

Official Board Packet



July Board Meeting

To be held at the offices of
Texas State Affordable Housing Corporation
1005 Congress Avenue – Suite B-10 Conference Room
Austin Texas 78701

Friday, July 18, 2008
10:30 a.m.

BOARD MEETING
TEXAS STATE AFFORDABLE HOUSING CORPORATION
To be held at the offices of
Texas State Affordable Housing Corporation
1005 Congress Avenue – Suite B-10 Conference Room
Austin, Texas 78701
July 18, 2008 at 10:30 am

AGENDA

CALL TO ORDER, ROLL CALL
CERTIFICATION OF QUORUM

Thomas Leeper
Chair

The Board of Directors of Texas State Affordable Housing Corporation will meet to consider and possibly act on the following:

PUBLIC COMMENT

AUDIT COMMITTEE REPORT

STAFF REPORT

David Long

ACTION ITEMS IN OPEN MEETING

- | | |
|-------|---|
| Tab 1 | Presentation, Discussion and Possible Approval of Minutes of the Board Meeting held on June 20, 2008. |
| Tab 2 | Discussion and Consideration of a Resolution Regarding the Conversion of Reservation for Allocation of Private Activity Bonds to Mortgage Credit Certificates and Containing Other Matters Incident and Related Thereto. |
| Tab 3 | Discussion of Current Status of Negotiations Regarding the Purchase and/or Lease of Property to be Used as the Headquarters of the Corporation and the Possible Approval and/or Ratification of a Contract Related Thereto. |
| Tab 4 | Presentation, Discussion and Possible Approval of a Resolution Approving the Use and Operation of an Online Charitable Donation System for the Corporation and Concerning Other Matters Incident and Related Thereto. |
| Tab 5 | Presentation, Discussion & Possible Approval of the FY2009 Operating Budget. |
| Tab 6 | Presentation, Discussion & Possible Approval of Change in Accounting for Single Family Bonds. |
| Tab 7 | Presentation, Discussion and Possible Approval of Authority for the President of the Corporation to Pursue any Remedies Enforcing the Payment of Amounts Due to the Corporation as Provided in any Guaranty or other Communication between the American Housing Foundation and the Corporation. |

CLOSED MEETING

Consultation with legal counsel on legal matters – Texas Government Code § 551.071
Deliberation regarding purchase, exchange, lease, or value of real property – Texas Government Code § 551.072
Deliberation regarding prospective gift or donation to the state or Texas State Affordable Housing Corporation – Texas Government Code § 551.073
Personnel Matters – Texas Government Code § 551.074
Implementation of security personnel or devices – Texas Government Code § 551.076
Other matters authorized under the Texas Government Code

OPEN MEETING

Action in Open Meeting on Items Discussed in Closed Meeting.

ADJOURN

Individuals who require auxiliary aids or services for this meeting should contact Laura Ross, ADA Responsible Employee, at 512-477-3555, x 400 or Relay Texas at 1-800-735-2989 at least two days before the meeting so that the appropriate arrangements can be made.

Texas State Affordable Housing Corporation reserves the right to recess this meeting (without adjourning) and convene at a later stated time, if and to the extent allowed by law. If Texas State Affordable Housing Corporation adjourns this meeting and reconvenes at a later time, the later meeting will be held in the same location as this meeting. Texas State Affordable Housing Corporation also reserves the right to proceed into a closed meeting during the meeting in accordance with the Open Meetings Act, Chapter 551 of the Texas Government Code. If permitted by the Open Meetings Act, Chapter 551 of the Texas Government Code, any item on this Agenda to be discussed in open meeting may also be discussed by the Board (and any other authorized persons) in closed meeting.

STAFF REPORT

Single Family Lending Report

**Texas State Affordable Housing Corporation's
Professional Educators Home Loan Program Series 2007A
As of February 22, 2007 through July 9, 2008**

Month	# of Loans	% of Total Loans	Total Originated
Feb-07	24	8%	\$ 2,878,911
Mar-07	95	32%	\$ 11,576,371
Apr-07	62	21%	\$ 7,625,851
May-07	55	19%	\$ 6,400,973
Jun-07	10	3%	\$ 1,090,049
Jul-07	15	5%	\$ 1,417,994
Aug-07	5	2%	\$ 648,177
Sep-07	2	1%	\$ 225,000
Oct-07	2	1%	\$ 264,465
Nov-07	2	1%	\$ 235,690
Dec-07	2	1%	\$ 200,795
Jan-08	2	1%	\$ 196,137
Feb-08	6	2%	\$ 699,475
Mar-08	4	1%	\$ 493,483
Apr-08	5	2%	\$ 473,821
May-08	3	1%	\$ 278,261
Jun-08	2	1%	\$ 273,000
Totals	296	100%	\$ 34,978,453

Lender	Originated	# of Loans	Total %
Countrywide Home Loans, Inc.	\$5,823,310.00	52	18%
Comerstone Mortgage Company	\$4,379,359.00	34	11%
WR Starkey Mortgage	\$2,849,139.00	25	8%
Rocky Mountain Mortgage Co.	\$2,329,545.00	19	6%
Wells Fargo Bank, NA	\$1,869,540.00	16	5%
DHI Mortgage Company, Ltd.	\$1,814,846.00	13	4%
Market Street Mortgage Corp.	\$1,792,587.00	14	5%
Hammersmith Financial, L.P.	\$1,661,450.00	12	4%
Universal American Mortgage Co	\$1,635,839.00	12	4%
Wachovia Mortgage, FSB	\$1,494,969.00	13	4%
CTX Mortgage Company, LLC	\$1,205,816.00	10	3%
Service First Mortgage	\$922,274.00	9	3%
Texas State Bank	\$825,467.00	9	3%
Hometrust Mortgage Company	\$704,897.00	7	2%
Colonial Savings, FA	\$630,211.00	5	2%
Countrywide - Wholesale	\$629,350.00	6	2%
First Continental Mortgage Ltd	\$419,882.00	3	1%
Home Loan Corporation	\$413,116.00	4	1%
American Bank, N.A	\$374,170.00	4	1%
New South Federal Savings Bank	\$359,016.00	3	1%
First National Bank Texas	\$356,902.00	4	1%
PrimeLending, A PlainsCptl Co.	\$318,350.00	3	1%
Willow Bend Mortgage	\$258,400.00	2	1%
Primary Residential Mtg, Inc.	\$256,122.00	2	1%
First United Bank & Trust Co.	\$229,200.00	2	1%
Maverick Residential Mortgage	\$195,275.00	3	1%
First Tennessee Bank, N.A	\$181,785.00	2	1%
Standard Pacific Mortgage, Inc	\$177,625.00	1	0%
R. H. Lending, Inc	\$149,900.00	1	0%
Pulaski Mortgage Company	\$136,422.00	1	0%
GMAC Mortgage, LLC	\$128,375.00	1	0%
Chase Home Finance, LLC	\$124,000.00	1	0%
SWBC Mortgage Corporation	\$119,744.00	1	0%
Prado Mortgage	\$119,300.00	1	0%
Castle & Cooke Mortgage, LLC	\$92,270.00	1	0%
Total Committed	\$34,978,453	296	100%

Total Allocation \$35,000,000
Remaining to Commit \$21,547

At a Glance	
Total Amount Originated	\$34,978,453
Average Annual Income	\$48,726
Average Purchase Price	\$121,555
Average Loan Amount	\$118,170
Average Household Size	2
New/Existing	
New	32%
Existing	68%
Professional Breakdown	
Teacher	64%
Teacher Aide	2%
School Counselor	1%
School Nurse	0%
School Librarian	0%
Not Specified	33%
Type of Loan	
Conventional	57%
FHA	41%
VA	2%
USDA-RD	0%
Ethnicity	
American Indian/Alaskan Native	0%
Asian or Pacific Islander	1%
Black	16%
Hispanic	23%
White	47%
Other	13%
Not Defined	0%
Top Originating Counties	
Harris	71
Dallas	32
El Paso	24
Tarrant	20
Travis	19
Bexar	17
Fort Bend	12
Hidalgo	10
Denton	8
Collin	8
Williamson	7
Montgomery	6
Brazoria	5
Kaufman	4
Galveston	4
Cameron	4
Taylor	3
Hunt	3
Bell	3
Tom Green	2
Parker	2
Lubbock	2
Jefferson	2
Harrison	2
Guadalupe	2
Chambers	2
Bastrop	2

**Texas State Affordable Housing Corporation's
Professional Educators Home Loan Program Series 2007 A-3
As of June 20, 2007 through July 9, 2008**

Month	# of Loans	% of Total Loans	Total Originated
Jun-07	129	40%	\$ 15,179,654
Jul-07	101	32%	\$ 11,602,103
Aug-07	9	3%	\$ 1,626,623
Sep-07	12	4%	\$ 814,159
Oct-07	16	5%	\$ 1,856,105
Nov-07	2	1%	\$ 231,833
Dec-07	2	1%	\$ 273,663
Jan-08	6	2%	\$ 578,420
Feb-08	21	7%	\$ 2,487,001
Mar-08	9	3%	\$ 1,181,483
Apr-08	2	1%	\$ 216,430
May-08	3	1%	\$ 350,017
Jun-08	7	2%	\$ 811,395
Totals	319	100%	\$ 37,208,886

Lender	Originated	# of Loans	Total %
Countrywide Home Loans, Inc.	\$8,676,921.00	78	24%
Comerstone Mortgage Company	\$4,058,387.00	31	10%
WR Starkey Mortgage	\$3,622,179.00	30	9%
Wells Fargo Bank, NA	\$2,233,478.00	19	6%
CTX Mortgage Company, LLC	\$1,965,634.00	15	5%
Market Street Mortgage Corp.	\$1,205,788.00	10	3%
Texas State Bank	\$1,136,892.00	13	4%
Rocky Mountain Mortgage Co.	\$1,116,050.00	9	3%
DHI Mortgage Company, Ltd.	\$1,033,255.00	8	3%
Universal American Mortgage Co	\$997,670.00	8	3%
Wachovia Mortgage, FSB	\$924,500.00	8	3%
Hammersmith Financial, L.P.	\$922,850.00	7	2%
PrimeLending, A PlainsCptl Co.	\$850,769.00	7	2%
Service First Mortgage	\$728,831.00	7	2%
Countrywide - Wholesale	\$689,893.00	6	2%
Primary Residential Mtg, Inc.	\$601,565.00	5	2%
First National Bank Texas	\$575,566.00	6	2%
R. H. Lending, Inc	\$538,350.00	5	2%
Hometrust Mortgage Company	\$530,708.00	5	2%
Houstonian Mortgage Group Inc.	\$468,750.00	4	1%
Standard Pacific Mortgage, Inc	\$421,066.00	3	1%
Prado Mortgage	\$346,550.00	3	1%
GMAC Mortgage, LLC	\$329,971.00	3	1%
Prime West Mortgage Corp.	\$291,971.00	3	1%
Chase Home Finance, LLC	\$278,324.00	2	1%
National City Mortgage	\$247,296.00	2	1%
Bankers Financial Group - TX	\$242,297.00	2	1%
Colonial Savings, FA	\$239,175.00	2	1%
American Bank, N.A	\$218,262.00	2	1%
Willow Bend Mortgage	\$192,850.00	2	1%
Happy State Bank	\$180,713.00	2	1%
Ryland Mortgage Company	\$148,941.00	1	0%
Maverick Residential Mortgage	\$133,500.00	2	1%
First Tennessee Bank, N.A	\$133,000.00	1	0%
Republic Mortgage Home Loans	\$132,500.00	1	0%
BSM Financial, LP	\$131,249.00	1	0%
First United Bank & Trust Co.	\$127,000.00	1	0%
SWBC Mortgage Corporation	\$123,265.00	1	0%
NTFN, Inc.	\$115,583.00	1	0%
Home Loan Corporation	\$100,395.00	1	0%
American State Bank - Lubbock	\$98,719.00	1	0%
Coastal Bend Mortgage, Inc.	\$98,223.00	1	0%
Total Committed	\$37,208,886	319	100%

Total Allocation \$37,235,000
Remaining to Commit \$26,114

At a Glance	
Total Amount Originated	\$37,208,886
Average Annual Income	\$48,179
Average Purchase Price	\$120,085
Average Loan Amount	\$116,642
Average Household Size	2
New/Existing	
New	27%
Existing	73%
Professional Breakdown	
Teacher	82%
Teacher Aide	1%
School Counselor	1%
School Nurse	0%
School Librarian	0%
Not Specified	15%
Type of Loan	
Conventional	50%
FHA	50%
VA	1%
USDA-RD	0%
Ethnicity	
American Indian/Alaskan Native	0%
Asian or Pacific Islander	2%
Black	13%
Hispanic	22%
White	47%
Other	17%
Not Defined	0%
Top Originating Counties # of Loans	
Harris	88
Bexar	34
Dallas	29
El Paso	21
Hidalgo	19
Tarrant	18
Travis	14
Montgomery	10
Fort Bend	9
Collin	8
Denton	7
Taylor	5
Nueces	4
Brazos	4
Brazoria	4
Bell	4
Tarrant	
Williamson	3
Randall	3
Lubbock	3
Ellis	3
Webb	2
San Patricio	2
Kaufman	2
Jefferson	2
Guadalupe	2

**Texas State Affordable Housing Corporation's
Professional Educators Home Loan Program Series 2007B
As of August 20, 2007 through July 9, 2008**

Month	# of Loans	% of Total Loans	Total Originated
Aug-07	29	15%	\$ 3,314,112
Sep-07	36	18%	\$ 4,261,053
Oct-07	43	22%	\$ 4,801,888
Nov-07	21	11%	\$ 2,572,450
Dec-07	10	5%	\$ 1,402,406
Jan-08	2	1%	\$ 250,119
Feb-08	4	2%	\$ 447,777
Mar-08	21	11%	\$ 2,401,489
Apr-08	18	9%	\$ 2,263,934
May-08	9	5%	\$ 1,004,953
Jun-08	7	4%	\$ 756,358
Totals	200	100%	\$ 23,476,539

Lender	Originated	# of Loans	Total %
Countrywide Home Loans, Inc.	\$6,463,676.00	55	28%
WR Starkey Mortgage	\$2,192,820.00	21	11%
Comerstone Mortgage Company	\$1,997,584.00	17	9%
Wells Fargo Bank, NA	\$1,955,004.00	16	8%
CTX Mortgage Company, LLC	\$1,139,460.00	9	5%
Rocky Mountain Mortgage Co.	\$1,017,336.00	8	4%
Hammersmith Financial, L.P.	\$991,900.00	8	4%
Primary Residential Mtg, Inc.	\$970,965.00	8	4%
Countrywide - Wholesale	\$728,893.00	7	4%
PrimeLending, A PlainsCptl Co.	\$689,089.00	6	3%
GMAC Mortgage, LLC	\$626,891.00	5	3%
Texas State Bank	\$480,993.00	4	2%
First Continental Mortgage Ltd	\$457,682.00	3	2%
Wachovia Mortgage, FSB	\$390,665.00	4	2%
Service First Mortgage	\$373,843.00	4	2%
Universal American Mortgage Co	\$371,439.00	3	2%
Castle & Cooke Mortgage, LLC	\$303,972.00	2	1%
DHI Mortgage Company, Ltd.	\$299,709.00	2	1%
Prado Mortgage	\$267,796.00	2	1%
Draper and Kramer	\$240,528.00	2	1%
National City Mortgage	\$226,900.00	2	1%
Hometruster Mortgage Company	\$195,074.00	2	1%
First National Bank Texas	\$145,847.00	1	1%
Coastal Bend Mortgage, Inc.	\$135,411.00	1	1%
Community Financial Services	\$131,000.00	1	1%
Willow Bend Mortgage	\$129,010.00	1	1%
American State Bank - Lubbock	\$123,700.00	2	1%
R. H. Lending, Inc	\$123,500.00	1	1%
SWBC Mortgage Corporation	\$120,051.00	1	1%
Home Loan Corporation	\$110,000.00	1	1%
NTFN, Inc.	\$75,801.00	1	1%
Total Committed	\$23,476,539	200	100%

