

BOND DISCLOSURE As of August 31, 2011

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Individuals with disabilities are welcome to call the Bond Disclosure Manager with any questions:

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**Texas Department of Housing & Community Affairs
Junior Lien Single Family Indenture Profile**

2004 Series A Taxable Junior Lien Single Family (Program #611)

As of August 31, 2011

BONDS:

Description:

The 2004 Series A Taxable Junior Lien Single Family Bonds (The Series 2004A Bonds) were issued on April 28, 2004 in the amount of \$4,140,000. The Bonds were issued for the primary purpose of providing down payment assistance to eligible borrowers in connection with mortgage loans made under Program 61.

The Series 2004A Bonds were issued pursuant to a Junior Lien Trust Indenture, dated as of June 8, 1994 (the "Junior Lien Master Indenture"). In addition, the Series 2004A Bonds were issued pursuant to a Fourth Supplemental Junior Lien Trust Indenture.

The Series 2004A Bonds are payable solely from the revenues of funds of the Department pledged under the Junior Lien Trust Indenture. Revenues under the Junior Lien Trust Indenture include (i) all Surplus Revenues from the Senior Lien Trust Indenture, (ii) all interest on or profit derived from certain funds held under the Junior Lien Master Indenture, and (iii) any other revenue or income pledged to Junior Lien Master Indenture (such as applicable repayments and prepayments of Series 2004A Bonds only).

Revenues under the Senior Lien Trust Indenture only become Surplus Revenues available to be released to pay debt service on the Series 2004A Bonds to the extent such revenues are in excess of (i) all debt service on the Senior Lien Bonds issued thereunder, and (ii) all expenses of the Department in administrating the programs related to the Senior Lien Bonds. In addition, prior to each release, the Department must demonstrate through cashflow reports that projected revenues under the Senior Lien Trust Indenture will be sufficient to pay debt service on the Senior Lien Bonds and expenses of the Department in the then current and each succeeding fiscal year and that the assets held under the Senior Lien Trust Indenture are at least equal to 100% of the aggregate principal amount of the aggregate principal amount of the Senior Lien Bonds Outstanding.

The 2004 Series A Taxable Junior Lien Single Family Bonds are comprised as follows:

<u>Series</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Priced at</u>	<u>Due</u>	<u>Taxable Basis</u>
2004A Taxable	Variable*	\$ 4,140,000.00	100.00%	1-Sep-36	Taxable
	*Unhedged				

Name of Primary Underwriter:

UBS Financial Services Inc.

Bond Insurance:

FSA

Current Balances of Bonds Outstanding:

<u>SERIES</u>	<u>MATURITY DATE</u>	<u>INTEREST RATE (%)</u>	<u>OUTSTANDING BALANCE</u>
2004A	1-Sep-36	Variable	\$ 3,855,000.00
Total 2004A			\$ 3,855,000.00

GRANTS:

Type	Amount
2005 Down Payment Assistance	\$552,698
2006 Down Payment Assistance	\$2,857,659
2007 Down Payment Assistance	\$331,464
Total Down Payment Assistance	<u>\$3,741,821</u>

CURRENT INVESTMENT STATUS:

Issue	Fund	Investment Type	Interest Rate	Maturity Date	Amount (Face Value)
2004A	Revenue Fund	Repurchase Agreement	0.01	9/1/2011	\$ 53.93
	Reserve Fund	Repurchase Agreement	0.01	9/1/2011	\$ 115,650.00
	Acquisition Fund	Guarantd Inv Certificates	1.28	11/1/2005	\$ -
		Repurchase Agreement	0.27	2/2/2009	\$ -
	Cost of Issuance	Repurchase Agreement	5.3	4/2/2007	\$ -
2004A Total					\$ 115,703.93

FEES:

Fees	%	CalcMethod	Frequency	CalcBasis	DayBasis
Trustee	0.0300%	BondBalance	Semiannual	Advance	30/360
Liquidity -Comptroller	0.120%	VRDN+maxint @15%for189days	Quarterly	Arrears	Act/Act
Remarketing -JPM	0.100%	VRDNBalance	Quarterly	Arrears	Act/360

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