

HFC Items 1-4



Travis County Commissioners Court Agenda Request TRAVIS COUNTY HOUSING FINANCE CORPORATION

Meeting Date: April 2, 2013

Prepared By/Phone Number: Andrea Shields, Manager/854-9116

Elected/Appointed Official/Dept. Head: Leslie Browder, County Executive, Planning and Budget/854-9106

Commissioners Court Sponsor: Samuel T. Biscoe, President

AGENDA LANGUAGE:

Consider and take appropriate action to approve the following:

- A. Set April 30, 2013 as date for Public Hearing concerning the issuance of the Corporation's Multifamily Housing Revenue Bonds (Parmer Place Apartments), Series 2013
- B. Set April 30, 2013 as date for Public Hearing concerning the issuance of the Corporation's Multifamily Housing Revenue Bonds (William Cannon Apartments), Series 2013
- C. Take appropriate action to consider adoption of initial resolution, approval of Agreement to Issue Bonds and to file application with Texas Bond Review Board for issuance of bonds to finance residential development for Pedcor Investments for the Parmer Place Apartments.
- D. Take appropriate action to consider adoption of initial resolution, approval of Agreement to Issue Bonds and to file application with Texas Bond Review Board for issuance of bonds to finance residential development for Pedcor Investments for the William Cannon Apartments.

BACKGROUND/SUMMARY OF REQUEST AND ATTACHMENTS: See attached backup.

STAFF RECOMMENDATIONS: Staff recommends approval.

ISSUES AND OPPORTUNITIES: None.

AGENDA REQUEST DEADLINE: All agenda requests and supporting materials must be submitted as a pdf to Cheryl Aker in the County Judge's office, Cheryl.Aker@co.travis.tx.us by Tuesdays at 5:00 p.m. for the next week's meeting.

FISCAL IMPACT AND SOURCE OF FUNDING: None.

REQUIRED AUTHORIZATIONS: Andrea Shields, Manager/854-9116;
Leroy Nellis, Budget Manager/854-9066

AGENDA REQUEST DEADLINE: All agenda requests and supporting materials must be submitted as a pdf to Cheryl Aker in the County Judge's office, Cheryl.Aker@co.travis.tx.us by Tuesdays at 5:00 p.m. for the next week's meeting.

Travis County Housing Finance Corporation
700 Lavaca, Suite 1560
Austin, Texas 78701
Telephone: (512) 854-9116
Fax: (512) 854-4210

Memo

March 26, 2013

To: Board of Directors

From: Andrea Shields, Manager

Re: Two applications for multifamily bond issues from Pedcor Investments:
William Cannon Apartments and Parmer Place

Pedcor Investments has applied to the Housing Finance Corporation for bond issues to finance the construction of two affordable housing properties within Travis County. The agenda items for April 2nd, 2013, are for initial inducement to issue bonds on these properties, which is in no way a commitment to do so. You all have several weeks to review the application materials and receive answers to any questions you may have. This memo and the appended backup materials are intended to provide you with the most relevant information on these items for your consideration. Should you want any other information, please do not hesitate to request it, and we will be happy to provide it. Please note that the Corporation's counsel and FA are also reviewing the applications currently.

Information on Pedcor Investments

Pedcor was founded in 1987 and is an accomplished and respected affordable housing developer with holdings in 12 states. Pedcor's portfolio includes more than 14,000 units, and more than 11,000 of those units are set-aside as affordable. The firm has familiarity with bonds and tax credits (both 9% and 4%), and utilizes both types of affordable financing across the portfolio. The company, which is headquartered in Indianapolis, IN, currently does not have any properties in the state of Texas; however, staff has familiarity with Pedcor projects and construction based on previous market analysis experience on properties in other states. We recognize that the Board typically prefers that staff visit current projects to report condition, construction type, management practices, etc. Since there are no properties in the immediate area, we requested a quote from an appraisal firm in Columbus, OH that would perform site inspections, interview management staff, take photos and provide a brief write up on the condition of the two Pedcor properties in Columbus. The fee for this service is \$500, which

would be considerably more affordable than a staff visit. We have included the engagement letter for this service in the backup for your consideration.

An important consideration is that when Pedcor develops properties, they hold the asset in their portfolio and have an in-house management company to perform on-site management. Since the company does not divest themselves of the assets, they are motivated to keep the properties in good condition and to work efficiently to maintain positive cash flows while providing safe and affordable housing to individuals and families. For more detailed information on Pedcor or its holdings, please review the Company Resume and Previous Participation documentation included in the backup materials.

Staff's prior experience with Pedcor has been positive, with properties exhibiting good construction and condition, while providing needed safe and affordable housing in their respective communities.

Details on William Cannon Apartments

Location: 2112 E. William Cannon Drive, Austin, 78744 (maps are included in the back up for reference). The property is located in Precinct 4.

Bond Amt: \$20,000,000

Construction

Costs: Total construction costs are estimated at \$39,180,825 with the balance financed primarily through 4% tax credits. Please note, the applicant has applied for a 221(d)4 mortgage through HUD, which would close upon completion of construction and stabilization, likely in mid-2014, at which time the bonds would be paid off. The HFC plans to continue to monitor the property annually for compliance with affordability restrictions required in the bond documents through the compliance period (typically 15 years.)

Construction

Completion: Construction is expected to be complete by December 2014.

Site: 27.43 acres, appropriately zoned for multifamily development. Plan reviews are in process with the city, but the design has already been awarded a One Star Rating as a Austin Energy Green Building (AEGB) as part of the SMART program approval process.

Structures: The property will offer 252 one-, two- and three-bedroom family units in 3-story garden style apartment buildings constructed with stucco, stone and cement-board siding.

Units: The units at the property will be set at 50 and 60% of the Area Median Income. The following chart shows the number of each unit type, the unit size, the set aside and the proposed rent and rent per square foot.

PROPOSED RENTS					
Unit Type	Sq. Ft.	# of Units	Set-aside*	Proposed Rent	Rent Per SF
1bed/1bath	723	4	50%	\$555	0.76763
1bed/1bath	723	68	60%	\$692	0.95712
2bed/2bath	995	132	60%	\$824	0.82814
3bed/3bath	1,231	48	60%	\$916	0.74411
Total/Avg	918	252		\$747	

According to the Market Study by Apartment MarketData, LLC dated October 26, 2012, the proposed rents compare favorably with the average market rents for this Subject’s area, with rent differences between 17.7% and 34.0%, which is shown in the following table.

Unit Type	Sq. Ft.	# of Units	Set-aside*	Proposed Rent	Market Rent	% Difference
1bed/1bath	723	4	50%	\$555	\$880	34.0%
1bed/1bath	723	68	60%	\$692	\$880	17.7%
2bed/2bath	995	132	60%	\$824	\$1,100	21.6%
3bed/3bath	1,231	48	60%	\$916	\$1,260	24.0%
Total/Avg	918	252		\$747	\$1,030	

Amenities: *Units:* The units will include ranges, refrigerators, dishwashers, microwaves, 9’ ceilings, central A/C, garbage disposals, carpet, blinds, washer and dryer connections and patios/balconies. All appliances will be Energy Star rated.

Property: The property will offer a clubhouse, fitness center, community room, central laundry facilities, education center, library, business center, pool with splash pad, covered pavilion area, barbeque grills, picnic area, two playgrounds, a dog park, and Wi-Fi in the community areas. All of the amenities are free to the residents. The property is located less than 0.3 miles from the closest bus stop.