Total Allocation \$23,510,000
Remaining to Commit \$33,461

At a Glance	
Total Amount Originated	\$23,476,539
Average Annual Income	\$48,080
Average Purchase Price	\$120,205
Average Loan Amount	\$117,383
Average Household Size	2
New/Existing	
New	28%
Existing	72%
Professional Breakdown	
Teacher	68%
Teacher Aide	1%
School Counselor	1%
School Nurse	0%
School Librarian	0%
Nursing Faculty Member	1%
Allied Health Faculty Member	0%
Not Specified	30%
Type of Loan	
Conventional	37%
FHA	62%
VA	2%
USDA-RD	0%
Ethnicity	
American Indian/Alaskan Native	0%
Asian or Pacific Islander	2%
Black	15%
Hispanic	18%
White	41%
Other	25%
Not Defined	0%
Top Originating Counties	
Harris	64
Bexar	29
El Paso	20
Dallas	13
Tarrant	7
Montgomery	7
Fort Bend	6
Collin	6
Guadalupe	5
Travis	4
Lubbock	3
Hidalgo	3
Galveston	3
Cameron	3
Brazoria	3
Wichita	2
Denton	2

**Texas State Affordable Housing Corporation's
Home Sweet Texas Loan Program Series 2007D
As of October 15, 2007 through July 9, 2008**

Month	# of Loans	% of Total Loans	Total Originated
Oct-07	26	11%	\$ 2,461,328
Nov-07	48	19%	\$ 4,840,213
Dec-07	45	18%	\$ 4,288,603
Jan-08	48	19%	\$ 4,335,346
Feb-08	26	11%	\$ 2,161,883
Mar-08	14	6%	\$ 1,203,754
Apr-08	17	7%	\$ 1,919,065
May-08	10	4%	\$ 1,035,896
Jun-08	13	5%	\$ 1,279,061
Totals	247	100%	\$ 23,525,149

Lender	Originated	# of Loans	Total %
Countrywide Home Loans, Inc.	\$6,296,613.00	68	28%
WR Starkey Mortgage	\$3,652,695.00	38	15%
Service First Mortgage	\$2,067,860.00	24	10%
DHI Mortgage Company, Ltd.	\$1,903,309.00	17	7%
Rocky Mountain Mortgage Co.	\$1,320,987.00	14	6%
Comerstone Mortgage Company	\$1,286,863.00	12	5%
Wells Fargo Bank, NA	\$1,024,741.00	10	4%
SWBC Mortgage Corporation	\$850,535.00	10	4%
Hometrust Mortgage Company	\$676,883.00	8	3%
Community Financial Services	\$649,218.00	6	2%
Texas State Bank	\$564,291.00	7	3%
Countrywide - Wholesale	\$534,529.00	5	2%
Coastal Bend Mortgage, Inc.	\$281,564.00	3	1%
Houstonian Mortgage Group Inc.	\$253,441.00	2	1%
Primary Residential Mtg, Inc.	\$234,500.00	2	1%
CTX Mortgage Company, LLC	\$215,229.00	3	1%
Happy State Bank	\$178,480.00	2	1%
First National Bank Texas	\$178,103.00	3	1%
Universal American Mortgage Co	\$167,830.00	1	0%
PrimeLending, A PlainsCptl Co.	\$156,748.00	2	1%
Colonial Savings, FA	\$144,175.00	1	0%
Castle & Cooke Mortgage, LLC	\$128,250.00	1	0%
Wachovia Mortgage, FSB	\$118,700.00	1	0%
imortgage.com	\$107,750.00	1	0%
Home Loan Corporation	\$103,377.00	1	0%
AmericaHomeKey, Inc.	\$102,505.00	1	0%
Chase Home Finance, LLC	\$89,492.00	1	0%
Maverick Residential Mortgage	\$89,381.00	1	0%
National City Mortgage	\$83,900.00	1	0%
Patriot Bank Mortgage, Inc.	\$63,200.00	1	0%
Total Committed	\$23,525,149	247	100%

Total Allocation \$23,535,000
Remaining to Commit \$9,851

At a Glance	
Total Amount Originated	\$23,525,149
Average Annual Income	\$39,055
Average Purchase Price	\$97,230
Average Loan Amount	\$95,244
Average Household Size	2
New/Existing	
New	20%
Existing	80%
Type of Loan	
Conventional	30%
FHA	67%
VA	3%
USDA-RD	0%
Ethnicity	
American Indian/Alaskan Native	0%
Asian or Pacific Islander	1%
Black	13%
Hispanic	9%
White	43%
Other	35%
Not Defined	0%
Top Origination Counties	
Harris	39
Tarrant	30
Dallas	28
El Paso	18
Bexar	15
Taylor	10
Galveston	10
Travis	9
Fort Bend	9
Williamson	8
Bell	8
McLennan	6
Hidalgo	6
Brazoria	5
Randall	4
Potter	4
Kaufman	4
Collin	4
Wichita	3
Nueces	2
Montgomery	2
Hale	2
Ellis	2
Cameron	2

Multifamily Lending Report



Developer Financing Programs Report

July 18, 2008

Summary of Activities

The Corporation's Multifamily Private Activity Bond program has induced \$15 million of its \$44 million in bond volume cap. The Texas 5 portfolio development, induced in March 2008, is working with two investors but has not secured commitments for tax credit equity or debt at this time. The Corporation will hold the inducement open until August 15th, at which time the entire \$44 million in volume cap will be collapsed along with other issuer's unreserved volume cap statewide.

Staff has noted in past reports that housing bond markets continue to lag nationally and statewide. Only one transaction has closed this year according to the Texas Bond Review Board's current data, and more than \$225 million in unreserved volume cap is available at this time.

The Corporation's lending programs are active at this time and staff fields several calls weekly from developers. Combined the single family and multifamily programs have closed on more than \$1.1 million in financing for rental and homeownership developments this year. The Corporation's loan committee approved last month a loan of \$250,000 to the LaSalle Street project and a commitment is being reviewed by the developer at this time. Additionally, staff has applied to both Wells Fargo Bank and Wachovia Bank for program related investments that would add an additional \$2 million to the Corporation's lending pool. Approvals of these investments are not anticipated until September 2008. In the mean time staff is researching other prospective investor for the programs.

Finally, staff will be attending the annual conference of the Texas Affiliation of Affordable Housing Providers at the end of this month. The conference is held annually in Austin and is the largest gathering of tax credit and private activity bond developers. The Corporation will have a booth at this year's conference in order to market our Private Activity Bond program, as well as the Corporation's lending and asset oversight activities.

Marketing and Development Report

Texas State Affordable Housing Corporation

Marketing & Development Report
July 18, 2008

Date	Category	Activity Summary
July	Marketing	Developing 2008-2009 Marketing Plan for all TSAHC programs.
July	Marketing	Developing a traveling booth exhibit display for all TSAHC programs.
July	Marketing	Exhibiting at the Texas Affiliation of Affordable Housing Providers (multifamily).
August	Marketing	Exhibiting at the Texas Housing Association Conference (multifamily/asset oversight).
July	Development	Received notice of a \$5,000 grant from Countrywide and Freddie Mac for Single Family Marketing, Education or Counseling purposes.
July	Development	Added online donation capability to TSAHC website (will be discussed at board meeting).
July	Development	Development coordinator is working on several grants for the Texas Foreclosure Prevention Task Force.
Ongoing	Development	Working with Vice-President to recruit member for the advisory council.
July	Development	Posted the grant application for the Texas Foundations Fund.
July	Other	Working with Laura Ross to create new sections on the TSAHC website for Foundations Fund and HomeWorks programs.

Financial Report

TEXAS STATE AFFORDABLE HOUSING CORPORATION
UNAUDITED STATEMENT OF NET ASSETS
As of May 31, 2008

with comparative amounts as of August 31, 2007

ASSETS	May 31, 2008	August 31, 2007
Current Assets:		
Cash and Cash Equivalents	\$ 4,421,721	\$ 1,504,521
Restricted Assets Held by Bond Trustee:		
Cash and Cash Equivalents	2,640,199	2,580,538
Short-term Investments, at Fair Market Value	28,814,247	80,776,036
Accrued Interest	1,348,918	704,728
Investments, at Fair Market Value	1,625,000	4,627,046
Accounts Receivable & Accrued Revenue, Net of uncollectible amts. of \$1,149,107	789,131	351,967
Accrued Interest Receivable, Net of uncollectible amounts of \$51,250	8,427	49,190
Loans Receivable, Current Portion	59,254	62,219
Notes Receivable, Current Portion	35,626	17,627
Prepaid Expenses	1,216	21,924
Total Current Assets:	<u>39,743,739</u>	<u>90,695,796</u>
Noncurrent Assets:		
Loans Receivable, net of uncollectible amounts of \$121,726	1,288,650	1,383,222
Notes Receivable, Net of uncollectible amts. of \$250,000	2,687,576	1,850,709
Mortgage Servicing Rights, Net of Accumulated Amortization of \$1,763,176	964,884	1,025,049
Fixed Assets, Net of Accumulated Depreciation of \$206,663	34,946	32,426
Custodial Cash and Cash Equivalents	184,982	170,966
Bond Issuance Costs, Net of Amortization of \$626,686	5,151,960	4,306,611
Restricted Investments Held by Bond Trustee, at Fair Market Value	264,273,294	170,305,097
Total Noncurrent Assets:	<u>274,586,292</u>	<u>179,074,080</u>
TOTAL ASSETS:	<u>314,330,031</u>	<u>269,769,876</u>
LIABILITIES & NET ASSETS		
Current Liabilities:		
Accounts Payable and Accrued Expenses	113,453	119,882
Notes Payable, Current Portion	14,856	15,616
Other Current Liabilities	168,327	57,884
Payable from Restricted Assets Held by Bond Trustee:		
Bonds Payable, Current Portion	2,204,658	1,824,055
Accrued Interest on Bonds	1,774,626	2,199,083
Total Current Liabilities:	<u>4,275,920</u>	<u>4,216,520</u>
Noncurrent Liabilities:		
Multifamily Custodial and Reserve Funds	184,982	170,966
Notes Payable	7,196,409	2,053,999
Revenue Bonds Payable	298,076,250	259,332,933
Deferred Revenue	770,039	1,807,530
Total Noncurrent Liabilities:	<u>306,227,680</u>	<u>263,365,428</u>
Total Liabilities:	<u>310,503,600</u>	<u>267,581,948</u>
Net Assets:		
Invested in Capital Assets	34,946	32,426
Unrestricted Net Assets	3,791,485	2,155,502
Total Net Assets:	<u>3,826,431</u>	<u>2,187,928</u>
TOTAL LIABILITIES & NET ASSETS	<u>\$ 314,330,031</u>	<u>\$ 269,769,876</u>

TEXAS STATE AFFORDABLE HOUSING CORPORATION
UNAUDITED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
For the Period Ending May 31, 2008

with comparative amounts for the year ended August 31, 2007

	For the Period Ending	
	May 31, 2008	August 31, 2007
Operating Revenues		
Interest and Investment Income	\$ 12,528,000	\$ 11,139,794
Net Increase/(Decrease) in Fair Value of Investments	3,649,532	(1,646,768)
Single Family Program Issuer and Servicing Fees	2,822,972	1,981,438
Asset Oversight and Compliance Fees, Net of bad debt of \$(325,689)	1,078,884	440,090
Loan Servicing Fees, Net of subservicer fees of \$83,127	344,800	428,789
Multifamily Bond Fees	43,860	16,748
Fundraising & Grants	55,000	10,000
Other Operating Revenue	42,896	55,250
Total Operating Revenues	<u>20,565,944</u>	<u>12,425,341</u>
Operating Expenses		
Interest Expense on Bonds and Notes Payable	11,548,296	9,898,835
Down Payment Assistance Program	5,113,766	4,652,276
Salaries, Wages and Payroll Related Costs	810,774	1,002,780
Professional Fees and Services	186,151	236,734
Amortization	276,177	200,986
Office and Equipment Rental and Maintenance	116,741	129,780
Travel and Meals	51,481	66,015
Depreciation	10,585	15,794
Program and Loan Administration	683,105	203,432
Other Operating Expenses	130,365	141,889
Total Operating Expenses	<u>18,927,441</u>	<u>16,548,521</u>
Net Income	1,638,503	(4,123,180)
Total Net Assets, Beginning	<u>2,187,928</u>	<u>6,311,108</u>
Total Net Assets, Ending	<u>\$ 3,826,431</u>	<u>\$ 2,187,928</u>



Quarterly Investment Report

March 1, 2008 – May 31, 2008



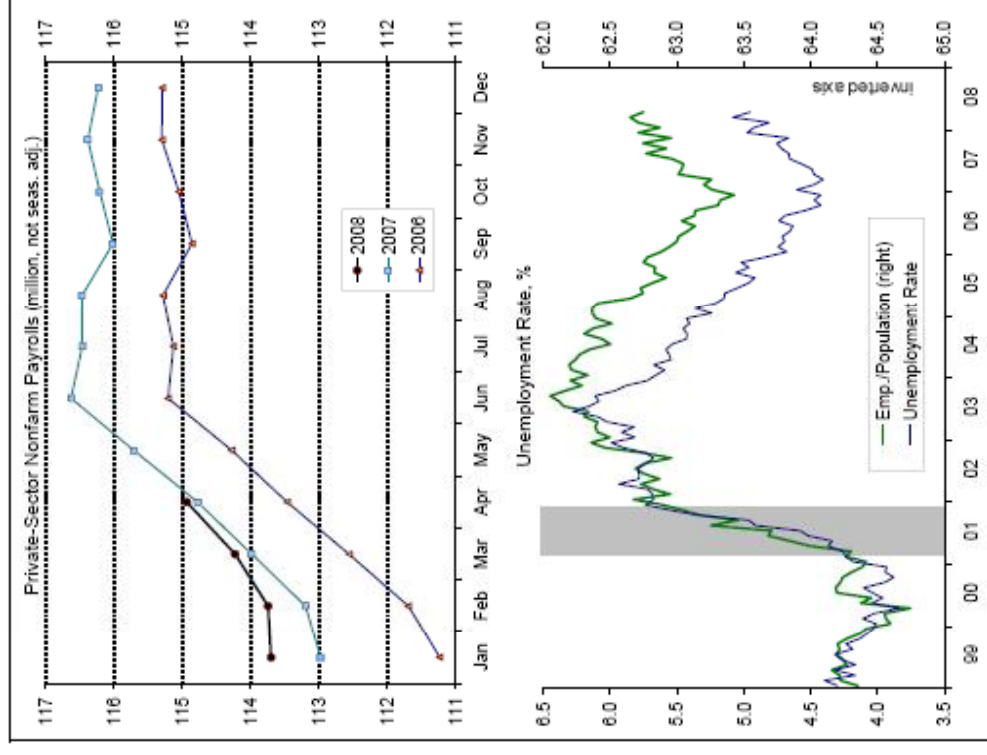
The Economy Slows and Employment Falters

The evidence has become clearer this month that the consumer is being severely squeezed by higher food and energy prices. The downward slide in housing prices and tighter bank lending prevent the home owner from using their home equity for spending.

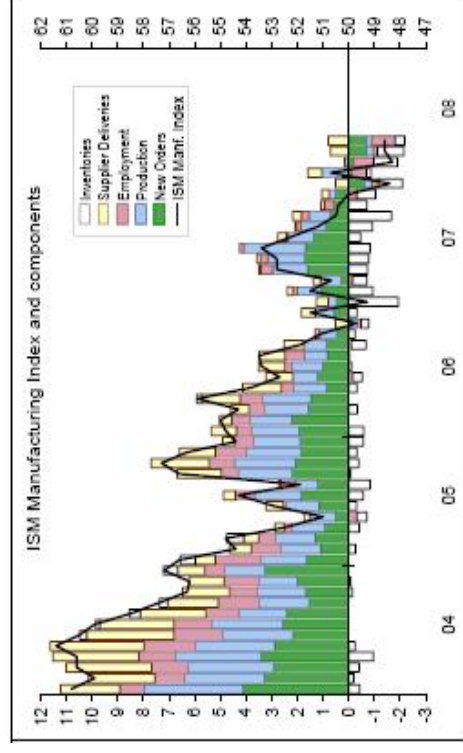
The change has been material enough to likely negate or at least severely deflate the positive effect of tax rebates.

The job market (shown right) has slowed along with wages, although the change is still moderate.

Since the consumer accounts for about 70% of the GDP, the outlook is less than rosy.



