
Program 68	F		, and a second	
First Thursday Income	Austin	December 7	Portfolio Management	Training
Eligibility Training	11000111	2 cccinicci /	and Compliance	
FY 2007 ESGP	Austin	December 7	Community Affairs	Training
Application Workshop				
Meeting with Members of	Austin	December 7	Executive, Policy and	Participant
the Disability Community			Public Affairs	- 3.2.2.4 mil
Webb County Scoring	Laredo	December 8	Office of Colonia	Participant
Committee Meeting			Activities	T. C. T. C.
Mental Health	Austin	December 11	Policy and Public	Participant
Transformation Grant			Affairs	1
Meeting				
Meeting with Corporation	Austin	December 11	Executive, Policy and	Participant
for Supportive Housing			Public Affairs	1
ORCA Sunset Hearing	Austin	December 12	Policy and Public	Monitoring
			Affairs	
Market Analysis Rules and	Austin	December 13	Real Estate Analysis	Training
Guidelines				
Fiscal Notes Coordinator	Austin	December 13	Policy and Public	Participant
Conference			Affairs	1
ORCA Executive	Austin	December 13	Policy and Public	Monitoring
Committee Meeting			Affairs	
Mortgage Press Broker	Irving	December 14	Single Family	Exhibitor
Networking Event	8		, and a second	
Webb County Self-Help	Webb County	December 14	Office of Colonia	Participant
Center Ribbon Cutting			Initiatives	1
Ceremony				
Ground Breaking	Webb County	December 18	Office of Colonia	Participant
Ceremony for Webb Co.			Initiatives	r
Colonia Water/Wastewater				
Project				
	Houston	December 19	Executive, Policy and	Public Hearing
Supplemental CDBG	Houston	DCCCIIIUCI 19	Executive, I offer and	I ublic licaling

Supplemental CDBG	Austin	December 19	Policy and Public	Public Hearing
Disaster Plan Hearing	Austili	December 19	Affairs	Fuolic Hearing
Supplemental CDBG	Beaumont	December 20	Executive, Legal	Public Hearing
Disaster Plan Hearing	Deaumont	December 20	Executive, Legal	rublic Hearing
PY 2007 DOE WAP Plan	Austin	January 3	Community Affairs	Public Hearing
Public Hearing	Austin	January 3	Community Arrans	r ublic Hearing
Mental Health Planning &	Austin	January 8	Policy and Public	Participant
Advisory Committee	Austin	January 6	Affairs	Farticipant
NCSHA winter workshops	Washington, D.C.	January 8-11	Portfolio Management	Presentation, Participant
NCSHA willer workshops	washington, D.C.	January 6-11	and Compliance	Fresentation, Farticipant
Texas Bond Review Board	Austin	January 9	Policy and Public	Monitoring
Meeting			Affairs	
ORCA Sunset Hearing	Austin	January 10	Policy and Public	Monitoring
			Affairs	
Disability Advisory	Austin	January 10	Executive, Single	Participant
Workgroup Meeting			Family, Policy and	
			Public Affairs	
Promoting Independence	Austin	January 11	Policy and Public	Participant
Advisory Committee			Affairs	
Meeting				
Meeting with Staff from	Austin	January 12	Policy and Public	Participant
Department of Aging and			Affairs	
Disability Services				
Promoting Independence	Austin	January 18	Policy and Public	Participant
Advisory Committee			Affairs	
Meeting				
Mental Health	Austin	January 26	Policy and Public	Participant
Transformation			Affairs	_
Workgroup				
"Completing the 2006	Austin	January 29	Portfolio Management	Training
Annual Owner's			and Compliance	
Compliance Report"				
Workshop				