Green Building Features:

William Cannon Apartments meets the requirements of the Austin Energy Green Building (AEGB) 1 Star Rating. To meet this requirement, the property has at least 14 features for energy efficiency. Some of these include energy efficient property design (windows, insulation, lighting,

mechanical systems, plumbing, etc.) and unit features (air conditioning units, Energy Star appliances, etc.) For more detailed information on the property's energy efficient features, please see the "William Cannon Green Building Characteristics" document provided by Pedcor, which is included in the backup.

Resident

Programs: The clubhouse includes a Learning/Education Center which will be operated in conjunction with YMCA. The center will offer after school programs. Curricula will include computers and English as a Second Language. For seniors and disabled residents, management will pick up rent checks and provide concierge trash services. Management will also offer a slate of resident activities and events. The YMCA programming for children of the property as well as resident activities and events provided by management are further detailed in the "William Cannon Tenant Service and Programming" document provided by Pedcor, which is included in the backup.

Fees: Pedcor has paid the application fee for this project. The issuer fee on this project if the bonds are issued is anticipated to be approximately \$100,000.

Backup: These items are included in the backup for your review and consideration.

- *The HFC Application Questionnaire
- *Agreement to Issue Bonds
- *Application for Financial Participation
- *Resume for Pedcor Investments and Portfolio Information
- *Sources and Uses
- *15 Year Cash Flow
- *Site Plan
- *Location Maps
- *William Cannon Green Building Characteristics
- *William Cannon Tenant Service and Programming

Details on Parmer Place Apartments

Location: 1500 E. Parmer Lane, Austin, 78754 (maps are included in the back up for reference). The property is located in Precinct 1.

Bond Amt: \$20,000,000

Construction

Costs: Total construction costs are estimated at \$37,771,873 with the balance financed primarily through 4% tax credits. Please note, the applicant has applied for a 221(d)4 mortgage through HUD, which would close upon completion of construction and stabilization, likely in mid-2014, at which

time the bonds would be paid off. The HFC plans to continue to monitor the property annually for compliance with affordability restrictions required in the bond documents through the compliance period (typically 15 years.)

Construction

Completion: Construction is expected to be complete by December 2014.

Site: 15.50 acres, appropriately zoned for multifamily development. Plan reviews are in process with the city, but the design has already been awarded a One Star Rating as a Austin Energy Green Building (AEGB) as part of the SMART program approval process.

Structures: The property will offer 252 one-, two- and three-bedroom family units in 3-story garden style apartment buildings constructed with stone and cement-board siding.

Units: The units at the property will be set at 60% of the Area Median Income. The following chart shows the number of each unit type, the unit size, the set aside and the proposed rent and rent per square foot.

PROPOSED RENTS					
Unit Type	Sq. Ft.	# of Units	Set-aside*	Proposed Rent	Rent Per SF
1bed/1bath	723	72	60%	\$692	0.95712
2bed/2bath	995	132	60%	\$824	0.82814
3bed/3bath	1,231	48	60%	\$916	0.74411
Total/Avg	983	252		\$811	

According to the Market Study by Apartment MarketData, LLC dated October 26, 2012, the proposed rents compare favorably with the average market rents for this Subject's area, with rent differences between 12.0% and 21.5%, which is shown in the following table.

Unit Type	Sq. Ft.	# of Units	Set-aside*	Proposed Rent	Market Rent	% Difference
1bed/1bath	723	72	60%	\$692	\$850	14.8%
2bed/2bath	995	132	60%	\$824	\$980	12.0%
3bed/3bath	1,231	48	60%	\$916	\$1,220	21.5%
Total/Avg	983	252		\$811	\$1,017	

Amenities: *Units:* The units will include ranges, refrigerators, dishwashers, microwaves, 9' ceilings, central A/C, garbage disposals, carpet, blinds,

washer and dryer connections and patios/balconies. All appliances will be Energy Star rated.

Property: The property will offer a clubhouse, fitness center, community room, central laundry facilities, education center, library, business center, pool with splash pad, covered pavilion area, barbeque grills, picnic area, two playgrounds, a dog park, and Wi-Fi in the community areas. All of the amenities are free to the residents. The property is located adjacent to the closest bus stop.

Green
Building
Features:

Parmer Place Apartments meets the requirements of the Austin Energy Green Building (AEGB) 1 Star Rating. To meet this requirement, the property has at least 14 features for energy efficiency. Some of these include energy efficient property design (windows, insulation, lighting, mechanical systems, plumbing, etc.) and unit features (air conditioning units, Energy Star appliances, etc.) For more detailed information on the property's energy efficient features, please see the "Parmer Place Green Building Characteristics" document provided by Pedcor, which is included in the backup.

Resident
Programs:

The clubhouse includes a Learning/Education Center which will be operated in conjunction with YMCA. The center will offer after school programs. Curricula will include computers and English as a Second Language. For seniors and disabled residents, management will pick up rent checks and provide concierge trash services. Management will also offer a slate of resident activities and events. The YMCA programming for children of the property as well as resident activities and events provided by management are further detailed in the "Parmer Place Tenant Service and Programming" document provided by Pedcor, which is included in the backup.

Fees: Pedcor has paid the application fee for this project. The issuer fee on this project if the bonds are issued is anticipated to be approximately \$100,000.

Backup: These items are included in the backup for your review and consideration.

- *The HFC Application Questionnaire
- *Agreement to Issue Bonds
- *Application for Financial Participation
- *Sources and Uses
- *15 Year Cash Flow
- *Site Plan
- *Location Maps

***Parmer Place Green Building Characteristics**
***Parmer Place Tenant Service and Programming**

cc: Leslie Browder, County Executive, Planning and Budget
Cliff Blount, Naman Howell
Ladd Pattillo, FA

AGREEMENT TO ISSUE BONDS

THIS AGREEMENT TO ISSUE BONDS, entered into as of the ____ day of _____, 2013, by and between Travis County Housing Finance Corporation (the "Corporation"), created pursuant to the authority of the Texas Housing Finance Corporations Act, Local Government Code, Chapter 394, Tex. Rev. Civ. Stat. (the "Act"), and Pedcor Investments-2012-CXXXI, L.P. (the "User"), for the purpose of carrying out the public purpose set forth in the Act, including the promotion and development of new, expanded or improved residential development to provide decent, safe, and sanitary housing for residents of Travis County, Texas;

WITNESSETH

WHEREAS, Travis County, Texas (the "Unit") has authorized and approved the creation of the Corporation to act on behalf of the Unit for the public purpose of furthering on behalf of the Unit the promotion and development of new, expanded or improved residential development to provide decent, safe, and sanitary housing for residents of the Unit; and

WHEREAS, the Corporation is authorized by the Act to acquire, construct, improve, maintain, equip and furnish and to lease or sell "residential developments", as that term is defined in the Act, or to make loans for the purpose of providing financing for all or part of the costs of a residential development, and the Corporation is further authorized to issue its bonds for the purpose of paying all or part of the costs of a residential development; and

WHEREAS, the User desires to acquire and construct a residential development, more particularly described in Exhibit "A" attached hereto, within the Unit (the "Project"), which Project is suitable for the promotion of new, expanded or improved residential development to provide decent, safe, and sanitary housing for residents of Travis County, Texas; and