The Slowdown Spreads

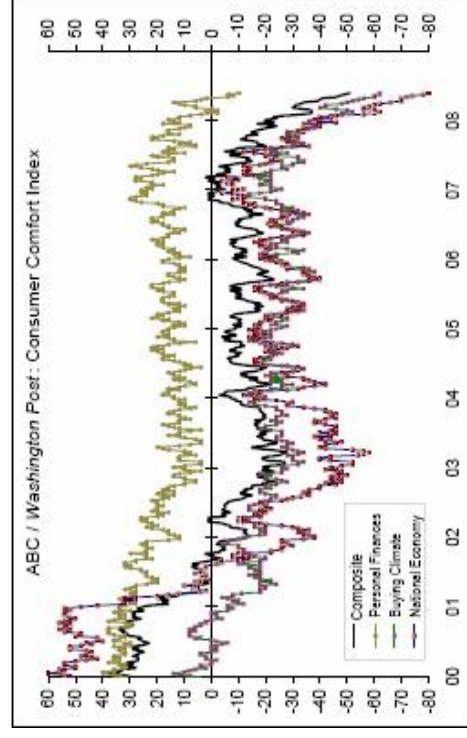


The slowdown in employment reflects the slowing of manufacturing (shown left) – even with a continuing international demand.

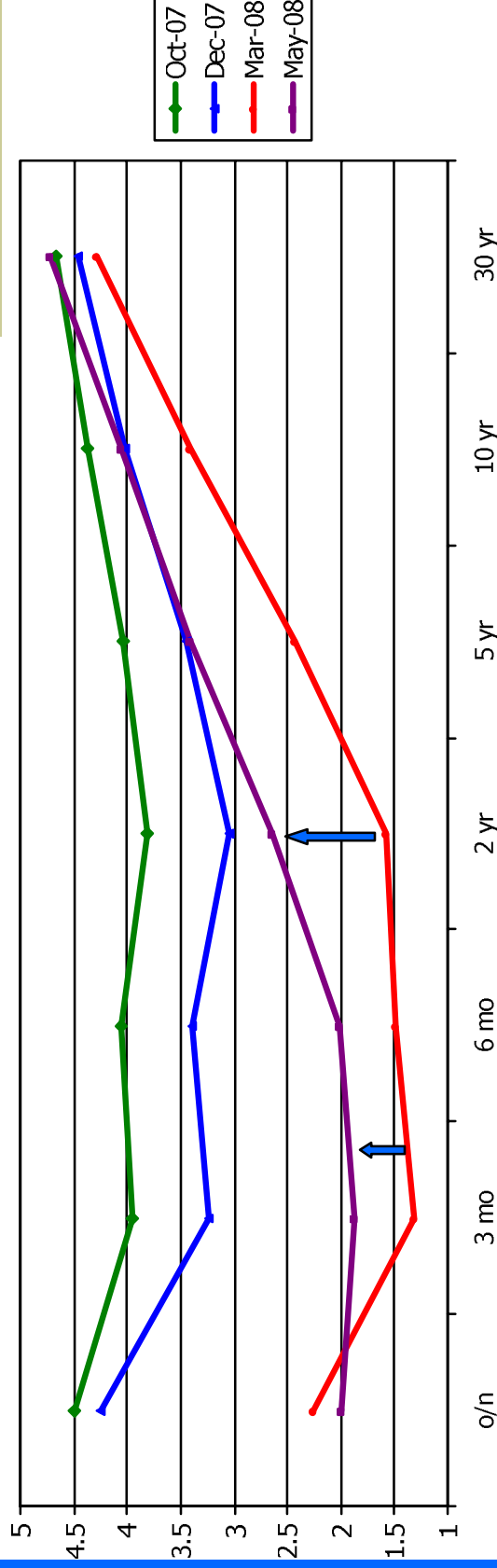
The weakening of employment added to rising inflation anxiety is now evident in both business and consumer surveys.

The slowdown in consumer spending will heighten business caution which then may slow the pace of capital investment. Without that investment, a speedy economic upturn is unlikely.

The Fed has been tolerant on downside risks to growth, but the inflation situation is unlikely to trigger rate hikes in the current restrained financial setting.



The Effect on the Yield Curve



- Focusing on liquidity, the Fed has continued to cut rates taking us to the current 2% Fed Funds rate. However, the marked slowing in the economy and the meteoric rise in commodities prices may very well sideline the FOMC from further cuts.
- The market itself has reshaped the curve, lowering prices and raising rates from the 3-month to the 10-year as funds seek higher yielding opportunities domestically and internationally.
- The next potential move of the FOMC may be in August where there is a slight chance of a rate increase but more likely such a move would not surface until late in 2008 or 1Q 2009.

Texas State Affordable Housing Corporation

Quarterly Investment Report
 February 29, 2008 – May 31, 2008
Portfolio Summary Management Report

This quarterly report is in compliance with the investment policy and strategy as established by the Corporation and the Public Funds Investment Act (Chapter 2256, Texas Government Code).

<u>Portfolio as of February 29, 2008</u>	<u>Portfolio as of May 31, 2008</u>
Beginning Book Value	\$ 6,339,494
Beginning Market Value	\$ 6,340,182
Unrealized Gain/Loss	\$ 688
WAM at Beginning Period Date ¹	10 days
Ending Book Value	\$ 6,288,256
Ending Market Value	\$ 6,287,943
Investment Income for the period	\$ 45,528
Unrealized Gain/Loss	\$ (313)
Change in Unrealized Gain/Loss	\$ (1,001)
WAM at Ending Period Date ¹	49 days
Change in Market Value	\$ (52,239)
Average Yield to Maturity for period	2.561%
Average Yield 3 month Treasury bill for period	1.460%
Average Yield 6 month Treasury bill for period	1.650%

Authorized by:

 Ms. Melinda Smith, CFO
 Texas State Affordable Housing Corporation

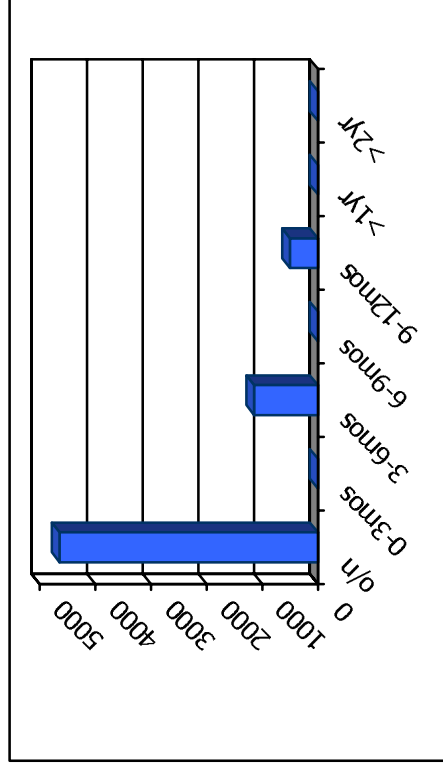
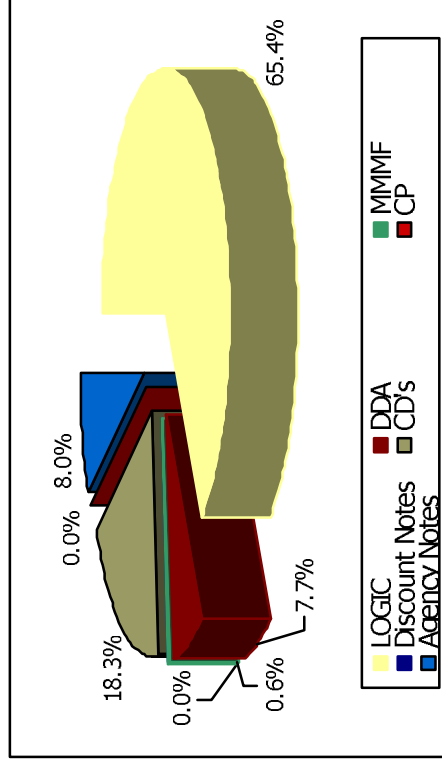
 Ms. Linda Patterson, President
 Patterson & Associates, Registered Investment Advisor

¹ **WAM**, represents weighted average maturity.

Your Portfolio

As of May 31, 2008

- P&A constantly reviews your portfolio on the basis of its asset allocation and its weighted average maturity. A diversified portfolio can better adjust to volatile market conditions. The portfolio allocations change with market conditions also because of the shifting of market values.
- When rates were dropping steadily every opportunity to lock into yields was open for evaluation.
- Now, with the potential of higher yields P&A is looking for short term value which will allow the portfolio to stay with and ahead of rates, but not lock into any yield which may be surpassed in the immediate future.





Patterson & Associates
 301 Congress Ave
 Suite 570
 Austin, TX, 78701

**Texas State Affordable Housing
 Portfolio Management
 Portfolio Summary
 May 31, 2008**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 365 Equiv.
Certificates of Deposit - Bank	1,152,186.25	1,152,186.25	1,152,186.25	18.32	184	117	2.210
Federal Agency Coupon Securities	500,000.00	499,687.50	500,000.00	7.95	365	338	2.625
LOGIC	4,114,097.22	4,114,097.22	4,114,097.22	65.43	1	1	2.617
FHLB Dallas-Money Fund	33,829.65	33,829.65	33,829.65	0.54	1	1	1.921
Federated Money Market Fund	78,576.13	78,576.13	78,576.13	1.25	1	1	2.024
Bank of America-Checking Account	404,649.09	404,649.09	404,649.09	6.44	1	1	0.796
Wells Fargo Bank	4,917.50	4,917.50	4,917.50	0.08	1	1	0.000
Investments	6,288,255.84	6,287,943.34	6,288,255.84	100.00%	63	49	2.413

Total Earnings	May 31 Month Ending	Fiscal Year To Date
Current Year	13,220.69	186,707.00
Average Daily Balance	7,123,736.17	5,997,418.84

The following reports are submitted in accordance with the Public Funds Investment Act (Texas Gov't Code 2256). The reports also offer supplemental information not required by the Act in order to fully inform the governing body of the Texas State Affordable Housing Corporation of the position and activity within the Corporation's portfolio of investments. The reports include a management summary overview, a detailed inventory report for the end of the period, a transaction report, as well as graphic representations of the portfolio to provide full disclosure to the governing body.

Melinda Smith, Chief Financial Officer

Reporting period 05/01/2008-05/31/2008

Run Date: 06/23/2008 - 16:20

Portfolio TSAH
 AP
 PM (PRF_PM1) 7.1.1
 Report Ver. 7.1.4



**Texas State Affordable Housing
Summary by Type
May 31, 2008
Grouped by Fund**

Patterson & Associates
301 Congress Ave
Suite 570
Austin, TX 78701

Security Type	Number of Investments	Par Value	Book Value	% of Portfolio	Average YTM 365	Average Days to Maturity
Fund: Bunker Hill Debt						
Bank of America-Checking Account	1	22,561.36	22,561.36	0.36	0.900	1
Subtotal	1	22,561.36	22,561.36	0.36	0.900	1
Fund: Bunker Hill Operating						
Bank of America-Checking Account	1	22,551.19	22,551.19	0.36	0.900	1
Subtotal	1	22,551.19	22,551.19	0.36	0.900	1
Fund: Bunker Hill Senior						
Bank of America-Checking Account	1	46,116.44	46,116.44	0.73	1.200	1
Subtotal	1	46,116.44	46,116.44	0.73	1.200	1
Fund: Disbursement						
Bank of America-Checking Account	1	0.00	0.00	0.00	0.000	0
Subtotal	1	0.00	0.00	0.00	0.000	0
Fund: General Investments						
Federated Money Market Fund	1	78,576.13	78,576.13	1.25	2.024	1
Certificates of Deposit - Bank	1	1,152,186.25	1,152,186.25	18.32	2.210	117
Federal Agency Coupon Securities	1	500,000.00	500,000.00	7.95	2.625	338
FHLB Dallas-Money Fund	1	33,829.65	33,829.65	0.54	1.921	1
LOGIC	1	4,114,097.22	4,114,097.22	65.43	2.617	1
Subtotal	5	5,878,689.25	5,878,689.25	93.49	2.526	52
Fund: Operating Fund						
Bank of America-Checking Account	1	55,399.70	55,399.70	0.88	0.648	1
Subtotal	1	55,399.70	55,399.70	0.88	0.648	1
Fund: Payment Clearing						
Bank of America-Checking Account	1	0.00	0.00	0.00	0.000	0

Texas State Affordable Housing
 Summary by Type
 May 31, 2008
 Grouped by Fund

Security Type	Number of Investments	Par Value	Book Value	% of Portfolio	Average YTM 365	Average Days to Maturity
Fund: Sagebrush Apartments						
Bank of America-Checking Account	1	32,198.40	32,198.40	0.51	1.200	1
Subtotal	1	32,198.40	32,198.40	0.51	1.200	1
Fund: Sagebrush Apartments - Debt						
Bank of America-Checking Account	1	38,650.56	38,650.56	0.61	0.900	1
Subtotal	1	38,650.56	38,650.56	0.61	0.900	1
Fund: Sagebrush Apartments - Oper.						
Bank of America-Checking Account	1	22,904.00	22,904.00	0.36	0.900	1
Subtotal	1	22,904.00	22,904.00	0.36	0.900	1
Fund: T & I						
Bank of America-Checking Account	1	0.00	0.00	0.00	0.000	0
Subtotal	1	0.00	0.00	0.00	0.000	0
Fund: Texas Foreclosure Prevention						
Bank of America-Checking Account	1	152,443.36	152,443.36	2.42	0.633	1
Subtotal	1	152,443.36	152,443.36	2.42	0.633	1
Fund: TX Home Education						
Bank of America-Checking Account	1	11,824.08	11,824.08	0.19	0.000	1
Subtotal	1	11,824.08	11,824.08	0.19	0.000	1
Fund: Wells Fargo - CDC						
Wells Fargo Bank	1	4,917.50	4,917.50	0.08	0.000	1
Subtotal	1	4,917.50	4,917.50	0.08	0.000	1
Total and Average	18	6,288,255.84	6,288,255.84	100.00	2.413	49



Patterson & Associates
 301 Congress Ave
 Suite 570
 Austin, TX, 78701

**Texas State Affordable Housing
 Fund BHDEBT - Bunker Hill Debt
 Investments by Fund
 May 31, 2008**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
Bank of America-Checking Account											
999999991	0015	Bank of America	09/01/2006	22,561.36	22,561.36	22,561.36	0.900	0.887	0.900		1
Subtotal and Average				22,561.36	22,561.36	22,561.36	0.900	0.888	0.900		1
Total Investments and Average				22,561.36	22,561.36	22,561.36	0.900	0.888	0.900		1

**Fund BHOPER - Bunker Hill Operating
Investments by Fund
May 31, 2008**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
999999991	0010	Bank of America	09/01/2006	22,551.19	22,551.19	22,551.19	0.900	0.887	0.900		1
Subtotal and Average				22,551.19	22,551.19	22,551.19		0.888	0.900		1
Total Investments and Average				22,551.19	22,551.19	22,551.19		0.888	0.900		1

Fund BHSENIOR - Bunker Hill Senior
Investments by Fund
May 31, 2008

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
999999991	0009	Bank of America	09/01/2006	46,116.44	46,116.44	46,116.44	1.200	1.183	1.200		1
			Subtotal and Average	46,116.44	46,116.44	46,116.44		1.184	1.200		1
			Total Investments and Average	46,116.44	46,116.44	46,116.44		1.184	1.200		1

Fund DISBURSE - Disbursement
Investments by Fund
May 31, 2008

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
999999991	0007	Bank of America	09/01/2006	0.00	0.00	0.00					1
Subtotal and Average				0.00	0.00	0.00		0.000	0.000		0
Total Investments and Average				0.00	0.00	0.00		0.000	0.000		0