WHEREAS, pursuant to the Act, the Corporation is authorized to issue the bonds hereinafter described, which bonds shall never constitute an indebtedness or pledge of the faith and credit of the State of Texas (the "State"), of the Unit, or of any other political corporation, subdivision or agency of the State within the meaning of any State constitutional or statutory provision, shall never be paid in whole or in part out of any funds raised or to be raised by taxation or any other funds of the Unit, and shall never be paid in whole or in part out of any funds of the Corporation except those derived from or in connection with the sale or lease of the Project or the loan of funds to finance the Project; and

WHEREAS, to provide decent, safe, and sanitary housing for residents of Travis County, Texas, the Corporation agrees to issue at the request of the User, one or more series of the Corporation's housing finance revenue bonds (the "Bonds") for the purpose of paying all or part of the costs of constructing and acquiring the Project, or for the purpose of loaning the proceeds to the User in order to provide temporary or permanent financing of all or part of the cost of constructing and acquiring the Project, and the Corporation and the User deem it desirable and proper that this Agreement to Issue Bonds constitutes a formal record of such agreement and understanding in

order that the User may proceed with or provide for the acquisition and construction of the Project; and

WHEREAS, the User has evidenced a desire to cooperate with the Corporation in the acquisition and construction of the Project and for the Corporation to authorize and issue the Bonds in the aggregate principal amount now estimated not to exceed \$20,000,000 to provide the funds to defray all or part of the cost of the acquisition and construction of the Project; and

WHEREAS, the Corporation and the User contemplate that the Project will be sold on an installment payment basis or leased to the User or that proceeds of the Bonds will be loaned to the User in order to provide temporary or permanent financing of all or part of the costs of the Project and that the installment purchase, rental or loan payments therefor will be sufficient to pay the principal of and any premium and interest on the Bonds; and

WHEREAS, it is the desire of the Corporation that the acquisition and construction of the Project occur at the earliest possible time so as to provide decent, safe, and sanitary housing for residents of Travis County, Texas;

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration and of the mutual benefits, covenants and agreements herein expressed, the Corporation and the User agree as follows:

1. The User shall commence with the acquisition and construction of the Project, which Project will be in furtherance of the public purpose of the Corporation and the Unit as aforesaid, and the User will provide, or cause to be provided, at its expense, the necessary interim financing to expedite the commencement of the acquisition and construction of the Project. On or prior to the issuance of the Bonds, the User will enter into a purchase, lease or loan agreement on an installment payment basis (herein called the "Agreement") with the Corporation under which the Corporation will sell or lease the Project to the User or make a loan to the User, or to a financial institution designated by the User for the purpose of providing temporary or permanent financing of all or part of the costs of the Project, and the User will make installment payments sufficient to pay the principal of and any premium and interest on such series of Bonds. The Bonds shall never constitute an indebtedness or pledge of the faith and credit of the State, of the Unit, or of any other political corporation, subdivision or agency of the State within the meaning of any State constitutional or statutory provision, and the Bonds shall never be paid in whole or in part out of any funds raised or to be raised by taxation or any other funds of the Unit, and shall be payable from the funds of the Corporation derived from or in connection with the sale or lease of the Project or the loan of the proceeds of the Bonds.

2. On receipt of a ruling from the Internal Revenue Service (or the opinion of nationally recognized bond counsel) that interest paid on the Bonds is exempt from federal income taxation and subject to the requirements of the Policy Guidelines and the Act, and upon receipt of favorable reports from the Corporation's legal and financial advisors concerning the issuance of the Bonds and from the Corporation's engineering consultant concerning the environmental and traffic

impact of the Residential Development; the Corporation hereby agrees to issue, pursuant to the terms of the Act, the Bonds, or from time to time, the portion thereof as may be the subject of such a ruling or opinion as aforesaid, in an appropriate principal amount not exceeding that which is the subject of a ruling or opinion as aforesaid, maturing in such amount and times, bearing interest at the rate, payable on the dates and having such optional and mandatory redemption features and prices as are approved in writing by the User. The Corporation will deliver the Bonds to the purchaser designated by the User and will cooperate to the fullest extent in facilitating delivery of the Bonds.

3. The Corporation and the User agree that the Bonds may be issued either at one time or in several series from time to time as the User shall request in writing; provided, however, that the parties agree that the Bonds will be issued in an aggregate principal amount as will not exceed the amount that is the subject of a ruling or rulings or opinion or opinions as aforesaid. A request in writing for issuance of one or more series of Bonds shall not affect the obligation hereunder of the Corporation to issue the remaining Bonds as written requests therefor are received. It is further agreed that the proceeds of the Bonds or portions thereof, whether or not issued in a series, shall not be invested so as to constitute the Bonds or a portion thereof as arbitrage bonds under the Internal Revenue Code of 1986, as amended, and applicable regulations promulgated pursuant thereto.

4. The payment of the principal of and any premium and interest on the Bonds shall be made solely from moneys realized from the sale or lease of the Project or from moneys realized from the loan of the proceeds of the Bonds to finance all or part of the costs of the Project.

5. The costs of the Project (the "Project Costs") may include any cost of acquiring, constructing, remodeling, repairing, renovating and improving the Project. Without limiting the generality of the foregoing, the Project Costs shall specifically include the cost of: (i) acquiring any land, rights-of-way, options to purchase land, easements, leasehold estates in land and interests of all kinds in land related to such Project; (ii) acquiring, constructing, repairing, renovating, remodeling or improving all buildings and structures to be used as or in connection with the Project; (iii) site preparation, including the cost of demolishing or removing any buildings or structures the removal of which is necessary or incident to providing the Project; (iv) machinery, equipment, furnishings and facilities necessary or incident to the equipping of the Project so that it may be placed in operation; (v) financing charges, start-up costs and interest prior to and during construction and for two years after completion of construction, whether or not capitalized; and (vi) architectural, engineering, legal and related services (including fees for legal counsel and the financial advisor to the Issuer), plans, specifications, surveys, studies, estimates of cost and of revenue, other expenses necessary or incident to planning, providing or determining the feasibility and practicability of acquiring, constructing, reconstructing, improving and expanding the Project, administrative expenses and such other expenses as may be necessary or incident to the acquisition, construction, remodeling, repair, renovation or improvement of the Project, the placing of the Project in operation and all incidental expenses, costs and charges relating to the Project not enumerated above. The parties agree, upon request, to provide or cause to be provided to each other any data or information that may be reasonably required to verify any of the Project Costs enumerated in this paragraph. The User agrees that it will be responsible for and pay any Project

Costs incurred whether before or after the date of this Agreement prior to issuance of the Bonds and will pay all Project Costs that are not or cannot be paid or reimbursed from the proceeds of the Bonds.