Fund GENERAL - General Investments
Investments by Fund
May 31, 2008

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
Certificates of Deposit - Bank											
100071628844	34	Certificate of Deposit	03/26/2008	1,152,186.25	1,152,186.25	1,152,186.25	2.180	2.180	2.210	09/26/2008	117
		Subtotal and Average		1,152,186.25	1,152,186.25	1,152,186.25	2.180	2.180	2.210		117
Federal Agency Coupon Securities											
3133XQX23	36	FHLB Note	05/05/2008	500,000.00	500,000.00	499,687.50	2.625	2.589	2.625	05/05/2009	338
		Subtotal and Average		500,000.00	500,000.00	499,687.50	2.625	2.589	2.625		338
LOGIC											
999999996	9005	Logic	09/01/2006	4,114,097.22	4,114,097.22	4,114,097.22	2.617	2.580	2.616		1
		Subtotal and Average		4,114,097.22	4,114,097.22	4,114,097.22	2.617	2.581	2.617		1
FHLB Dallas-Money Fund											
999999995	9002	FHLB Money Market Fund	09/01/2006	33,829.65	33,829.65	33,829.65	1.921	1.894	1.921		1
		Subtotal and Average		33,829.65	33,829.65	33,829.65	1.921	1.895	1.921		1
Federated Money Market Fund											
60934N807	8	Bank of America Money Market	09/01/2006	78,576.13	78,576.13	78,576.13	2.024	1.996	2.024		1
		Subtotal and Average		78,576.13	78,576.13	78,576.13	2.024	1.996	2.024		1
		Total Investments and Average		5,878,689.25	5,878,689.25	5,878,376.75	2.491	2.491	2.526		52

Fund OPERATING - Operating Fund
Investments by Fund
May 31, 2008

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
999999991	0001	Bank of America	09/01/2006	55,399.70	55,399.70	55,399.70	0.648	0.638	0.647		1
Subtotal and Average				55,399.70	55,399.70	55,399.70	0.639	0.639	0.648		1
Total Investments and Average				55,399.70	55,399.70	55,399.70	0.639	0.639	0.648		1

Fund PCLEAR - Payment Clearing
Investments by Fund
May 31, 2008

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
999999991	0006	Bank of America	09/01/2006	0.00	0.00	0.00					1
Subtotal and Average				0.00	0.00	0.00		0.000	0.000		0
Total Investments and Average				0.00	0.00	0.00		0.000	0.000		0

Fund SBAPT - Sagebrush Apartments
Investments by Fund
May 31, 2008

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
999999991	0011	Bank of America	09/01/2006	32,198.40	32,198.40	32,198.40	1.200	1.183	1.200		1
		Subtotal and Average		32,198.40	32,198.40	32,198.40		1.184	1.200		1
		Total Investments and Average		32,198.40	32,198.40	32,198.40		1.184	1.200		1

Fund SBDEBT - Sagebrush Apartments - Debt
Investments by Fund
May 31, 2008

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
999999991	0013	Bank of America	09/01/2006	38,650.56	38,650.56	38,650.56	0.900	0.887	0.900		1
Subtotal and Average				38,650.56	38,650.56	38,650.56		0.888	0.900		1
Total Investments and Average				38,650.56	38,650.56	38,650.56		0.888	0.900		1

Fund SBOPER - Sagebrush Apartments - Oper.
Investments by Fund
May 31, 2008

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
999999991	0012	Bank of America	09/01/2006	22,904.00	22,904.00	22,904.00	0.900	0.887	0.900		1
		Subtotal and Average		22,904.00	22,904.00	22,904.00		0.888	0.900		1
		Total Investments and Average		22,904.00	22,904.00	22,904.00		0.888	0.900		1

**Fund TI - T & I
Investments by Fund
May 31, 2008**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
999999991	0008	Bank of America	09/01/2006	0.00	0.00	0.00					1
Subtotal and Average				0.00	0.00	0.00		0.000	0.000		0
Total Investments and Average				0.00	0.00	0.00		0.000	0.000		0

**Fund TXFORE - Texas Foreclosure Prevention
Investments by Fund
May 31, 2008**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
999999991	35	Bank of America	04/01/2008	152,443.36	152,443.36	152,443.36	0.633	0.623	0.632		1
		Subtotal and Average		152,443.36	152,443.36	152,443.36		0.624	0.633		1
		Total Investments and Average		152,443.36	152,443.36	152,443.36		0.624	0.633		1

**Fund TXHOME - TX Home Education
Investments by Fund
May 31, 2008**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
999999991	0002	Bank of America	09/01/2006	11,824.08	11,824.08	11,824.08					1
		Subtotal and Average		11,824.08	11,824.08	11,824.08		0.000	0.000		1
		Total Investments and Average		11,824.08	11,824.08	11,824.08		0.000	0.000		1

Fund WELLS - Wells Fargo - CDC
Investments by Fund
May 31, 2008

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
999999994	0014	Wells Fargo Bank	09/01/2006	4,917.50	4,917.50	4,917.50					1
Subtotal and Average				4,917.50	4,917.50	4,917.50		0.000	0.000		1
Total Investments and Average				4,917.50	4,917.50	4,917.50		0.000	0.000		1



PATTERSON & ASSOCIATES

Patterson & Associates
 301 Congress Ave
 Suite 570
 Austin, TX, 78701

**Texas State Affordable Housing
 Cash Reconciliation Report
 For the Period March 1, 2008 - May 31, 2008
 Grouped by Fund**

Trans. Date	Investment #	Fund	Trans. Type	Security ID	Par Value	Security Description	Maturity Date	Purchases	Interest	Redemptions	Cash
General Investments											
03/17/2008	29	GENERAL	Maturity	10007157907	1,000,000.00	CD 1.0M 5.01% Mat.	03/17/2008	0.00	2,365.83	1,000,000.00	1,002,365.83
03/26/2008	30	GENERAL	Maturity	10007160231	1,125,000.00	CD 1.1M 4.78% Mat.	03/26/2008	0.00	3,883.75	1,125,000.00	1,128,883.75
03/26/2008	34	GENERAL	Purchase	10007182884	1,152,186.25	CD 1.2M 2.18% Mat.	09/26/2008	-1,152,186.25	0.00	0.00	-1,152,186.25
04/15/2008	31	GENERAL	Maturity	313384VQ9	275,000.00	FHDN 0.3M 0.00% Mat.	04/15/2008	0.00	0.00	275,000.00	275,000.00
05/05/2008	36	GENERAL	Purchase	3133XQX23	500,000.00	FHLB 0.5M 2.63% Mat.	05/05/2009	-500,000.00	0.00	0.00	-500,000.00
					Subtotal			-1,652,186.25	6,249.58	2,400,000.00	754,063.33
					Total			-1,652,186.25	6,249.58	2,400,000.00	754,063.33



**Texas State Affordable Housing
Purchases Report
Sorted by Fund - Fund
March 1, 2008 - May 31, 2008**

Patterson & Associates
301 Congress Ave
Suite 570
Austin, TX, 78701

CUSIP	Investment #	Fund	Sec. Type	Issuer	Original Par Value	Purchase Date	Payment Periods	Principal Purchased	Accrued Interest at Purchase	Rate at Purchase	Maturity Date	YTM	Ending Book Value
General Investments													
100071628844	34	GENERAL	BCD	CD	1,152,186.25	03/26/2008	09/26 - At Maturity	1,152,186.25		2.180	09/26/2008	2.180	1,152,186.25
3133XQX23	36	GENERAL	FAC	FHLB	500,000.00	05/05/2008	11/05 - 05/05	500,000.00		2.625	05/05/2009	2.625	500,000.00
		Subtotal			1,652,186.25			1,652,186.25	0.00				1,652,186.25
Texas Foreclosure Prevention													
999999991	35	TXFORE	RR4	BOA	-60.00	04/01/2008	/ - Monthly	-60.00		0.403		0.403	152,443.36
		Subtotal			-60.00			-60.00	0.00				152,443.36
		Total Purchases			1,652,126.25			1,652,126.25	0.00				1,804,629.61



PATTERSON & ASSOCIATES

Texas State Affordable Housing Maturity Report Sorted by Maturity Date

Amounts due during March 1, 2008 - May 31, 2008

Patterson & Associates
301 Congress Ave
Suite 570
Austin, TX, 78701

CUSIP	Investment #	Fund	Sec. Type	Issuer	Par Value	Maturity Date	Purchase Date	Rate at Maturity	Book Value at Maturity	Interest	Maturity Proceeds	Net Income
100071579078	29	GENERAL	BCD	CD	1,000,000.00	03/17/2008	09/17/2007	5.010	1,000,000.00	2,365.83	1,002,365.83	2,365.83
100071602318	30	GENERAL	BCD	CD	1,125,000.00	03/26/2008	09/26/2007	4.780	1,125,000.00	3,883.75	1,128,883.75	3,883.75
313384VQ9	31	GENERAL	AFD	FHDN	275,000.00	04/15/2008	10/25/2007		275,000.00	0.00	275,000.00	0.00
Total Maturities					2,400,000.00				2,400,000.00	6,249.58	2,406,249.58	6,249.58

**Texas State Affordable Housing
Interest Earnings
Sorted by Fund - Fund
March 1, 2008 - May 31, 2008
Yield on Average Book Value**

Patterson & Associates
301 Congress Ave
Suite 570
Austin, TX, 78701

CUSIP	Investment #	Fund	Issuer	Ending Par Value	Beginning Book Value	Average Book Value	Maturity Date	Current Annualized Rate	Yield	Interest Earned	Adjusted Interest Earnings	
											Amortization/ Accretion	Adjusted Interest Earnings
Fund: Bunker Hill Debt												
999999991	0015	BHDEBT	BOA	22,561.36	22,510.39	22,528.11		0.900	0.898	50.97	0.00	50.97
		Subtotal		22,561.36	22,510.39	22,528.11			0.898	50.97	0.00	50.97
Fund: Bunker Hill Operating												
999999991	0010	BHOPER	BOA	22,551.19	22,500.25	22,517.96		0.900	0.898	50.94	0.00	50.94
		Subtotal		22,551.19	22,500.25	22,517.96			0.898	50.94	0.00	50.94
Fund: Bunker Hill Senior												
999999991	0009	BHSENIOR	BOA	46,116.44	46,735.15	47,109.75		1.200	1.219	144.77	0.00	144.77
		Subtotal		46,116.44	46,735.15	47,109.75			1.219	144.77	0.00	144.77
Fund: General Investments												
999999995	9002	GENERAL	FHLBMM	33,829.65	53,565.79	47,005.82		1.921	1.938	229.63	0.00	229.63
999999996	9005	GENERAL	LOGIC	4,114,097.22	3,490,534.04	3,456,934.21		2.617	3.470	30,234.85	0.00	30,234.85
60934N807	8	GENERAL	BOAMM	78,576.13	78,080.59	78,269.50		2.024	2.512	495.54	0.00	495.54
100071579078	29	GENERAL	CD	1,000,000.00	1,000,000.00	173,913.04	03/17/2008	5.010	5.397	2,365.83	0.00	2,365.83
100071602318	30	GENERAL	CD	1,125,000.00	1,125,000.00	305,706.52	03/26/2008	4.780	5.040	3,863.75	0.00	3,863.75
313364V09	31	GENERAL	FHDN	275,000.00	273,487.50	134,149.18	04/15/2008	2.180	4.473	0.00	1,512.50	1,512.50
100071628644	34	GENERAL	CD	1,152,186.25	0.00	839,092.16	09/26/2008	2.180	2.210	4,674.68	0.00	4,674.68
3133XQX23	36	GENERAL	FHLB	500,000.00	0.00	146,739.13	05/05/2009	2.625	2.563	947.92	0.00	947.92
		Subtotal		8,278,689.25	6,020,667.92	5,181,809.56			3.395	42,832.20	1,512.50	44,344.70
Fund: Operating Fund												
999999991	0001	OPERATIN	BOA	55,399.70	119,801.35	161,606.98		0.648	1.530	623.21	0.00	623.21
		Subtotal		55,399.70	119,801.35	161,606.98			1.530	623.21	0.00	623.21
Fund: Sagebrush Apartments												
999999991	0011	SBAPT	BOA	32,198.40	29,105.09	29,974.18		1.200	1.235	93.31	0.00	93.31

Texas State Affordable Housing
Interest Earnings
March 1, 2008 - May 31, 2008

CUSIP	Investment #	Fund	Issuer	Ending Par Value	Beginning Book Value	Average Book Value	Maturity Date	Current Rate	Annualized Yield	Interest Earned	Adjusted Interest Earnings	
											Amortization/ Accretion	Adjusted Interest Earnings
			Subtotal	32,198.40	29,105.09	29,974.18			1.235	93.31	0.00	93.31
Fund: Sagebrush Apartments - Debt												
999999991	0013	SBDEBT	BOA	38,650.56	38,563.25	38,593.61		0.900	0.898	87.31	0.00	87.31
			Subtotal	38,650.56	38,563.25	38,593.61			0.898	87.31	0.00	87.31
Fund: Sagebrush Apartments - Oper.												
999999991	0012	SBOPER	BOA	22,904.00	22,852.26	22,870.25		0.900	0.898	51.74	0.00	51.74
			Subtotal	22,904.00	22,852.26	22,870.25			0.898	51.74	0.00	51.74
Fund: Texas Foreclosure Prevention												
999999991	35	TXFORE	BOA	152,443.36	0.00	1,430.36		0.633	22.417	80.82	0.00	80.82
			Subtotal	152,443.36	0.00	1,430.36			22.417	80.82	0.00	80.82
			Total	8,671,514.26	6,322,735.66	5,528,440.75			3.267	44,015.27	1,512.50	45,527.77



Patterson & Associates
 301 Congress Ave
 Suite 570
 Austin, TX 78701

**Texas State Affordable Housing
 Amortization Schedule
 March 1, 2008 - May 31, 2008
 Sorted By Fund - Fund**

Investment #	Fund	Maturity Date	Beginning Par Value	Purchase Principal	Original Premium or Discount	Ending Book Value	Amounts Amortized And Unamortized As of 03/01/2008	Amount Amortized This Period	Amt Amortized Through 05/31/2008	Amount Unamortized Through 05/31/2008
31	GENERAL	04/15/2008	275,000.00	269,185.28	-5,814.72	0.00	4,302.22 -1,512.50	1,512.50	5,814.72	0.00
	FHLB DN			269,185.28	-5,814.72	0.00	4,302.22 -1,512.50	1,512.50	5,814.72	0.00
			Subtotal							
			Total	269,185.28	-5,814.72	0.00	4,302.22 -1,512.50	1,512.50	5,814.72	0.00



Patterson & Associates
 301 Congress Ave
 Suite 570
 Austin, TX, 78701

**Texas State Affordable Housing
 Projected Cashflow Report
 Sorted by Fund
 For the Period June 1, 2008 - December 31, 2008**

Projected Trans. Date	Investment #	Fund	Secure ID	Transaction Type	Issuer	Par Value	Original Cost	Principal	Interest	Total
09/26/2008	34	GENERAL	100071828844	Maturity	Certificate of Deposit	1,152,186.25	1,152,186.25	1,152,186.25	12,837.92	1,165,024.17
11/05/2008	36	GENERAL	3133XQX23	Interest	FHLB Note	500,000.00	500,000.00	0.00	6,562.50	6,562.50
					Total for General Investments	1,652,186.25	1,652,186.25	1,152,186.25	19,400.42	1,171,586.67
					GRAND TOTALS:	1,652,186.25	1,652,186.25	1,152,186.25	19,400.42	1,171,586.67

BOARD MEETING
TEXAS STATE AFFORDABLE HOUSING CORPORATION
Held at the Offices of
Texas State Affordable Housing Corporation
1005 Congress Avenue – Suite B-10 Conference Room
Austin Texas 78701
June 20, 2008 at 10:30 am

Summary of Minutes

Call to Order, Roll Call
Certification of Quorum

The Board Meeting of the Texas State Affordable Housing Corporation (the “Corporation”) was called to order by Thomas Leeper, Chair, at 10:34 a.m., on June 20, 2008, at the offices of Texas State Affordable Housing Corporation, 1005 Congress Avenue – Suite B-10 Conference Room, Austin, TX 78701. Roll Call certified that a quorum was present.

Members Present

Thomas A. Leeper, Chair
Jesse A. Coffey, Vice Chair
Robert Elliott Jones, Member
R. Carter Sanders, Member
Jo Van Hovel, Member

Staff Present

David Long, President
Katherine Closmann, Executive Vice President
Melinda Smith, Chief Financial Officer
Nick Lawrence, Controller
Betsy Lau, Accountant
Paige McGilloway, Single Family Programs Manager
David Danenfelzer, Multifamily Programs Manager
Janie Taylor, Manager of Marketing and Development
Laura Ross, Corporate Secretary

Special Guests

Rob Dubbelde, Greenberg Traurig
Robert Johnson, First Southwest Company
Chris Oddo, Don Cox Company
Elena Peinado, Texas Department of Housing and Community Affairs (TDHCA)

Public Comment

Public comment was not given.