6. The User agrees that it will at all times indemnify and hold harmless the Corporation, the directors of the Corporation, the Unit, the Commissioners' Court of the Unit (both individually and as a group) and any officers, directors, employees, agents, consultants, servants and any other party acting for or on behalf of the Corporation or the Unit (such parties being hereinafter referred to as the "Indemnified Parties") against all losses, costs, damages, expenses and liabilities (collectively referred to hereinafter as "Losses") of whatsoever nature (including, but not limited to, attorney's fees, litigation and court costs, amounts paid in settlement and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of or relating to one or more Claims, as hereinafter defined, even if such Losses or Claims, or both, directly or indirectly result from, arise out of or relate to, or are asserted to have resulted from, arisen out of or related to, in whole or in part, one or more negligent acts or omissions of any one or more of the Indemnified Parties in connection with the issuance of the Bonds or that in any way pertain to the duties or activities or lack thereof, whether real or alleged, of any such Indemnified Party incidental to the issuance of the Bonds. The term "Claims" as used herein shall mean all claims, lawsuits, causes of action and other legal actions and proceedings of whatever nature, including, but not limited to, claims, lawsuits, causes of action and other legal actions and proceedings involving bodily or personal injury or death of any person or damage to any property (including, but not limited to, persons employed by the Corporation, the Unit, the User or any other person and all property owned or claimed by the Corporation, the Unit, the User, any affiliate of the User or any other person) or involving damages relating to the issuance, offering, sale or delivery of the Bonds brought against the Corporation or the Unit or to which the Corporation or the Unit is party, even if groundless, false or fraudulent, that directly or indirectly result from, arise out of or relate to the issuance, offering, sale or delivery of the Bonds or the design, construction, installation, operation, use, occupancy, maintenance or ownership of the Project or any part thereof. The obligations of the User shall apply to all Losses or Claims, or both, that result from, arise out of or are related to any event, occurrence, condition or relationship prior to termination of this Agreement to Issue Bonds, whether such Losses or Claims, or both, are asserted prior to termination of this Agreement to Issue Bonds or thereafter. None of the Indemnified Parties shall be liable to the User for, and the User hereby releases each of them from all liability to the User for any injuries, damages or destruction to all or any part or parts of any property owned or claimed by the User that directly or indirectly result from, arise out of or relate to the issuance, offering, sale or delivery of the Bonds or the design, construction, installation, operation, use, occupancy, maintenance or ownership of the Project or any part thereof, even if such injuries, damages or destruction directly or indirectly result from, arise out of or relate to, in whole or in part, one or more negligent acts or omissions of any one or more of the Indemnified Parties in connection with the issuance of the Bonds or in connection with the Project. Each Indemnified Party, as appropriate, shall reimburse the User for payments made by the User to the extent of any proceeds, net of all expenses of collection, actually received by them from any insurance with respect to the Loss sustained. At the request and expense of the User, each of the Indemnified Parties, as appropriate, shall have the duty to claim any such insurance proceeds and such Indemnified Party, as appropriate, shall assign their respective rights to such proceeds, to

the extent of such required reimbursement, to the User. In case any action shall be brought against any one or more of the Indemnified Parties, such Indemnified Party shall promptly notify the User in writing and the User shall have the right to assume the investigation and defense thereof, including the employment of counsel and the payment of all expenses. The Indemnified Party shall have the right to employ separate counsel in any such action and participate in the investigation and defense thereof, but the fees and expenses of such counsel shall be paid by the Indemnified Party unless the employment of such counsel has been authorized by the User. The User shall not be liable for any settlement of any such action without its consent, but, if any such action is settled with the consent of the User or if there be final judgment for the plaintiff of any such action, the User agrees to indemnify and hold harmless the Indemnified Parties from and against any Loss by reason of such settlement or judgment.

7. If within three (3) years from the date hereof (or such later date as shall be mutually satisfactory to the Corporation and the User) the Corporation and the User shall not have agreed to mutually acceptable terms for the Bonds and for the sale and delivery thereof and mutually acceptable terms and conditions of the Agreement, the User agrees that it will pay the Corporation for all unpaid Project Costs which the Corporation shall have incurred and this Agreement to Issue Bonds (other than the obligations of the parties under paragraph 6 hereof) shall thereupon terminate. In the event that the User elects, prior to any such termination, not to proceed with the issuance of the Bonds for any reason, it shall so notify the Corporation in writing and shall promptly pay to the Corporation all Project Costs incurred by the Corporation prior to such notification, and if payment is so made, the User's obligations under paragraph 5 above shall terminate from and after the date of such notification.

8. The User may, without the consent of the Corporation, transfer or assign this Agreement to Issue Bonds or transfer or assign any or all of its rights and delegate any or all of its duties hereunder to any of its subsidiaries or affiliates currently existing or hereafter created, but no such transfer, assignment or delegation shall, without the written consent and approval of the Corporation, relieve the User of its liability for payment of Project Costs under paragraphs 5 and 7 hereof or indemnification under paragraph 6 hereof.

9. The provisions of paragraphs 5 and 6 of this agreement shall survive the expiration or termination of this Agreement to Issue Bonds and the closing of the transactions contemplated by the Agreement.

IN WITNESS WHEREOF, the Travis County Housing Finance Corporation, acting pursuant to a resolution of its Board of Directors, and USER have caused this Agreement to Issue Bonds to be executed by their duly authorized officers as of the year and date first above written.

TRAVIS COUNTY HOUSING FINANCE CORPORATION

By: _____
Samuel T. Biscoe, President

USER

Pedcor Investments-2012-CXXXI, L.P.,

By: William Cannon Housing Company, LLC,
Its General Partner

By: Pedcor Investments, A Limited Liability Company, Its Manager

By: _____
Thomas G. Crowe,
Executive Vice President

AGREEMENT TO ISSUE BONDS

THIS AGREEMENT TO ISSUE BONDS, entered into as of the ____ day of _____, 2013, by and between Travis County Housing Finance Corporation (the "Corporation"), created pursuant to the authority of the Texas Housing Finance Corporations Act, Local Government Code, Chapter 394, Tex. Rev. Civ. Stat. (the "Act"), and Pedcor Investments-2012-CXXX, L.P. (the "User"), for the purpose of carrying out the public purpose set forth in the Act, including the promotion and development of new, expanded or improved residential development to provide decent, safe, and sanitary housing for residents of Travis County, Texas;

WITNESSETH

WHEREAS, Travis County, Texas (the "Unit") has authorized and approved the creation of the Corporation to act on behalf of the Unit for the public purpose of furthering on behalf of the Unit the promotion and development of new, expanded or improved residential development to provide decent, safe, and sanitary housing for residents of the Unit; and

WHEREAS, the Corporation is authorized by the Act to acquire, construct, improve, maintain, equip and furnish and to lease or sell "residential developments", as that term is defined in the Act, or to make loans for the purpose of providing financing for all or part of the costs of a residential development, and the Corporation is further authorized to issue its bonds for the purpose of paying all or part of the costs of a residential development; and

WHEREAS, the User desires to acquire and construct a residential development, more particularly described in Exhibit "A" attached hereto, within the Unit (the "Project"), which Project is suitable for the promotion of new, expanded or improved residential development to provide decent, safe, and sanitary housing for residents of Travis County, Texas; and

WHEREAS, pursuant to the Act, the Corporation is authorized to issue the bonds hereinafter described, which bonds shall never constitute an indebtedness or pledge of the faith and credit of the State of Texas (the "State"), of the Unit, or of any other political corporation, subdivision or agency of the State within the meaning of any State constitutional or statutory provision, shall never be paid in whole or in part out of any funds raised or to be raised by taxation or any other funds of the Unit, and shall never be paid in whole or in part out of any funds of the Corporation except those derived from or in connection with the sale or lease of the Project or the loan of funds to finance the Project; and