Staff Report

Mr. Long began by welcoming Mr. Jones as the newest member of the Board of Directors. Mr. Leeper welcomed Mr. Jones on behalf of the Board.

Mr. Long turned the Board's attention to the Sunset review process and referred them to the Sunset report and recommendations. Mr. Long noted that the Sunset staff was recommending that the Corporation be continued for six more years. Mr. Long pointed out that there were also recommendations to increase the size of the Board to 7 members and make changes to statute surrounding compliance of multifamily properties. Mr. Sanders inquired if the Corporation's staff was happy with the recommendations and Mr. Long responded that they were. Discussion followed regarding the language used for the compliance recommendation. Ms. Closmann noted that once approved by the Sunset Commission, the report and recommendations would become the basis of the bill that would be introduced during the next legislative session, and the Corporation's staff would have the opportunity to review the language at that time. Mr. Long made the Board aware that the decision meeting for the Sunset recommendation would be held June 24, 2008.

Mr. Long informed the Board that staff continued to set up meetings with legislators to discuss the Corporation, and had attended the Urban Affairs Subcommittee on Housing public hearing on June 4, 2008 to discuss the interim charges. Mr. Long noted that compliance was an issue that was discussed.

Mr. Long turned the Board's attention to the Foreclosure Prevention Task Force, refreshing the Board's memory that the Task Force had been put together by Neighborworks America and was comprised of 70 members from across the state and housing industry. Mr. Long informed the Board that, with the help and orchestration of TDHCA, the Task Force had held five media events across the state and had one coming up that was scheduled in Austin. Mr. Long made the Board aware that a sponsorship letter for the Task Force would be mailed out shortly.

Mr. Long then turned to the Executive Vice President's report, noting that the trustee had accelerated the bonds on Agape Ashton/Woodstock. Ms. Closmann spoke further about this issue. Ms. Closmann then noted that she had talked with MBIA about ways to restructure the American Opportunity for Housing and American Housing Foundation transactions. Ms. Closmann clarified for Mr. Jones that the Corporation was the issuer of these bonds, but had no financial liability.

Mr. Sanders inquired about the Urban Affairs Committee interim charge that asked for a working group to be formed involving the Corporation and TDHCA, and Mr. Long explained that the working group would address housing issues and would be comprised of many housing organizations such as Texas Association of Affordable Housing Providers (TAAHP), Rural Rental Housing and Texas Association of Local Housing Finance Agencies (TALHFA). Mr. Long explained that the charge asked that we continue to work together and partner on these issues. Ms. Closmann followed, noting that recommendations formulated and made by the roundtable would be submitted to Urban Affairs who would then submit the suggestions to the Speaker's office. Ms. Closmann explained that the information would be included in bills introduced during the next legislative session. Mr. Long affirmed that staff would continue to work with members of the Urban Affairs committee on these issues. Discussion followed.

Mr. Long turned to the single family bond programs, briefly elaborating on how current market conditions had affected the bond market. Mr. Long reported that all of the Corporation's current programs were out of funds and it was the staff's hope that more funds would be released at the

end of the summer. Mr. Long informed the Board of the many conferences Ms. McGilloway had attended to promote the programs. Mr. Long reminded the Board of the resolution that authorized staff to issue \$30 million for a program eligible to both educators and heroes. Discussion followed about foreclosures and prices of homes allowed under the programs.

Mr. Long turned to the Homeworks Program, noting that staff had moved forward with the program following the approval in April of \$50,000 towards a pilot program. Mr. Long informed the Board that staff had met with the Governor's office and the Workforce Commission to identify what employers would be best for the program. Mr. Long noted that Ms. McGilloway would be speaking about the program at the Texas Economic Development Council's July meeting. Mr. Long also stated that Ms. McGilloway and Ms. Closmann had attended a summit the previous Wednesday on workforce affordable housing in Austin. Discussion turned back to the single family bond programs. Ms. McGilloway addressed the issue of remaining funds in the programs, explaining that when both the loan and grant could not be covered by the amount, the loan could not be done. Mr. Long clarified that the funds had to be kept separate and could not be pooled together.

Mr. Long then turned to the multifamily programs, noting that under the Multifamily Direct Lending Program, a loan in the amount of \$452,000 had closed for the Fox Run property in Victoria. Mr. Long also informed the Board that under the Interim Construction and Acquisition Loan Program, the Donna Meadows project had closed for a total of \$750,000. Mr. Long noted that the Loan Committee had approved a loan for \$250,000 to United Riverside Rebuilding for the LaSalle Project in Fort Worth. Mr. Long thanked Ms. Van Hovel for her participation as the Board Member on the Committee. Mr. Long pointed out that the project wasn't brought to the full Board for review because the total fell at or below \$250,000. Mr. Long pointed out that later on the agenda the Board would be asked to vote on the approval of applications for further funding for the Multifamily Direct Lending Program and the Interim Construction and Acquisition Program. Mr. Long then turned to the multifamily Private Activity Bond Program, and stated that it had \$30 million in available funding and continued to be marketed.

Mr. Long referred the Board to the Asset Oversight and Compliance reports, noting that all the properties were in compliance.

Mr. Long then turned to Marketing and Development, noting that a Development Coordinator had been hired who would write and track all of the grants and program related investment awards that were made to the Corporation.

The financial portion of the staff report was deferred to the tab items.

Mr. Long made the Board aware that Mr. Oddo with Don Cox Company, who served as the Corporation's coordinator for leasing or buying office space, was present at the Board meeting to discuss tab 7.

Tab 1 Presentation, Discussion and Possible Approval of Minutes of the Board Meeting held on April 21, 2008.

Mr. Sanders made a motion to approve the minutes of the Board Meeting held on April 21, 2008. Ms. Van Hovel seconded the motion. Mr. Jones abstained from voting. Motion passed.

Tab 2 Presentation, Discussion and Possible Approval of a Resolution Regarding the Clarification of Investment Authority for the Funds Held in the Texas Foundations Fund, a Segregated Fund of the Corporation and Concerning Other Matters Incident and Related thereto.

Ms. Smith explained that the original resolution about the Foundations Fund had stated that the funds would be placed in a qualified bank, which limited the Corporation's ability to invest in other options that provided better rates of return. Ms. Smith explained that the resolution before the Board expanded the authority and made the requirement contingent on it being in agreement with the Investment Policy. Mr. Dubbelde further discussed the reasons for the change.

Mr. Jones had a motion to approve the resolution regarding the clarification of investment authority for the funds held in the Texas Foundations Fund, a segregated fund of the Corporation and concerning other matters incident and related thereto. Mr. Sanders seconded the motion. Motion passed unanimously.

Tab 3 Presentation, Discussion and Possible Approval of a Resolution Authorizing an Application in the amount of \$500,000 to the Wachovia Bank Program Related Investments Program to provide loan funds for the Single Family Interim Construction and Acquisition Loan Program.

Mr. Long explained that the resolution before the Board would authorize staff to move forward with an application to Wachovia for \$500,000 in funding to be used towards the Interim Construction and Acquisition Loan Program. Mr. Long informed the Board that the equity investment award received from Wells Fargo in 2006 had already been utilized so the staff was seeking new resources for the program.

Mr. Sanders made a motion to approve the resolution authorizing an application in the amount of \$500,000 to the Wachovia Bank Program Related Investments Program to provide loan funds for the Single Family Interim Construction and Acquisition Loan Program. Ms. Van Hovel seconded the motion.

Discussion followed. Mr. Leeper pointed out that the Corporation had the ability to pursue this type of funding due to our unique status as a 501(c)(3). Mr. Long gave a brief description of the Interim Construction and Acquisition program for the Board's benefit.

A vote was taken and the motion passed unanimously.

Tab 4 Presentation, Discussion and Possible Approval of a Resolution Authorizing an Application in the Amount of \$1,500,000 to the Wells Fargo Bank CDC Investments Program to provide loan funds for the Single Family Interim Construction and Acquisition Loan Program and the Multifamily Direct Lending Program.

Mr. Long explained that this resolution was similar to the previous one, only it authorized an application to Wells Fargo Bank's CDC Investments Program for a loan of \$1.5 million to be used toward the Interim Construction and Acquisition Loan Program and the Multifamily Direct Lending Program. Mr. Long noted that this loan would be similar to that which the Corporation had already received from Wells Fargo Bank. Discussion followed.

Mr. Sanders made a motion to approve the resolution authorizing an application in the amount of \$1,500,000 to the Wells Fargo Bank CDC Investments Program to provide loan funds for the Single Family Interim Construction and Acquisition Loan Program and the Multifamily Direct Lending Program. Mr. Coffey seconded the motion. Motion passed unanimously.

Tab 5 Presentation, Discussion and Possible Approval of Audit Committee Membership.

Mr. Long refreshed the Board's memory that the Audit Committee had previously consisted of Mr. Leeper and Mr. Rencher. Mr. Long recalled that in the past the Board had preferred not to have the Chairman on the Committee and because of this and Mr. Rencher's resignation from the Board, Mr. Long suggested that two new members be appointed to the Committee. Mr. Long informed the Board that the Committee was required to meet twice a year, most importantly during the time when the annual audit was being conducted. Discussion followed regarding the Committee membership and Mr. Leeper expounded on his experience as Chair of the Committee.

Mr. Jones made a motion to appoint Mr. Sanders and Mr. Coffey to the Audit Committee. Mr. Leeper seconded the motion. Motion passed unanimously.

Tab 6 Presentation, Discussion and Possible Approval of Amendments to the Fiscal Year 2008 Operating Budget.

Ms. Smith explained that staff was asking the Board to approve amendments to the Operating Budget that would increase the following budget line items: 1) Sponsorships and Grants, and 2) Marketing. Ms. Smith noted that a number of events had not been anticipated when the budget was originally prepared and these additional marketing and sponsorship expenses needed to be accounted for in the budget. Mr. Long noted the importance of sponsoring other organizations and housing stake holders throughout the state. Mr. Long also added that the change to the logo had been a marketing expense that had not been budgeted for.

Mr. Jones inquired about the decrease in the office supplies line item given the Corporation's pending move. Ms. Smith noted that stationary had already been purchased when the logo had changed and Mr. Long followed that the move would happen during the next fiscal year so any changes needed in office supplies due to that would happen then. Discussion followed. Mr. Jones also inquired about other line items and Ms. Smith explained that the Furniture and Equipment line item had been decreased because staff had decided to wait on purchasing a new phone system until after the move. Discussion followed.

Mr. Sanders made a motion to approve the amendments to the fiscal year 2008 Operating Budget. Mr. Jones seconded the motion. Motion passed unanimously.

Tab 7 Presentation, Discussion and Possible Approval of a Resolution Providing the President Authority to Execute a Letter of Intent, Lease Agreement, Sale Agreement or Similar Document for the Provision of Office Space to Serve as the Headquarters for the Corporation and Concerning Other Matters Incident and Related thereto.

Mr. Leeper called for a brief recess at 11:42am. Following the recess which ended at 11:52am, Mr. Leeper, Board Chair, called the Board into closed session pursuant to Texas Government

Code Section 551.072, for deliberation regarding the purchase, exchange, lease or value of real property. The Board of Directors came out of closed session and into open meeting at 12:38pm.

Ms. Van Hovel made a motion to approve the resolution providing the President authority to execute a Letter of Intent, Lease Agreement, Sale Agreement or Similar Document for the Provision of Office Space to serve as the Headquarters for the Corporation and concerning other matters incident and related thereto. Mr. Coffey seconded the motion.

Mr. Leeper noted for the record that the issues discussed in closed session regarded contract negotiation for the Corporation's future office space and needed to be discussed privately so as not to jeopardize the staff's ability to negotiate. Mr. Leeper stated that the motion would allow the staff to act within the parameters agreed on in closed session.

The vote was called and the motion passed unanimously.

Closed Session

Please refer to Tab 7.

Open Meeting

After discussion, it was determined that the next board meeting would occur on Friday, July 18, 2008 at 10:30am.

Adjournment

Mr. Leeper declared the Board meeting adjourned for the Texas State Affordable Housing Corporation at 12:49 pm.

Respectfully submitted by _____
Laura Ross, Corporate Secretary

NOTICE OF THE IMPLEMENTATION
OF A QUALIFIED MORTGAGE CREDIT
CERTIFICATE PROGRAM BY
TEXAS STATE AFFORDABLE HOUSING CORPORATION

The Texas State Affordable Housing Corporation (the "Corporation"), a nonprofit corporation organized under the laws of the State of Texas (the "Program Area"), is implementing a qualified mortgage credit certificate program (the "Program") within the Program Area to assist low and moderate income first-time homebuyers. A Mortgage Credit Certificate ("MCC") is an instrument designed to assist persons of low to moderate income to better afford home ownership. The MCC Program allows first-time homebuyers an annual federal income tax credit equal to the lesser of \$2,000 or the credit rate for the MCC multiplied by the amount of interest paid by the holder on a home mortgage loan during each year that they occupy the home as their principal residence.

A qualified purchaser of a residence located within a Program Area may apply to the Corporation for an MCC through a participating lender of his or her choice at the time of purchasing a principal residence and obtaining a mortgage loan from a participating lender.

To be eligible to receive an MCC, a purchaser must meet the following criteria:

- (1) The applicant for the MCC cannot have had an ownership interest in his or her principal residence during the three-year period ending on the date the mortgage loan is obtained.
- (2) The applicant must intend to occupy the residence with respect to which the MCC is obtained as his or her principal residence within 60 days after the MCC is issued. The MCC issued to an applicant will be revoked if the residence to which the MCC relates ceases to be occupied by the applicant as his or her principal residence.
- (3) The MCC cannot be issued to an applicant in conjunction with the replacement or refinancing of an existing mortgage loan. The MCC can, however, be obtained in conjunction with the replacement of a construction period or bridge loan having a term of less than 24 months.
- (4) Federal law imposes limitations on the purchase price of homes financed under the program. The current maximum purchase price for a one-family home in a non-targeted area is \$237,031 and for a one-family home in a targeted area is \$289,705. These limitations are periodically adjusted. Two-family, three-family and four-family residences are also eligible, provided that one of the units will be occupied by the mortgagor as his or her principal residence and that the residence was first occupied for residential purposes at least five years prior to the closing of the mortgage. The cost of the residence must not exceed the maximum purchase price limits. The purchase price limitation does not apply to qualified home improvement loans. There are special rules that apply to qualified rehabilitation loans.

Additionally, an applicant's current annualized family income may not exceed the following amounts:

LIST OF MAXIMUM FAMILY INCOME LIMITS

Applicable Median Family Income

Area of State	Non-Targeted Area Income Limit		Targeted Area Income Limits	
	1 or 2 Persons 100% AMFI	3 or More Persons 115% AMFI	1 or 2 Persons 120% AMFI	3 or More Persons 140% AMFI
Austin County HMFA	\$56,200	\$64,630	\$67,440	\$78,680
Austin-Round Rock MSA	\$71,100	\$81,765	\$85,320	\$99,540
Brazoria County HMFA	\$68,300	\$78,545	\$81,960	\$95,620
College Station-Bryan MSA	\$55,800	\$64,170	\$66,960	\$78,120
Dallas HMFA	\$66,500	\$76,475	\$79,800	\$93,100
Fort Worth-Arlington HMFA	\$64,600	\$74,290	\$77,520	\$90,440
Hartley County	\$63,100	\$72,565	\$75,720	\$88,343
Hood County	\$62,700	\$72,105	\$75,240	\$87,780
Houston-Baytown-Sugar Land HMFA	\$61,100	\$70,265	\$73,320	\$85,540
Kendall County HMFA	\$71,200	\$81,880	\$85,440	\$99,680
Loving County	\$65,000	\$74,750	\$78,000	\$91,000
Midland MSA	\$56,400	\$64,860	\$67,680	\$78,960
Ochiltree County	\$56,200	\$64,630	\$67,440	\$78,680
Roberts County	\$61,800	\$71,070	\$74,160	\$86,520
Sherman-Denison MSA	\$55,900	\$64,285	\$67,080	\$78,260
Somervell County	\$55,900	\$64,285	\$67,080	\$78,260
Wise County HMFA	\$58,300	\$67,045	\$69,960	\$81,620
Balance of State	\$55,000	\$63,250	\$66,000	\$77,000

MSA/HMFA (As Shown Above)

Austin County HMFA
 Austin-Round Rock MSA
 Brazoria County HMFA
 College Station-Bryan MSA
 Dallas HMFA

 Fort Worth-Arlington HMFA
 Houston-Baytown-Sugar Land HMFA

 Kendall County HMFA
 Midland MSA
 Sherman-Denison MSA
 Wise County HMFA

Counties Included in MSA/HMFA

Austin
 Bastrop, Caldwell, Hays, Travis and Williamson
 Brazoria
 Brazos, Burleson and Robertson
 Collin, Dallas, Delta, Denton, Ellis, Hunt, Kaufman and
 Rockwall
 Johnson, Parker and Tarrant
 Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery,
 San Jacinto and Waller
 Kendall
 Midland
 Grayson
 Wise

Anyone receiving an MCC and selling his or her residence within nine years of the issuance of the MCC may be required to return all or a portion of the tax credit received in connection therewith to the Internal Revenue Service.