WHEREAS, to provide decent, safe, and sanitary housing for residents of Travis County, Texas, the Corporation agrees to issue at the request of the User, one or more series of the Corporation's housing finance revenue bonds (the "Bonds") for the purpose of paying all or part of the costs of constructing and acquiring the Project, or for the purpose of loaning the proceeds to the User in order to provide temporary or permanent financing of all or part of the cost of constructing and acquiring the Project, and the Corporation and the User deem it desirable and proper that this Agreement to Issue Bonds constitutes a formal record of such agreement and understanding in

order that the User may proceed with or provide for the acquisition and construction of the Project; and

WHEREAS, the User has evidenced a desire to cooperate with the Corporation in the acquisition and construction of the Project and for the Corporation to authorize and issue the Bonds in the aggregate principal amount now estimated not to exceed \$20,000,000 to provide the funds to defray all or part of the cost of the acquisition and construction of the Project; and

WHEREAS, the Corporation and the User contemplate that the Project will be sold on an installment payment basis or leased to the User or that proceeds of the Bonds will be loaned to the User in order to provide temporary or permanent financing of all or part of the costs of the Project and that the installment purchase, rental or loan payments therefor will be sufficient to pay the principal of and any premium and interest on the Bonds; and

WHEREAS, it is the desire of the Corporation that the acquisition and construction of the Project occur at the earliest possible time so as to provide decent, safe, and sanitary housing for residents of Travis County, Texas;

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration and of the mutual benefits, covenants and agreements herein expressed, the Corporation and the User agree as follows:

1. The User shall commence with the acquisition and construction of the Project, which Project will be in furtherance of the public purpose of the Corporation and the Unit as aforesaid, and the User will provide, or cause to be provided, at its expense, the necessary interim financing to expedite the commencement of the acquisition and construction of the Project. On or prior to the issuance of the Bonds, the User will enter into a purchase, lease or loan agreement on an installment payment basis (herein called the "Agreement") with the Corporation under which the Corporation will sell or lease the Project to the User or make a loan to the User, or to a financial institution designated by the User for the purpose of providing temporary or permanent financing of all or part of the costs of the Project, and the User will make installment payments sufficient to pay the principal of and any premium and interest on such series of Bonds. The Bonds shall never constitute an indebtedness or pledge of the faith and credit of the State, of the Unit, or of any other political corporation, subdivision or agency of the State within the meaning of any State constitutional or statutory provision, and the Bonds shall never be paid in whole or in part out of any funds raised or to be raised by taxation or any other funds of the Unit, and shall be payable from the funds of the Corporation derived from or in connection with the sale or lease of the Project or the loan of the proceeds of the Bonds.

2. On receipt of a ruling from the Internal Revenue Service (or the opinion of nationally recognized bond counsel) that interest paid on the Bonds is exempt from federal income taxation and subject to the requirements of the Policy Guidelines and the Act, and upon receipt of favorable reports from the Corporation's legal and financial advisors concerning the issuance of the Bonds and from the Corporation's engineering consultant concerning the environmental and traffic

impact of the Residential Development; the Corporation hereby agrees to issue, pursuant to the terms of the Act, the Bonds, or from time to time, the portion thereof as may be the subject of such a ruling or opinion as aforesaid, in an appropriate principal amount not exceeding that which is the subject of a ruling or opinion as aforesaid, maturing in such amount and times, bearing interest at the rate, payable on the dates and having such optional and mandatory redemption features and prices as are approved in writing by the User. The Corporation will deliver the Bonds to the purchaser designated by the User and will cooperate to the fullest extent in facilitating delivery of the Bonds.

3. The Corporation and the User agree that the Bonds may be issued either at one time or in several series from time to time as the User shall request in writing; provided, however, that the parties agree that the Bonds will be issued in an aggregate principal amount as will not exceed the amount that is the subject of a ruling or rulings or opinion or opinions as aforesaid. A request in writing for issuance of one or more series of Bonds shall not affect the obligation hereunder of the Corporation to issue the remaining Bonds as written requests therefor are received. It is further agreed that the proceeds of the Bonds or portions thereof, whether or not issued in a series, shall not be invested so as to constitute the Bonds or a portion thereof as arbitrage bonds under the Internal Revenue Code of 1986, as amended, and applicable regulations promulgated pursuant thereto.

4. The payment of the principal of and any premium and interest on the Bonds shall be made solely from moneys realized from the sale or lease of the Project or from moneys realized from the loan of the proceeds of the Bonds to finance all or part of the costs of the Project.

5. The costs of the Project (the "Project Costs") may include any cost of acquiring, constructing, remodeling, repairing, renovating and improving the Project. Without limiting the generality of the foregoing, the Project Costs shall specifically include the cost of: (i) acquiring any land, rights-of-way, options to purchase land, easements, leasehold estates in land and interests of all kinds in land related to such Project; (ii) acquiring, constructing, repairing, renovating, remodeling or improving all buildings and structures to be used as or in connection with the Project; (iii) site preparation, including the cost of demolishing or removing any buildings or structures the removal of which is necessary or incident to providing the Project; (iv) machinery, equipment, furnishings and facilities necessary or incident to the equipping of the Project so that it may be placed in operation; (v) financing charges, start-up costs and interest prior to and during construction and for two years after completion of construction, whether or not capitalized; and (vi) architectural, engineering, legal and related services (including fees for legal counsel and the financial advisor to the Issuer), plans, specifications, surveys, studies, estimates of cost and of revenue, other expenses necessary or incident to planning, providing or determining the feasibility and practicability of acquiring, constructing, reconstructing, improving and expanding the Project, administrative expenses and such other expenses as may be necessary or incident to the acquisition, construction, remodeling, repair, renovation or improvement of the Project, the placing of the Project in operation and all incidental expenses, costs and charges relating to the Project not enumerated above. The parties agree, upon request, to provide or cause to be provided to each other any data or information that may be reasonably required to verify any of the Project Costs enumerated in this paragraph. The User agrees that it will be responsible for and pay any Project

Costs incurred whether before or after the date of this Agreement prior to issuance of the Bonds and will pay all Project Costs that are not or cannot be paid or reimbursed from the proceeds of the Bonds.