To defray the costs of implementing the Program, the Corporation will charge applicants a \$100 application fee, an MCC issuance fee equal to one percent of the amount of such person's loan plus \$250 at closing.

The Corporation strongly encourages anyone who believes that he or she qualifies for an MCC to apply at the offices of a participating lender. For more information regarding the Program and its restrictions, including a list of current participating lenders, please contact the Corporation's Financial Advisor, Robert Johnson, First Southwest Company at (214) 953-4000.

TEXAS STATE AFFORDABLE HOUSING
CORPORATION

RESOLUTION NO. 08-___

TEXAS STATE AFFORDABLE HOUSING CORPORATION

Resolution Regarding the Conversion of Reservation for Allocation of Private Activity Bonds to Mortgage Credit Certificates and Containing Other Matters Incident and Related Thereto

WHEREAS, the Texas State Affordable Housing Corporation (the “Issuer”) has been duly created and organized pursuant to and in accordance with the provisions of the Texas Non-Profit Corporation Act, Article 1396-1.01 et seq. Vernon’s Annotated Texas Civil Statutes, as amended and under the authority of Subchapter Y of Chapter 2306, Texas Government Code, as amended (the “Act”), the Issuer is authorized to establish a program to provide eligible mortgagors with low-interest home mortgage loans;

WHEREAS, the Issuer has heretofore received certificates of reservation relating to 2007 volume allocation for qualified mortgage revenue bonds totaling \$125,000,000;

WHEREAS, the Issuer has elected a carryforward of the aforesaid volume allocation in accordance with applicable federal and state law;

WHEREAS, the 2007 volume allocation that has been carried forward may be used in connection with any of the qualified mortgage revenue bonds the Issuer is authorized to issue;

WHEREAS, the Board of Directors of the Issuer desires to apply to the Texas Bond Review Board for a reservation of the 2007 volume allocation that has been carried forward for qualified mortgage revenue bonds to be converted to mortgage credit certificates;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE TEXAS STATE AFFORDABLE HOUSING CORPORATION:

Section 1. That any officer of the Corporation is authorized and directed to execute and deliver an Application and any related certificates or documents to the Texas Bond Review Board to apply for the 2007 volume allocation that has been carried forward for qualified mortgage revenue bonds to be converted to mortgage credit certificates.

Section 2. That the Corporation hereby elects to convert \$10,000,000 of the 2007 volume allocation that has been carried forward for qualified mortgage bonds to allocation for mortgage credit certificates.

Section 3. That any officer of the Corporation is authorized and directed to execute and deliver any certificates and documents relating to the mortgage credit certificates and to take other actions deemed necessary or appropriate to implement a mortgage credit certificate program, including, but not limited to, the publication of any notices required in connection therewith.

Section 4. That all orders, resolutions, or any actions or parts thereof of the Board of Directors of the Issuer in conflict herewith are hereby expressly repealed to the extent of any such conflict.

Section 5. That this Resolution shall be in full force and effect from and upon its adoption.

[Remainder of page intentionally left blank]

PASSED, APPROVED AND EFFECTIVE this July 18, 2008.

TEXAS STATE AFFORDABLE HOUSING CORPORATION

Chairperson

ATTEST:

Secretary

Tab 3

Discussion of Current Status of Negotiations Regarding the Purchase and/or Lease of Property to be Used as the Headquarters of the Corporation and the Possible Approval and/or Ratification of a Contract Related Thereto.

Discussion

2. That a true, full and correct copy of the aforesaid Resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that said Resolution has been duly recorded in said Board's minutes of said meeting; that the above and foregoing paragraph is a true, full and correct excerpt from said Board's minutes of said meeting pertaining to the adoption of said Resolution; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said Board as indicated therein; that each of the officers and members of said Board was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid meeting, and that said Resolution would be introduced and considered for adoption at said meeting, and each of said officers and members consented, in advance, to the holding of said meeting for such purpose.

SIGNED this July 18, 2008.

Secretary, Texas State Affordable Housing
Corporation

RESOLUTION NO. 08-_____

TEXAS STATE AFFORDABLE HOUSING CORPORATION

“Resolution Approving the Use and Operation of an Online Charitable Donation System for the Corporation and Concerning Other Matters Incident and Related thereto”

WHEREAS, the Texas State Affordable Housing Corporation (the “Corporation”) has been duly created and organized pursuant to and in accordance with the provisions of the Texas Non-Profit Corporation Act, Article 1396-1.01 et seq. Vernon’s Annotated Texas Civil Statutes, as amended, and under the authority of Subchapter Y of Chapter 2306, Texas Government Code, as amended (the “Act”);

WHEREAS, pursuant to the Act and the Corporation’s status as a section 501(c)(3) tax-exempt organization, the Corporation has the ability to accept charitable donations for the purpose of promoting public health, safety, and welfare through the provision of adequate, safe and sanitary housing primarily for individuals and families of low, very low and extremely low income;

WHEREAS, the Corporation has entered into an agreement with JustGive, Inc., a California nonprofit public benefit corporation (“JustGive”) whereby JustGive will enable individuals, who are interested in donating money to the Corporation, to make donations online via JustGive’s website in exchange for three percent (3%) of all monies donated to the Corporation (the “Online Donation System”);

WHEREAS, the Board of Directors desires to ratify the approval of the Online Donation System;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Texas State Affordable Housing Corporation:

Section 1. Approval of the Online Donation System. That the Board of Directors hereby approves the implementation, use and operation of the Online Donation System and that the proper officers of the Corporation are each hereby authorized and directed to implement the Online Donation System.

Section 2. Execution and Delivery of Other Documents. That the officers of the Corporation are each hereby authorized to consent to, accept, execute and attest such other certificates, documents, instruments, letters of instruction, written requests and other papers, whether or not mentioned herein, as may be necessary or convenient to carry out or assist in carrying out the Online Donation System and the purposes of this Resolution.

Section 3. Ratification of Prior Actions. That all prior actions taken by or on behalf of the Corporation in connection with the Online Donation System are hereby authorized, ratified, confirmed and approved.

Section 4. Purposes of Resolution. That the Board of Directors of the Corporation has expressly determined and hereby confirms that the execution of the Online Donation System accomplishes a valid public purpose of the Corporation.

Section 5. Conflicting Prior Actions. That all orders, resolutions, or any actions or parts thereof of the Board of Directors in conflict herewith are hereby expressly repealed to the extent of any such conflict.

Section 6. Effective Date. That this Resolution shall be in full force and effect from and upon its adoption.

PASSED, APPROVED AND EFFECTIVE this 18th day of July, 2008.

TEXAS STATE AFFORDABLE HOUSING
CORPORATION

* * * * *

Texas State Affordable Housing Corporation
Proposed Operating Budget
Fiscal Year 2009

	<u>2008</u>	<u>2009</u>	
	<u>Actual</u>	<u>Budget</u>	
Revenues			
Servicing Revenue, Net of Subservicer Fees	455,000	383,000	A-1
Multifamily Revenue	456,000	138,000	A-2
Principal & Interest on Notes Receivable	119,000	166,000	A-3
Asset Oversight Revenue	576,000	662,000	A-4
Investment Revenue	280,000	200,000	Note 1
Single Family	830,000	1,153,000	A-5
Grants & Donations	55,000	75,000	Note 2
	<u>2,771,000</u>	<u>2,777,000</u>	
Expenditures			
Salaries & Payroll Related Expenditures	1,107,000	1,400,000	B-1
Professional Services - Legal, Audit & IT	479,600	391,000	B-2
Office & Equipment Lease	141,000	174,000	B-3
Travel & Meals	67,000	70,000	B-4
Principal & Interest on Notes Payable	100,900	100,900	B-5
Furniture, Equipment, & Software	13,400	56,000	B-6
Marketing	42,700	46,500	B-7
Insurance	20,900	21,700	B-8
Professional Dues & Training	20,700	20,000	
Sponsorships & Grants	17,000	12,600	
Communication	13,000	14,000	
Bank Fees & Charges	9,000	10,000	
Office Supplies	3,900	4,000	
Publications, Subscriptions, Office Maintenance	6,000	5,500	
Freight, Delivery & Postage	5,900	6,000	
Printing	2,300	4,000	
	<u>2,050,300</u>	<u>2,336,200</u>	
	<u>720,700</u>	<u>440,800</u>	

Note 1: Investment income was estimated based on historical activity taking into consideration the drop in investment interest rates and discussions with the Corporation's investment advisors.

Note 2: Budget estimate is based on discussions with Marketing and Development staff.

Exhibit A-1

**Texas State Affordable Housing Corporation
Budgeted Servicing Revenue
Fiscal Year 2009**

Servicing Revenue	2008	2009	
	Actual	Budget	
Countrywide Portfolio	\$ 313,153	\$ 290,000	NOTE 1
Principal Received on Demonstration DDPAP Loans	\$ 29,745	\$ 14,500	NOTE 2
Principal & Interest Received on SHLP Loans	\$ 92,863	\$ 62,000	NOTE 2
Principal & Interest Received on Affordable Home Ownership Program.	\$ 17,004	\$ 16,000	NOTE 2
Ancillary Fee Income	\$ 2,600	\$ 600	NOTE 2
Total Budgeted Servicing Revenue	\$ 455,365	\$ 383,100	

NOTE 1		2008	2009
		Actual	Budget
	Income from Countrywide Portfolio	\$ 436,416	\$ 406,000
	Less Sub-Servicer Fees	\$ (123,263)	\$ (116,000)
	Net Revenue from Countrywide	\$ 313,153	\$ 290,000

*Estimates are based on an analysis of historical activity emphasizing portfolio run-off.
See Exhibit A-1a for analysis of loan run-off. Revenue is presented net of subservicer fees.*

NOTE 2 *Estimates are based on projected collections and estimates of uncollectible or delinquent loans.
Budget estimate assumes no full loan payoffs during year.*

**Exhibit A-1a
Countrywide Loan Analysis**

# of Loans	Securities	Unpaid UPB	1 mo				2 mo				3+ mo				F/C	Del	Delinquencies as % of loans	Decrease in Loans #	%
			1 mo	2 mo	3+ mo	3+ mo	1 mo	2 mo	3+ mo	3+ mo	1 mo	2 mo	3+ mo	3+ mo					
Sep-02	3,383 \$	231,980,038.23	\$	232,338,603.80	263	114	98	35	475	14.04%	17	0.5%							
Oct-02	3,365 \$	230,354,955.95	\$	230,706,596.18	266	108	100	33	474	14.09%	18	0.5%							
Nov-02	3,022 \$	201,587,962.12	\$	201,971,569.36	289	95	142	41	526	17.41%	343	10.2%							
Dec-02	3,333 \$	227,276,493.23	\$	227,629,869.09	280	111	110	44	501	15.03%	-311	-10.3%							
Jan-03	3,319 \$	225,994,655.73	\$	226,343,887.59	266	93	107	48	466	14.04%	14	0.4%							
Feb-03	3,304 \$	224,571,224.25	\$	224,907,186.44	219	82	89	42	390	11.80%	15	0.5%							
Mar-03	3,280 \$	222,663,830.48	\$	223,015,307.60	241	73	94	39	408	12.44%	24	0.7%							
Apr-03	3,252 \$	220,279,874.78	\$	220,638,097.13	225	101	107	29	433	13.31%	28	0.9%							
May-03	3,224 \$	217,899,895.87	\$	218,248,266.43	239	89	110	31	438	13.59%	28	0.9%							
Jun-03	3,190 \$	215,186,724.82	\$	215,550,314.79	263	99	104	35	466	14.61%	34	1.1%							
Jul-03	3,150 \$	211,863,413.39	\$	212,228,647.75	247	104	120	29	471	14.95%	40	1.3%							
Aug-03	3,115 \$	208,874,407.87	\$	209,234,455.38	247	94	131	31	472	15.15%	35	1.1%							
Decrease in Loans from August 2002 to August 2003 = 285 Loans or 8.38%																			
Sep-03	3,077 \$	206,022,344.15	\$	206,388,097.76	252	97	121	43	470	15.27%	38	1.2%							
Oct-03	3,047 \$	203,526,915.05	\$	203,886,019.24	268	93	122	38	483	15.85%	30	1.0%							
Nov-03	3,022 \$	201,587,962.12	\$	201,971,569.36	289	95	142	41	526	17.41%	25	0.8%							
Dec-03	2,992 \$	199,143,321.54	\$	199,521,242.12	273	105	136	41	514	17.18%	30	1.0%							
Jan-04	2,966 \$	197,174,516.96	\$	197,545,789.76	244	106	130	40	480	16.18%	26	0.9%							
Feb-04	2,941 \$	195,141,236.86	\$	195,530,032.14	210	86	141	32	437	14.86%	25	0.8%							
Mar-04	2,898 \$	191,855,477.72	\$	192,215,309.08	226	80	136	22	422	14.56%	43	1.5%							
Apr-04	2,863 \$	189,157,526.66	\$	189,502,286.43	212	73	127	29	412	14.39%	35	1.2%							
May-04	2,838 \$	187,025,331.92	\$	187,391,225.53	240	85	128	30	453	15.96%	25	0.9%							
Jun-04	2,766 \$	181,724,361.62	\$	182,032,853.50	237	86	95	20	418	15.11%	72	2.5%							
Jul-04	2,700 \$	177,061,025.32	\$	177,353,871.97	226	65	97	22	388	14.37%	66	2.4%							
Aug-04	2,631 \$	171,865,737.50	\$	172,164,814.80	200	73	88	22	361	13.72%	69	2.6%							
Decrease in Loans from August 2003 to August 2004 = 484 Loans or 15.54%																			
Sep-04	2,550 \$	166,292,482.40	\$	166,575,749.10	175	66	75	23	316	12.39%	81	3.1%							
Oct-04	2,455 \$	160,090,187.20	\$	160,356,260.46	185	30	70	18	255	10.39%	95	3.7%							
Nov-04	2,344 \$	152,189,402.23	\$	152,412,135.12	161	25	19	5	205	8.75%	111	4.5%							
Dec-04	2,344 \$	152,189,402.23	\$	152,412,135.12	161	25	19	5	205	8.75%	-	0.0%							
Jan-05	2,227 \$	144,318,482.85	\$	144,513,856.53	134	19	4	2	157	7.05%	117	5.0%							
Feb-05	2,198 \$	142,273,705.17	\$	142,468,862.85	93	13	3	2	109	4.96%	29	1.3%							
Mar-05	2,172 \$	140,222,191.76	\$	140,406,142.17	70	12	5	3	87	4.01%	26	1.2%							
Apr-05	2,140 \$	137,822,961.96	\$	138,008,384.75	67	6	4	2	77	3.60%	32	1.5%							
May-05	2,117 \$	136,085,766.79	\$	136,279,034.67	90	12	4	2	106	5.01%	23	1.1%							
Jun-05	2,093 \$	134,153,887.15	\$	134,339,932.54	86	10	4	1	100	4.78%	24	1.1%							
Jul-05	2,079 \$	132,885,199.60	\$	133,077,105.28	108	18	6	2	132	6.35%	14	0.7%							
Aug-05	2,054 \$	129,522,334.50	\$	129,707,606.73	95	13	5	2	113	5.56%	45	2.2%							
Decrease in Loans from August 2004 to August 2005 = 597 Loans or 22.70%																			