6. The User agrees that it will at all times indemnify and hold harmless the Corporation, the directors of the Corporation, the Unit, the Commissioners' Court of the Unit (both individually and as a group) and any officers, directors, employees, agents, consultants, servants and any other party acting for or on behalf of the Corporation or the Unit (such parties being hereinafter referred to as the "Indemnified Parties") against all losses, costs, damages, expenses and liabilities (collectively referred to hereinafter as "Losses") of whatsoever nature (including, but not limited to, attorney's fees, litigation and court costs, amounts paid in settlement and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of or relating to one or more Claims, as hereinafter defined, even if such Losses or Claims, or both, directly or indirectly result from, arise out of or relate to, or are asserted to have resulted from, arisen out of or related to, in whole or in part, one or more negligent acts or omissions of any one or more of the Indemnified Parties in connection with the issuance of the Bonds or that in any way pertain to the duties or activities or lack thereof, whether real or alleged, of any such Indemnified Party incidental to the issuance of the Bonds. The term "Claims" as used herein shall mean all claims, lawsuits, causes of action and other legal actions and proceedings of whatever nature, including, but not limited to, claims, lawsuits, causes of action and other legal actions and proceedings involving bodily or personal injury or death of any person or damage to any property (including, but not limited to, persons employed by the Corporation, the Unit, the User or any other person and all property owned or claimed by the Corporation, the Unit, the User, any affiliate of the User or any other person) or involving damages relating to the issuance, offering, sale or delivery of the Bonds brought against the Corporation or the Unit or to which the Corporation or the Unit is party, even if groundless, false or fraudulent, that directly or indirectly result from, arise out of or relate to the issuance, offering, sale or delivery of the Bonds or the design, construction, installation, operation, use, occupancy, maintenance or ownership of the Project or any part thereof. The obligations of the User shall apply to all Losses or Claims, or both, that result from, arise out of or are related to any event, occurrence, condition or relationship prior to termination of this Agreement to Issue Bonds, whether such Losses or Claims, or both, are asserted prior to termination of this Agreement to Issue Bonds or thereafter. None of the Indemnified Parties shall be liable to the User for, and the User hereby releases each of them from all liability to the User for any injuries, damages or destruction to all or any part or parts of any property owned or claimed by the User that directly or indirectly result from, arise out of or relate to the issuance, offering, sale or delivery of the Bonds or the design, construction, installation, operation, use, occupancy, maintenance or ownership of the Project or any part thereof, even if such injuries, damages or destruction directly or indirectly result from, arise out of or relate to, in whole or in part, one or more negligent acts or omissions of any one or more of the Indemnified Parties in connection with the issuance of the Bonds or in connection with the Project. Each Indemnified Party, as appropriate, shall reimburse the User for payments made by the User to the extent of any proceeds, net of all expenses of collection, actually received by them from any insurance with respect to the Loss sustained. At the request and expense of the User, each of the Indemnified Parties, as appropriate, shall have the duty to claim any such insurance proceeds and such Indemnified Party, as appropriate, shall assign their respective rights to such proceeds, to

the extent of such required reimbursement, to the User. In case any action shall be brought against any one or more of the Indemnified Parties, such Indemnified Party shall promptly notify the User in writing and the User shall have the right to assume the investigation and defense thereof, including the employment of counsel and the payment of all expenses. The Indemnified Party shall have the right to employ separate counsel in any such action and participate in the investigation and defense thereof, but the fees and expenses of such counsel shall be paid by the Indemnified Party unless the employment of such counsel has been authorized by the User. The User shall not be liable for any settlement of any such action without its consent, but, if any such action is settled with the consent of the User or if there be final judgment for the plaintiff of any such action, the User agrees to indemnify and hold harmless the Indemnified Parties from and against any Loss by reason of such settlement or judgment.

7. If within three (3) years from the date hereof (or such later date as shall be mutually satisfactory to the Corporation and the User) the Corporation and the User shall not have agreed to mutually acceptable terms for the Bonds and for the sale and delivery thereof and mutually acceptable terms and conditions of the Agreement, the User agrees that it will pay the Corporation for all unpaid Project Costs which the Corporation shall have incurred and this Agreement to Issue Bonds (other than the obligations of the parties under paragraph 6 hereof) shall thereupon terminate. In the event that the User elects, prior to any such termination, not to proceed with the issuance of the Bonds for any reason, it shall so notify the Corporation in writing and shall promptly pay to the Corporation all Project Costs incurred by the Corporation prior to such notification, and if payment is so made, the User's obligations under paragraph 5 above shall terminate from and after the date of such notification.

8. The User may, without the consent of the Corporation, transfer or assign this Agreement to Issue Bonds or transfer or assign any or all of its rights and delegate any or all of its duties hereunder to any of its subsidiaries or affiliates currently existing or hereafter created, but no such transfer, assignment or delegation shall, without the written consent and approval of the Corporation, relieve the User of its liability for payment of Project Costs under paragraphs 5 and 7 hereof or indemnification under paragraph 6 hereof.

9. The provisions of paragraphs 5 and 6 of this agreement shall survive the expiration or termination of this Agreement to Issue Bonds and the closing of the transactions contemplated by the Agreement.

IN WITNESS WHEREOF, the Travis County Housing Finance Corporation, acting pursuant to a resolution of its Board of Directors, and USER have caused this Agreement to Issue Bonds to be executed by their duly authorized officers as of the year and date first above written.

TRAVIS COUNTY HOUSING FINANCE CORPORATION

By: _____
Samuel T. Biscoe, President

USER

Pedcor Investments-2012-CXXX, L.P.,

By: Parmer Place Housing Company, LLC,
Its General Partner

By: Pedcor Investments, A Limited Liability Company, Its Manager

By: _____
Thomas G. Crowe,
Executive Vice President

RESOLUTION OF BOARD OF DIRECTORS PRESCRIBING THE FORM AND SUBSTANCE OF AN AGREEMENT TO ISSUE BONDS; AUTHORIZING THE EXECUTION OF SUCH AGREEMENT; AND CONTAINING OTHER PROVISIONS RELATING TO \$20,000,000 MULTIFAMILY HOUSING REVENUE BONDS (PARMER PLACE APARTMENTS PROJECT)

WHEREAS, Travis County Housing Finance Corporation (the "Corporation") is authorized by the Texas Housing Finance Corporations Act, Local Government Code, Chapter 394, Vernon's Annotated Texas Civil Statutes, as amended (the "Act"), to issue revenue bonds for the purpose of paying all or part of the cost of a Residential Development as defined in the Act, and to sell or lease the project to others or loan the proceeds of the bonds to others to finance all or part of the cost of the Residential Development; and

WHEREAS, the Act authorizes the Corporation: (a) to make loans to any person to provide financing for rental residential developments located within Travis County, Texas (the "County"), and intended to be occupied substantially (at least 90 percent) by persons of low and moderate income, as determined by the Corporation; (b) to issue its revenue bonds for the purpose of obtaining moneys to make such loans and provide such financing, to establish necessary reserve funds and to pay administrative costs and other costs incurred in connection with the issuance of such bonds; and (c) to pledge all or any part of the revenues, receipts or resources of the Corporation, including the revenues and receipts to be received by the Corporation from or in connection with such loans, and to mortgage, pledge or grant security interests in such loans or other property of the Corporation in order to secure the payment of the principal or redemption price of and interest on such bonds; and

WHEREAS, the Corporation now desires to authorize, issue and sell its tax-exempt housing finance revenue bonds, to the extent authorized by law, to provide funds to defray all or part of the cost of acquiring, constructing, equipping and financing a certain Residential Development to be known as Parmer Place Apartments by Pedcor Investments-2012-CXXX, L.P., a _____ limited partnership (the "User"); and

WHEREAS, the User and the Corporation desire that the Corporation adopt a resolution with respect to the bonds or take some other similar official action toward the issuance of such bonds prior to the commencement of construction or acquisition of such Residential Development; and

WHEREAS, Travis County, Texas (the "Unit"), has authorized and approved creation of the Corporation to act on its behalf to further certain public purposes of the Unit;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE TRAVIS COUNTY HOUSING FINANCE CORPORATION, THAT:

Section 1: The Corporation hereby authorizes and agrees that it will issue and sell its housing finance revenue bonds (the "Bonds") from time to time in one or more series pursuant to

the provisions of Texas law to pay all or part of the cost of acquiring and constructing the project described in Exhibit "A" to the Agreement to Issue Bonds attached hereto (the "Project"), together with all costs of authorization, sale and issuance of the Bonds. The Bonds will be issued and sold as more fully provided in the Agreement to Issue Bonds, and subject to the terms thereof, in a maximum aggregate principal amount expected to be issued for the Project in an amount not to exceed \$20,000,000.

Section 2: The proceeds of the Bonds will be used to finance the acquisition, construction, equipping and financing of the Project.

Section 3: The Corporation will enter into a financing agreement with the User providing for financing of all or part of the cost of the Project, as more fully described in the Agreement to Issue Bonds.

Section 4: The Board of Directors of the Corporation (the "Board of Directors") hereby finds, determines and declares that (i) the Project is required and suitable for the promotion of the construction of new, improved, or expanded residential development in the Unit, (ii) the User has the business experience, financial resources and responsibility to provide reasonable assurance that the Bonds and the interest thereon to be paid from, or by reason of, payments made by the User under the financing agreement will be paid as the same become due, and (iii) the Project is in furtherance of the public purposes set forth in the Act.

Section 5: The Agreement to Issue Bonds by and between the Corporation and the User in substance and in form substantially as shown in the attachment hereto is hereby approved and the President or Vice President and Secretary or Assistant Secretary of the Corporation are hereby authorized to execute and attest such Agreement to Issue Bonds for and on behalf of the Corporation.

Section 6: The Corporation hereby authorizes the filing of an Application For Allocation of Private Activity Bonds with the Texas Bond Review Board for the year 2012 for the amount of \$20,000,000 of qualified residential mortgage bonds, and the President of the Corporation, Samuel T. Biscoe, is designated as the authorized officer to execute and deliver such Application to the Texas Bond Review Board, and subject to any changes such officer deems necessary.

Section 7: That neither the User nor any other party is entitled to rely on this Resolution as a commitment to loan funds, and the Corporation reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Corporation shall not be subject to any liability or damages of any nature. Neither the User nor any one claiming by, through or under the User, nor any investment banking firm or potential purchaser of the Bonds shall have any claim against the Corporation whatsoever as a result of any decision by the Corporation not to issue the Bonds.

Section 8: This Resolution, together with the Agreement to Issue Bonds attached hereto, shall be deemed and construed as a resolution authorizing the issuance of the aforesaid Bonds or some other similar official action toward the issuance of the Bonds.

PASSED AND APPROVED this 2nd day of April, 2013.

Samuel T. Biscoe, President

CERTIFICATION

The above resolution, adopted by the Board of Directors of the Travis County Housing Finance Corporation at a meeting held on the 2nd day of April, 2013, is hereby certified to be a true and correct copy of an official copy thereof on file among the official records of such Corporation.

WITNESS my hand and seal of office this 2nd day of April, 2013.

Margaret Gomez, Secretary

RESOLUTION OF BOARD OF DIRECTORS PRESCRIBING THE FORM AND SUBSTANCE OF AN AGREEMENT TO ISSUE BONDS; AUTHORIZING THE EXECUTION OF SUCH AGREEMENT; AND CONTAINING OTHER PROVISIONS RELATING TO \$20,000,000 MULTIFAMILY HOUSING REVENUE BONDS (WILLIAM CANNON APARTMENTS PROJECT)

WHEREAS, Travis County Housing Finance Corporation (the "Corporation") is authorized by the Texas Housing Finance Corporations Act, Local Government Code, Chapter 394, Vernon's Annotated Texas Civil Statutes, as amended (the "Act"), to issue revenue bonds for the purpose of paying all or part of the cost of a Residential Development as defined in the Act, and to sell or lease the project to others or loan the proceeds of the bonds to others to finance all or part of the cost of the Residential Development; and

WHEREAS, the Act authorizes the Corporation: (a) to make loans to any person to provide financing for rental residential developments located within Travis County, Texas (the "County"), and intended to be occupied substantially (at least 90 percent) by persons of low and moderate income, as determined by the Corporation; (b) to issue its revenue bonds for the purpose of obtaining moneys to make such loans and provide such financing, to establish necessary reserve funds and to pay administrative costs and other costs incurred in connection with the issuance of such bonds; and (c) to pledge all or any part of the revenues, receipts or resources of the Corporation, including the revenues and receipts to be received by the Corporation from or in connection with such loans, and to mortgage, pledge or grant security interests in such loans or other property of the Corporation in order to secure the payment of the principal or redemption price of and interest on such bonds; and

WHEREAS, the Corporation now desires to authorize, issue and sell its tax-exempt housing finance revenue bonds, to the extent authorized by law, to provide funds to defray all or part of the cost of acquiring, constructing, equipping and financing a certain Residential Development to be known as William Cannon Apartments by Pedcor Investments-2012-CXXX, L.P., a _____ limited partnership (the "User"); and

WHEREAS, the User and the Corporation desire that the Corporation adopt a resolution with respect to the bonds or take some other similar official action toward the issuance of such bonds prior to the commencement of construction or acquisition of such Residential Development; and

WHEREAS, Travis County, Texas (the "Unit"), has authorized and approved creation of the Corporation to act on its behalf to further certain public purposes of the Unit;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE TRAVIS COUNTY HOUSING FINANCE CORPORATION, THAT:

Section 1: The Corporation hereby authorizes and agrees that it will issue and sell its housing finance revenue bonds (the "Bonds") from time to time in one or more series pursuant to

the provisions of Texas law to pay all or part of the cost of acquiring and constructing the project described in Exhibit "A" to the Agreement to Issue Bonds attached hereto (the "Project"), together with all costs of authorization, sale and issuance of the Bonds. The Bonds will be issued and sold as more fully provided in the Agreement to Issue Bonds, and subject to the terms thereof, in a maximum aggregate principal amount expected to be issued for the Project in an amount not to exceed \$20,000,000.

Section 2: The proceeds of the Bonds will be used to finance the acquisition, construction, equipping and financing of the Project.

Section 3: The Corporation will enter into a financing agreement with the User providing for financing of all or part of the cost of the Project, as more fully described in the Agreement to Issue Bonds.

Section 4: The Board of Directors of the Corporation (the "Board of Directors") hereby finds, determines and declares that (i) the Project is required and suitable for the promotion of the construction of new, improved, or expanded residential development in the Unit, (ii) the User has the business experience, financial resources and responsibility to provide reasonable assurance that the Bonds and the interest thereon to be paid from, or by reason of, payments made by the User under the financing agreement will be paid as the same become due, and (iii) the Project is in furtherance of the public purposes set forth in the Act.

Section 5: The Agreement to Issue Bonds by and between the Corporation and the User in substance and in form substantially as shown in the attachment hereto is hereby approved and the President or Vice President and Secretary or Assistant Secretary of the Corporation are hereby authorized to execute and attest such Agreement to Issue Bonds for and on behalf of the Corporation.

Section 6: The Corporation hereby authorizes the filing of an Application For Allocation of Private Activity Bonds with the Texas Bond Review Board for the year 2012 for the amount of \$20,000,000 of qualified residential mortgage bonds, and the President of the Corporation, Samuel T. Biscoe, is designated as the authorized officer to execute and deliver such Application to the Texas Bond Review Board, and subject to any changes such officer deems necessary.