**Exhibit A-1a
Countrywide Loan Analysis**

Sep-05	2,011	\$	127,700,888.98	\$	127,873,871.10	105	20	5	2	130	6.46%	23	1.1%
Oct-05	1,995	\$	126,435,054.14	\$	126,627,873.84	111	26	12	1	149	7.47%	16	0.8%
Nov-05	1,979	\$	125,142,231.04	\$	125,335,307.88	107	33	13	1	153	7.73%	16	0.8%
Dec-05	1,966	\$	123,996,435.68	\$	124,179,057.76	93	34	19	2	146	7.43%	13	0.7%
Jan-06	1,956	\$	123,102,412.94	\$	123,295,555.95	93	29	22	2	144	7.36%	10	0.5%
Feb-06	1,941	\$	121,938,131.48	\$	122,131,725.35	84	31	17	2	132	6.80%	15	0.8%
Mar-06	1,933	\$	121,234,423.45	\$	121,405,467.78	67	18	18	3	103	5.33%	8	0.4%
Apr-06	1,919	\$	120,031,493.71	\$	120,213,622.39	74	12	19	3	105	5.47%	14	0.7%
May-06	1,904	\$	118,633,720.57	\$	119,019,334.51	83	12	19	1	114	5.99%	15	0.8%
Jun-06	1,888	\$	117,473,257.78	\$	117,649,037.15	95	21	19	3	136	7.15%	16	0.8%
Jul-06	1,865	\$	115,708,967.73	\$	115,886,410.97	107	26	17	3	150	8.04%	23	1.2%
Aug-06	1,848	\$	114,321,512.34	\$	114,506,567.46	108	32	17	2	157	8.50%	17	0.9%
Decrease in Loans from August 2005 to August 2006 = 186 Loans or 9.14%													
Sep-06	1836	\$	113,233,058.07	\$	113,417,854.59	114	27	21	2	162	8.82%	12	0.6%
Oct-06	1821	\$	111,945,470.26	\$	112,136,024.66	105	39	21	4	165	9.06%	15	0.8%
Nov-06	1804	\$	110,607,526.37	\$	110,794,706.01	91	28	21	6	140	7.76%	17	0.9%
Dec-06	1790	\$	109,401,110.96	\$	109,587,910.17	112	30	20	4	162	9.05%	14	0.8%
Jan-07	1776	\$	108,215,053.00	\$	108,402,852.86	95	31	21	1	147	8.28%	14	0.8%
Feb-07	1771	\$	107,653,299.25	\$	107,840,666.43	82	22	19	2	123	6.95%	5	0.3%
Mar-07	1763	\$	106,847,567.37	\$	107,018,195.37	71	16	15	3	102	5.79%	8	0.5%
Apr-07	1752	\$	105,835,036.15	\$	106,014,607.30	68	25	14	2	107	6.11%	11	0.6%
May-07	1740	\$	104,814,318.10	\$	104,990,240.54	74	23	16	3	113	6.49%	12	0.7%
Jun-07	1732	\$	104,084,722.66	\$	104,259,855.55	78	28	16	1	122	7.04%	8	0.5%
Jul-07	1720	\$	103,065,872.83	\$	103,245,608.72	84	28	18	3	130	7.56%	12	0.7%
Aug-07	1712	\$	102,337,747.10	\$	102,505,635.80	96	20	19	5	135	7.89%	8	0.5%
Decrease in Loans from August 2006 to August 2007 = 128 Loans or 6.93%													
Sep-07	1701	\$	101,372,796.66	\$	101,560,008.36	97	28	18	6	143	8.41%	11	0.6%
Oct-07	1690	\$	100,431,669.81	\$	100,612,663.39	86	23	21	2	135	7.99%	11	0.6%
Nov-07	1683	\$	99,721,500.01	\$	99,892,169.38	96	31	17	3	144	8.56%	7	0.4%
Dec-07	1674	\$	98,921,004.36	\$	99,100,508.02	86	42	20	3	148	8.84%	9	0.5%
Jan-08	1667	\$	98,319,490.82	\$	98,502,907.78	93	35	25	3	153	9.18%	7	0.4%
Feb-08	1662	\$	97,812,599.58	\$	97,986,270.82	72	22	22	4	116	6.89%	5	0.3%
Mar-08	1657	\$	97,315,756.51	\$	97,500,607.80	78	26	17	6	121	7.30%	5	0.3%
Apr-08	1644	\$	96,303,573.34	\$	96,489,120.16	79	24	24	6	127	7.73%	13	0.8%
May-08	1633	\$	95,188,764.97	\$	95,362,272.53	67	16	23	4	106	6.49%	11	0.7%
Jun-08													
Jul-08													
Aug-08													
Decrease in Loans from August 2007 to May 2008 = 79 Loans or 4.61%													

Exhibit A-2

**Texas State Affordable Housing Corporation
Budgeted Multifamily Revenue
Fiscal Year 2009**

	<u>2008 Actual</u>	<u>2009 Budget</u>	
Multifamily Revenue			
Multifamily Bond Asset Oversight & Compliance Fee Income			
Rainbow Inc. - (See Schedule Below)	\$ 98,260	\$ 45,360	
White Rock - Asset Oversight & Compliance	\$ 38,225	\$ 38,000	NOTE 1
American Housing Foundation	\$ 312,739	\$ 140,000	
Application Fees	\$ 1,500	\$ -	NOTE 2
Legal Fees	\$ -	\$ 7,500	
Commitment Fees	\$ 5,000	\$ 7,500	
Allowance for Uncollectible Accounts	\$ -	\$ (100,000)	
Total Budgeted Multifamily Revenue	<u>\$ 455,724</u>	<u>\$ 138,360</u>	

NOTE 1 Projections for White Rock and Rainbow Inc. are based on contractual fee arrangements. FY 2007 numbers represent actual cash received. actual cash received. Budget amounts for 2008 are reflected net of estimated uncollectable accounts.

Rainbow:	2008	2009
Issuer's Closing Fee	\$ 18,000	\$ -
Asset Oversight & Compliance Fee	\$ 45,360	\$ 45,360
Administrative Fee	\$ 34,900	\$ -
	<u>\$ 98,260</u>	<u>\$ 45,360</u>

NOTE 2 Estimated commitment and legal fees are non-refundable and total \$2500 each per transaction reviewed. The Corporation is projecting that three transactions will be underwritten during FY2009.

Exhibit A-3

**Texas State Affordable Housing Corporation
Budgeted Principal and Interest on Notes Receivable
Fiscal Year 2009**

	Notes		
	Receivable		Payable
Sagebrush Note Receivable & Related Note Payable to Federal Home Loan Bank	875,000 7.75%	75%	656,250 6.345%
Bunker Hill Note Receivable & Related Note Payable to Federal Home Loan Bank	550,000 7.00%	75%	412,500 6.345%
Wells Fargo CDC Note Payable			1,050,000 2.00%
Fox Run Note Receivable	447,169 6.42%		
	1,872,169		2,118,750

Income

Bunker Hill Note Receivable	Principal & Interest	43,909.92
Sagebrush Note Receivable	Principal & Interest	75,223.00
Fox Run	Principal & Interest	47,028.24
Total Cash Income		<u>166,161.16</u>

Expense

Bunker Note Payable	Principal & Interest	30,823.80
Sagebrush Note Payable	Principal & Interest	49,037.76
Wells Fargo	Interest Only	21,000.00
Total Cash Expense		<u>100,861.56</u>

A-4
Texas State Affordable Housing Corporation
Budgeted Asset Oversight Revenue
Fiscal Year 2009

Projects	# Units	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	FY09 Total
Braxton's Mark		1,486.85	1,486.85	1,486.85	1,486.84	1,486.84	1,486.85	1,486.84	1,486.84	1,486.84	1,486.84	1,486.84	1,486.84	17,842.13
Brighton's Mark		841.15	841.15	841.15	841.15	841.15	841.15	841.14	841.14	841.14	841.14	841.14	841.15	10,095.75
Bristol at Buckingham	242	929.74	929.74	929.74	929.74	929.74	929.74	929.74	929.74	929.74	929.74	929.74	929.74	11,156.87
Clarkridge Villas	256	579.47	579.47	579.47	579.47	579.47	579.47	579.47	579.47	579.47	579.47	579.47	579.47	6,933.64
Cobb Park	172	660.8	660.8	660.8	660.81	660.8	660.8	660.8	660.8	660.8	660.8	660.8	660.8	7,929.61
Collingham Park	250	600.29	600.3	600.3	600.3	600.3	600.3	600.3	600.3	600.3	600.3	600.3	600.3	7,203.59
Creek Point	200	768.38	768.38	768.38	768.38	768.38	768.38	768.38	768.38	768.38	768.38	768.38	768.38	9,220.56
Dallas-Oxford		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
Deerwood Pine	140	336.16	336.17	336.17	336.17	336.17	336.17	336.17	336.17	336.17	336.17	336.17	336.17	4,034.03
Fallbrook Apartments	280	672.32	672.32	672.32	672.32	672.32	672.32	672.32	672.32	672.32	672.32	672.32	672.32	8,068.34
Green Crest	280	450.62	450.62	450.62	450.62	450.62	450.62	450.62	450.62	450.62	450.62	450.62	450.62	5,407.44
Greens of Hickory Trail		2465.90	2465.90	2465.90	2465.90	2465.90	2465.90	2465.90	2465.90	2465.90	2465.90	2465.90	2465.90	29,437.74
Greens Road	224	860.57	860.57	860.57	860.57	860.57	860.57	860.57	860.57	860.57	860.57	860.57	860.57	10,326.89
Hickory Trace	180	422.58	422.58	422.58	422.58	422.58	422.58	422.58	422.58	422.58	422.58	422.58	422.58	5,070.96
Highland Meadows	250	600.3	600.32	600.32	600.32	600.32	600.32	600.32	600.32	600.32	600.32	600.32	600.32	7,203.82
Hillside Apartments	236	566.67	566.67	566.67	566.67	566.67	566.67	566.67	566.67	566.67	566.67	566.67	566.67	6,800.05
Ironwood Crossing	280	599.95	599.95	599.95	599.95	599.95	599.95	599.95	599.95	599.95	599.95	599.95	599.95	7,199.38
Mark's at Las Colinas		1548.91	1548.91	1548.91	1548.91	1548.91	1548.91	1548.91	1548.91	1548.91	1548.91	1548.91	1548.91	18,586.92
Mayfield Apartments	240	409.64	409.61	409.61	409.61	409.61	409.61	409.61	409.61	409.61	409.61	409.61	409.61	4,915.35
Meridian	280	1075.72	1075.72	1075.72	1075.74	1075.74	1075.74	1075.74	1075.74	1075.74	1075.74	1075.74	1075.74	12,908.84
Millstone	248	583.44	583.44	583.44	583.44	583.44	583.44	583.44	583.44	583.44	583.44	583.44	583.44	7,001.26
North Vista		576.26	576.26	576.26	576.3	576.3	576.3	576.3	576.3	576.3	576.3	576.3	576.3	6,915.52
Oak Hollow Housing	153	367.38	367.38	367.38	367.39	367.39	367.39	367.39	367.39	367.39	367.39	367.39	367.39	4,408.66
Park Meadows	100	232.64	232.64	232.64	232.64	232.64	232.64	232.64	232.64	232.64	232.64	232.64	232.64	2,791.65
Primrose Oaks	250	960.5	960.5	960.5	960.5	960.5	960.5	960.5	960.5	960.5	960.5	960.5	960.5	11,526.00
Primrose Park	250	960.46	960.46	960.46	960.5	960.5	960.5	960.5	960.5	960.5	960.5	960.5	960.5	11,525.88
Primrose at Sequoia Park	250	960.46	960.5	960.5	960.5	960.5	960.5	960.5	960.5	960.5	960.5	960.5	960.5	11,525.96
Pebble Brook		0	0	0	0	0	0	0	0	0	0	0	0	0.00
Reading Road	252	572.21	572.21	572.21	572.22	572.22	572.22	572.22	572.22	572.22	572.22	572.22	572.22	6,866.62
Red Hill Villas	168	359.97	359.97	359.97	359.97	359.97	359.96	359.96	359.96	359.96	359.96	359.96	359.96	4,319.57
Residence at the Oaks		2267.81	2267.81	2267.81	2267.81	2267.81	2267.81	2267.81	2267.81	2267.81	2267.81	2267.81	2267.81	26,877.08
Rosemont at Pecan Creek	264	1014.28	1014.25	1014.25	1014.25	1014.25	1014.25	1014.25	1014.25	1014.25	1014.25	1014.25	1014.25	12,171.03
Skyway Villas		848.84	848.84	848.84	848.89	848.89	848.89	848.89	848.89	848.89	848.89	848.89	848.89	10,186.58
Sugar Creek	240	576.28	576.28	576.28	576.28	576.28	576.28	576.28	576.28	576.28	576.28	576.28	576.28	6,915.37
Timber Point	240	922.05	922.05	922.05	922.05	922.05	922.05	922.05	922.05	922.05	922.05	922.05	922.05	11,064.60
Volente Villas		0	0	0	0	0	0	0	0	0	0	0	0	0.00
West Oaks	168	403.4	403.4	403.4	403.4	403.2	403.2	403.2	403.2	403.2	403.2	403.2	403.2	4,839.00
Wildwood Branch	280	1075.72	1075.72	1075.72	1075.74	1075.74	1075.74	1075.74	1075.74	1075.74	1075.74	1075.74	1075.74	12,908.84
Williams Run	252	968.15	968.15	968.15	968.15	968.15	968.15	968.15	968.15	968.15	968.15	968.15	968.15	11,617.80
Woodglen Village	250	384.18	384.18	384.18	384.21	384.21	384.21	384.21	384.21	384.21	384.21	384.21	384.21	4,610.46
Woodway Village	160	495.44	495.44	495.44	495.44	495.45	495.45	495.45	495.45	495.45	495.45	495.45	495.45	5,945.36
Addison Park	224	514.24	514.24	514.24	514.24	514.24	514.24	514.24	514.24	514.24	514.24	514.24	514.24	6,170.88
Alka Cullen	240	599.93	599.93	599.93	599.93	599.93	599.93	599.93	599.93	599.93	599.93	599.93	599.93	7,199.16
Arlington Villas	280	599.93	599.93	599.93	599.93	599.93	599.93	599.93	599.93	599.93	599.93	599.93	599.93	7,199.16

A-4
Texas State Affordable Housing Corporation
Budgeted Asset Oversight Revenue
Fiscal Year 2009

	280	619.30	619.30	619.30	619.30	619.31	619.31	619.31	619.31	619.31	619.31	619.31	7,431.68
Ash Creek		533.34	533.34	533.34	533.34	533.34	533.34	533.34	533.34	533.34	533.34	533.34	6,400.07
Aspen		1911.25	1911.25	1911.25	1911.25	1911.25	1911.25	1911.25	1911.25	1911.25	1911.25	1911.25	22,935.03
Asmara	1635	411.40	411.40	411.40	411.40	411.40	411.40	411.40	411.40	411.40	411.40	411.40	4,956.80
Atascocita Pines	192	548.55	548.55	548.55	548.55	548.55	548.55	548.55	548.55	548.55	548.55	548.55	6,582.57
Bristol Apartments	248	428.55	428.55	428.55	428.55	428.55	428.55	428.55	428.55	428.55	428.55	428.55	5,182.60
Canal Place	200	466.67	466.67	466.67	466.67	466.67	466.67	466.67	466.67	466.67	466.67	466.67	5,600.04
Center Ridge	224	530.83	530.83	530.83	530.83	530.83	530.83	530.83	530.83	530.83	530.83	530.83	6,369.96
Century Park	240	334.25	334.25	334.25	334.25	334.25	334.25	334.25	334.25	334.25	334.25	334.25	4,011.04
Champion's Crossing	156	530.83	530.83	530.83	530.83	530.83	530.83	530.83	530.83	530.83	530.83	530.83	6,369.96
Chase Oaks	240	488.52	488.52	488.52	488.52	488.52	488.52	488.52	488.52	488.52	488.52	488.52	5,862.24
Chisolm Trail	228	442.35	442.35	442.35	442.35	442.35	442.35	442.35	442.35	442.35	442.35	442.35	5,308.23
Churchill at Pinnacle Park	200	370.69	370.69	370.69	370.69	370.69	370.69	370.69	370.69	370.69	370.69	370.69	4,448.26
Coral Hills	173	462.81	462.81	462.81	462.81	462.81	462.81	462.81	462.81	462.81	462.81	462.81	5,594.08
Costa Rialto	250	520.84	520.84	520.84	520.84	520.84	520.84	520.84	520.84	520.84	520.84	520.84	6,250.08
East Tex Pines	200	442.35	442.35	442.35	442.35	442.35	442.35	442.35	442.35	442.35	442.35	442.35	5,308.24
Evergreen at Mesquite	250	552.98	552.98	552.98	552.98	552.98	552.98	552.98	552.98	552.98	552.98	552.98	6,685.72
Evergreen at Plano Parkway	250	497.09	497.09	497.09	497.09	497.09	497.09	497.09	497.09	497.09	497.09	497.09	5,965.12
Grove Village	248	531.39	531.39	531.39	531.39	531.39	531.39	531.39	531.39	531.39	531.39	531.39	6,376.63
Harris Branch		291.66	291.66	291.66	291.66	291.66	291.66	291.66	291.66	291.66	291.66	291.66	3,499.93
Henderson		535.65	535.65	535.65	535.65	535.65	535.65	535.65	535.65	535.65	535.65	535.65	6,427.86
Homes at Pecan Grove	250	462.80	462.80	462.80	462.80	462.80	462.80	462.80	462.80	462.80	462.80	462.80	5,553.66
Humble Parkway Townhomes	216	520.83	520.83	520.83	520.83	520.83	520.83	520.83	520.83	520.83	520.83	520.83	6,249.96
Idlewild Apartments	250	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lafayette Village	250	525.00	525.00	525.00	525.00	525.00	525.00	525.00	525.00	525.00	525.00	525.00	6,300.00
Lancaster Apartments	252	505.67	505.67	505.67	505.67	505.67	505.67	505.67	505.67	505.67	505.67	505.67	6,068.04
Meadowlands		525.00	525.00	525.00	525.00	525.00	525.00	525.00	525.00	525.00	525.00	525.00	6,300.00
Mesquite	252	530.83	530.83	530.83	530.83	530.83	530.83	530.83	530.83	530.83	530.83	530.83	6,369.96
Mission Del Rio Homes	240	495.45	495.45	495.45	495.45	495.45	495.45	495.45	495.45	495.45	495.45	495.45	5,945.39
Montgomery Pines	224	555.16	555.16	555.16	555.16	555.16	555.16	555.16	555.16	555.16	555.16	555.16	6,661.92
Mockingbird	251	531.39	531.39	531.39	531.39	531.39	531.39	531.39	531.39	531.39	531.39	531.39	6,376.68
Oakmoor	248	433.51	433.51	433.51	433.51	433.51	433.51	433.51	433.51	433.51	433.51	433.51	5,202.20
Park Manor	196	525.00	525.00	525.00	525.00	525.00	525.00	525.00	525.00	525.00	525.00	525.00	6,300.00
Park Place	252	548.52	548.52	548.52	548.52	548.52	548.52	548.52	548.52	548.52	548.52	548.52	6,582.51
Parkview Townhomes	248	599.93	599.93	599.93	599.93	599.93	599.93	599.93	599.93	599.93	599.93	599.93	7,199.16
Peninsula	280	548.55	548.55	548.55	548.55	548.55	548.55	548.55	548.55	548.55	548.55	548.55	6,582.57
Pinnacle Apartments	248	416.65	416.65	416.65	416.65	416.65	416.65	416.65	416.65	416.65	416.65	416.65	4,999.88
Pleasant Village	200	552.93	552.93	552.93	552.93	552.93	552.93	552.93	552.93	552.93	552.93	552.93	6,635.22
Port Royal Homes	250	544.10	544.10	544.10	544.10	544.10	544.10	544.10	544.10	544.10	544.10	544.10	6,529.20
Post Oak East	246	377.11	377.11	377.11	377.11	377.11	377.11	377.11	377.11	377.11	377.11	377.11	4,525.32
Prairie Ranch	172	455.63	455.63	455.63	455.63	455.63	455.63	455.63	455.63	455.63	455.63	455.63	5,467.47
Prairie Oaks	206	452.66	452.66	452.66	452.66	452.66	452.66	452.66	452.66	452.66	452.66	452.66	5,431.89
Primrose Houston School	280	318.50	318.50	318.50	318.50	318.50	318.50	318.50	318.50	318.50	318.50	318.50	3,821.90
Providence at Rush Creek	144	526.40	526.40	526.40	526.40	526.40	526.40	526.40	526.40	526.40	526.40	526.40	6,317.07
Providence at Veteran's Memorial	238												

Texas State Affordable Housing Corporation
Budgeted Asset Oversight Revenue
Fiscal Year 2009

St. Augustine	150	321.40	321.40	321.40	321.40	321.40	321.40	321.40	321.40	321.40	321.40	3,856.80
Santorio	182	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	4,800.00
Sphinx at Delafield	204	437.10	437.12	437.12	437.12	437.12	437.12	437.12	437.12	437.12	437.12	5,245.38
Sphinx at Murdeaux	240	514.24	514.24	514.24	514.24	514.24	514.24	514.24	514.24	514.24	514.24	6,170.88
Stonehaven	182	411.39	411.39	411.40	411.40	411.40	411.40	411.40	411.40	411.40	411.40	4,936.75
Summit Hillcrest	352	754.22	754.22	754.21	754.21	754.21	754.21	754.21	754.21	754.21	754.21	9,030.56
Summit Point	291	606.25	606.25	606.25	606.25	606.25	606.25	606.25	606.25	606.25	606.25	7,275.00
Sunset Pointe	224	479.96	479.94	479.94	479.94	479.94	479.94	479.94	479.94	479.94	479.94	5,739.34
Timber Oaks	264	583.91	583.91	583.93	583.93	583.93	583.93	583.93	583.93	583.93	583.93	7,007.10
Timber Ridge II	124	274.26	274.26	274.27	274.27	274.27	274.27	274.27	274.27	274.27	274.27	3,291.20
Tower Ridge	224	479.94	479.94	479.94	479.94	479.94	479.94	479.94	479.94	479.94	479.94	5,739.28
Tranquility Bay	246	544.10	544.10	544.10	544.10	544.10	544.10	544.10	544.10	544.10	544.10	6,529.20
Village Fair	236	521.98	521.98	522.00	522.00	522.00	522.00	522.00	522.00	522.00	522.00	6,283.94
West Virginia	204	451.20	451.20	451.20	451.20	451.20	451.20	451.20	451.20	451.20	451.20	5,414.43
Windshire	252	525.00	525.00	525.00	525.00	525.00	525.00	525.00	525.00	525.00	525.00	6,300.00
		61,227.50	61,227.65	61,203.66	61,203.64	61,178.12	61,154.26	61,154.26	61,154.26	61,154.27	794,243.19	
												(35,750.00)
												698,493.19

Less Administrative Fee to TDHCA

(36,000.00)

662,493.19

**Texas State Affordable Housing Corporation
Budgeted Single Family Income
Fiscal Year 2009**

	<u>2008 Actual</u>	<u>2009 Budget</u>
Residual Account Balances Refunded	449,896.00	\$ 870,780.36
Issuer Fees	337,009.00	257,256.00
Lender Contributions	42,896.00	25,000.00
	<u>829,801.00</u>	<u>1,153,036.36</u>

Projected Residuals from Various Trustee Accounts

Bond Series	Cost of Issuance	Capitalized Interest	Total	Release Date
2007C	30,798.61	166,499.90	197,298.51	10/1/2008
2007B	44,381.46	149,553.20	193,934.66	1/1/2009
2007A-1	\$ 37,625.47	\$ 255,000.00	292,625.47	2/1/2009
2007D	49,977.98	136,943.74	186,921.72	2/1/2009
	<u>\$ 162,783.52</u>	<u>\$ 707,996.84</u>	<u>\$ 870,780.36</u>	

Projected Issuer Fee Income for FY 2009

2004B	\$ 13,193.32
2005A	51,773.15
2005B	11,516.24
2006A	18,837.22
2006B	30,147.08
2006C	17,623.45
2007A1	24,257.22
2007A3	31,162.56
2007C	21,429.72
2007B	15,802.80
2007D	15,513.24
2008 Programs	6,000.00
	<u>\$ 257,256.00</u>

Exhibit B-2

**Texas State Affordable Housing Corporation
Budgeted Professional Services
Fiscal Year 2009**

	FY 2008 Actual	FY 2009 Budget	
Legal Fees	371,278	266,500	Note 1
Accounting & Auditing	53,341	56,000	Note 2
IT Consultants	21,891	27,720	Note 3
Multifamily Consultant	8,357	-	Note 4
Investments Patterson & Associates	18,000	18,000	Note 5
Transcription Fee	6,728	6,900	Note 6
Movers	-	16,000	
Total	479,595	391,120	

- Note 1** *Estimates for legal fees are based on an analysis of historical activity and discussions with staff.*
- Note 2** *Projected expense is based on audit engagement letter from Mikeska, Monahan & Peckham, CPAs. MM&P perform the Corporation's annual financial audit, government audit, investment compliance audit, HUD audit, prepare the 990 tax return and provide on-going accounting advise as needed.*
- Note 3** *Projected expense based on contracted rate with Mission IT (IT consultants) and historical review of hours/expenditures. Projected cost of move is also included in IT expense.*
- Note 4** *Multifamily Consulting contract terminated in FY2008.*
- Note 5** *Projected expense is based on amount stated in contract with Patterson & Associates. P&A assist the Corporation with investment of cash reserves, preparation of bids and contracts for depository banking services, preparation of quarterly investment reports and other reports and training required by the Public Funds Investment Act.*
- Note 6** *Estimates for transcription fees are based on an analysis of historical activity.*

	2008	2009 Average
Legal Fees		
Greenberg Traurig	351,000.00	250,000.00
Fulbright & Jaworski	18,958.42	15,000.00
Other	1,320.00	1,500.00
	<u>371,278.42</u>	<u>266,500.00</u>

Exhibit B-3

**Texas State Affordable Housing Corporation
Office Equipment Lease Expense
Fiscal Year 2008**

	<u>FY 2008</u>	<u>FY 2009</u>	
	<u>Actual</u>	<u>Budget</u>	
Office Space	\$ 120,391	\$ 152,122	Note 1
Copy Machine	\$ 17,044	\$ 17,986	Note 2
Off-Site Storage	\$ 3,458	\$ 3,540	Note 3
Miscellaneous Maintenance	\$ 475	\$ 500	Note 4
	<u>\$ 141,368</u>	<u>\$ 174,148</u>	

Note 1 Office Space - *Congress Holding LTD.*

	<u>2008</u>	<u>2009</u>	
Rent	\$ 91,200.12	\$ 152,122.50	6761 square feet @ \$22.50 per square foot.
Parking	\$ 19,415.00	\$ -	parking will be included in new lease agreement.
Passthru	\$ 9,775.52	\$ -	
	<u>\$ 120,390.64</u>	<u>\$ 152,122.50</u>	

Note 2 Copy Machine - <i>Documation</i>	\$ 10,980.00	\$ 10,986.12	\$915.51 per month.
	\$ 6,064.22	\$ 6,000.00	\$1500 average per copy charge per quarter.
	\$ -	\$ 1,000.00	Cost to move large printer by Documation twice.
Lease	<u>\$ 17,044.22</u>	<u>\$ 17,986.12</u>	

Note 3 Offsite Storage - <i>Safe Site, Inc</i>	\$ 1,710.00	550 boxes @ \$.50/bx + one tub for backup tapes at \$10/mo. for 6 months.
	\$ 1,830.00	590 boxes @ \$.50/bx + one tub for backup tapes at \$10/mo. for 6 months.
Rent	<u>\$ 3,540.00</u>	

Note 4 Miscellaneous Maintenance - based on historical expenditures which in FY2008 related exclusively to repairing the Corporation's phone system.

Exhibit B-4

**Texas State Affordable Housing Corporation
Budgeted Travel Expense
Fiscal Year 2009**

	2008 Actual	2009 Budget
Board Travel	23,990	24,000
Multifamily	1,133	4,000
Single Family	8,581	7,000
Asset Oversight	23,013	30,000
Administrative	10,025	5,000
Total	<u>66,742</u>	<u>70,000</u>

Note 1: Projection is based on historical expenditure history.

Note 2: Projection is based on historical expenditure history, number of properties in portfolio requiring review and number of full time equivalent positions in division.

Exhibit B-5

**Texas State Affordable Housing Corporation
Budgeted Principal and Interest on Notes Payable
Fiscal Year 2009**

	Notes		
	Receivable		Payable
Sagebrush Note Receivable & Related Note Payable to Federal Home Loan Bank	875,000 7.75%	75%	656,250 6.345%
Bunker Hill Note Receivable & Related Note Payable to Federal Home Loan Bank	550,000 7.00%	75%	412,500 6.345%
Wells Fargo CDC Note Payable		-	1,050,000 2.00%
Fox Run Note Receivable	447,169 6.42%		
	<u>1,872,169</u>		<u>2,118,750</u>

Income

Bunker Hill Note Receivable	Principal & Interest	43,909.92
Sagebrush Note Receivable	Principal & Interest	75,223.00
Fox Run	Principal & Interest	47,028.24
Total Cash Income		<u><u>166,161.16</u></u>

Expense

Bunker Note Payable	Principal & Interest	30,823.80
Sagebrush Note Payable	Principal & Interest	49,037.76
Wells Fargo	Interest Only	21,000.00
Total Cash Expense		<u><u>100,861.56</u></u>

B-6

**Texas State Affordable Housing Corporation
Budgeted Furniture Equipment Expense
Fiscal Year 2009**

	2008 Actual	2009 Budget
Phone System	\$ -	\$ 20,000.00
Hardware		
Laptops - (2 @ \$1100)	1,078.00	2,200.00
Desktops - (1 @ \$650)	607.00	650.00
Server & Installation	6,821.89	-
Wireless Router	150.00	155.00
Backup Tapes	852.74	500.00
Computer Memory	205.00	250.00
Server Rack	124.99	-
	<u>9,839.62</u>	<u>3,755.00</u>
Software		
Asset Oversight & Compliance Software	-	15,000.00
Blackberries - (2@ \$200)	198.00	400.00
Factory Pro	99.95	200.00
Adobe PDF Software	431.92	450.00
Quickbooks	1,219.50	550.00
Remote Access & Miscellaneous Replacement Licenses (\$50 for 16 staff)	607.00	800.00
Antivirus Software	-	700.00
Housing Developer Pro.	-	200.00
	<u>2,556.37</u>	<u>18,300.00</u>
Office Furniture		
Office Desk & Credenza (3 staff positions @ \$3400 each)	-	10,200.00
Bookshelves (3 @ \$160)	-	480.00
Desk Chair (2 @ \$400)	-	800.00
Guest Chairs (6 @\$130)	-	780.00
File Cabinets (2 four drawer laterals @ \$280)	-	560.00
	<u>-</u>	<u>12,820.00</u>
Office Equipment		
Wheeled Carrying Cases - (2 @ \$56)	168.67	112.00
Digital Cameras (2 @ \$180)	-	360.00
Blackberry (2 @ \$150)	130.36	300.00
Laptop Battery (2 @ \$125)	97.94	250.00
Phone Power Supply	585.00	-
Miscellaneous Equipment (Surge Protectors, Blackberry Chargers, etc.)	-	150.00
	<u>981.97</u>	<u>1,172.00</u>
Total	<u>\$ 13,377.96</u>	<u>\$ 56,047.00</u>

B-7

**Texas State Affordable Housing Corporation
Budgeted Marketing Expenses
Fiscal Year 2009**

	2008 Actual	2009 Budget
Website Maintenance	2,500	3,000
Single Family Advertising	3,200	3,500
Corporate Marketing	<u>37,000</u>	<u>40,000</u>
	<u>42,700</u>	<u>46,500</u>

NOTE: *Projections are based on historical experience and discussions with Marketing & Development staff.*

Exhibit B-8

**Texas State Affordable Housing Corporation
Budgeted Insurance Expense
Fiscal Year 2009**

	<u>2008 Actual</u>	<u>2009 Budget</u>
Property, General Liability & Auto	3,245.00	3,300.00
Errors & Omissions	6,270.00	6,400.00
Directors & Officers	11,340.00	12,000.00
	<u>20,855.00</u>	<u>21,700.00</u>

Tab 6

Presentation, Discussion & Possible Approval of Change in Accounting for Single Family Bonds.

Discussion

Tab 7

Presentation, Discussion and Possible Approval of Authority for the President of the Corporation to Pursue any Remedies Enforcing the Payment of Amounts Due to the Corporation as Provided in any Guaranty or other Communication between the American Housing Foundation and the Corporation.

Discussion