Section 7: That neither the User nor any other party is entitled to rely on this Resolution as a commitment to loan funds, and the Corporation reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Corporation shall not be subject to any liability or damages of any nature. Neither the User nor any one claiming by, through or under the User, nor any investment banking firm or potential purchaser of the Bonds shall have any claim against the Corporation whatsoever as a result of any decision by the Corporation not to issue the Bonds.

Section 8: This Resolution, together with the Agreement to Issue Bonds attached hereto, shall be deemed and construed as a resolution authorizing the issuance of the aforesaid Bonds or some other similar official action toward the issuance of the Bonds.

PASSED AND APPROVED this 2nd day of April, 2013.

Samuel T. Biscoe, President

CERTIFICATION

The above resolution, adopted by the Board of Directors of the Travis County Housing Finance Corporation at a meeting held on the 2nd day of April, 2013, is hereby certified to be a true and correct copy of an official copy thereof on file among the official records of such Corporation.

WITNESS my hand and seal of office this 2nd day of April, 2013.

Margaret Gomez, Secretary

**Engagement Letter from VSI
Appraisal Group for
Columbus, OH Site Visits**



March 14, 2013

Ms. Karen Thigpen
Assistant Corporations Manager
Travis County Housing Finance Corporation
700 Lavaca, Suite 1560
Austin, Texas 78701
512.854.4743
karen.thigpen@co.travis.tx.us

Re: Site visit and conditions report for two sites located in Columbus and Marion, OH.

Dear Ms. Thigpen:

We appreciate the opportunity to provide you with an estimate to conduct a site visit and conditions report for two sites in Columbus and Marion, OH. Client hereby engages Vogt Santer Insights (VSI) Appraisal Group to complete a study as follows:

PROPERTY IDENTIFICATION

Two Multifamily properties in Columbus and Marion, Ohio.

PROPERTY TYPE

Existing

INTENDED USERS

Client

Note: No other users are intended by Appraiser. Appraiser shall consider the intended users when determining the level of detail to be provided in the Appraisal Report.

INTENDED USE

To assist Client in loan monitoring.

ANTICIPATED SCOPE OF WORK

Site visit

Interior and exterior observation, on-site including photos of interior and exterior.

Vogt Santer Insights Appraisal Group
781 Northwest Blvd, Columbus, Ohio 43212
Phone: 614-884-2200
Fax: 614-448-4336

REPORT

Report option

Summary of the quality and condition of the property and any resident programs or activities.

DELIVERY DATE

The report will be delivered within 2 weeks of initiation.

DELIVERY METHOD AND NUMBER OF COPIES

The report will be delivered as a PDF file via email. Hard copies will be made available for the cost of production and mailing.

PAYMENT TO APPRAISER

The fee for the assignment will be \$500 and includes all expenses and out of pocket costs. The fee will be paid upon delivery of the report.

CONFIDENTIALITY

Appraiser shall not provide a copy of the written Appraisal Report to, or disclose the results of the appraisal prepared in accordance with this Agreement with, any party other than Client, unless Client authorizes, except as stipulated in the Confidentiality Section of the ETHICS RULE of the Uniform Standards of Professional Appraisal Practice (USPAP).

CHANGES TO AGREEMENT

Any changes to the assignment as outlined in this Agreement shall necessitate a new Agreement. The identity of the client, intended users, or intended use; the date of value; type of value; or property appraised cannot be changed without a new Agreement.

CANCELLATION

Client may cancel this Agreement at any time prior to the Appraiser's delivery of the Appraisal Report upon written notification to the Appraiser. Client shall pay Appraiser for work completed on assignment prior to Appraiser's receipt of written cancellation notice, unless otherwise agreed upon by Appraiser and Client in writing. If the cancellation occurs after the site visit, then the fee will be set at a minimum of 50% of the total assignment fee or up to 100% of the total assignment fee if cancelled after the report is substantially complete.

NO THIRD PARTY BENEFICIARIES

Nothing in this Agreement shall create a contractual relationship between the Appraiser or the Client and any third party, or any cause of action in favor of any third party. This Agreement shall not be construed to render any person or entity a third party beneficiary of this Agreement, including, but not limited to, any third parties identified herein.

USE OF EMPLOYEES OR INDEPENDENT CONTRACTORS

Appraiser may use employees or independent contractors at Appraiser's discretion to complete the assignment, unless otherwise agreed by the parties. Notwithstanding, Appraiser shall sign the written Appraisal Report and take full responsibility for the services provided as a result of this Agreement.

TESTIMONY AT COURT OR OTHER PROCEEDINGS

Unless otherwise stated in this Agreement, Client agrees that Appraiser's assignment pursuant to this Agreement shall not include the Appraiser's participation in or preparation for, whether voluntarily or pursuant to subpoena, any oral or written discovery, sworn testimony in a judicial, arbitration or administrative proceeding, or attendance at any judicial, arbitration, or administrative proceeding relating to this assignment.

APPRAISER INDEPENDENCE

Appraiser cannot agree to provide a value opinion that is contingent on a predetermined amount. Appraiser cannot guarantee the outcome of the assignment in advance. Appraiser cannot insure that the opinion of value developed as a result of this Assignment will serve to facilitate any specific objective by Client or others or advance any particular cause. Appraiser's opinion of value will be developed competently and with independence, impartiality and objectivity.

GOVERNING LAW & JURISDICTION

The interpretation and enforcement of this Agreement shall be governed by the laws of the state in which the Appraiser's principal place of business is located, exclusive of any choice of law rules.

TERMS OF AGREEMENT

In addition to all other terms and conditions of this agreement, Appraiser and Client agree that Appraiser's services under this agreement and appraisal report(s), and any use of the report(s), are and will be subject to the statements, limiting conditions and other terms set forth in the appraisal report(s).

March 14, 2013

Page 4 of 4

Signing this proposal will serve as a contract. We will begin work on the report as soon as we receive this signed document.

Again, thank you for giving us the opportunity to submit this proposal to you. We look forward to working with you on this project.

Sincerely,



David W. Ross, Jr.
VSI Appraisal Group
Phone: 614.884.2201
Email: dross@vsinsights.com
Fax: 614-448-4336

Accepted:

Ms. Thigpen
Travis County Housing Finance Corporation

Date: _____

Vogt Santer Insights Appraisal Group
781 Northwest Blvd, Columbus, Ohio 43212
Phone: 614-884-2200
Fax: 614-448-4336

William Cannon Apartments Backup

- *The HFC Application Questionnaire**
- *Agreement to Issue Bonds**
- *Application for Financial Participation**
- *Resume for Pedcor Investments and Portfolio Information**
- *Sources and Uses**
- *15 Year Cash Flow**
- *Site Plan**
- *Location Maps**
- *William Cannon Green Building Characteristics**
- *William Cannon Tenant Service and Programming**

THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE

APPLICANT INFORMATION

PLEASE PROVIDE THE FOLLOWING INFORMATION ON THE APPLICANT
i.e. the entity that will own the residential development for which financing is requested
(referred to hereinafter as the "Project")

1. Name: Pedcor Investments-2012-CXXXI, L. P.
Address: 770 3rd Avenue, SW
City, ST Zip: Carmel, IN 46032
Phone #: 317-587-0341

2. Jurisdiction under whose law Applicant was organized.
Indiana

3. Form of organization of the Applicant.

For Profit Corporation	<input type="checkbox"/>
Limited Partnership	<input checked="" type="checkbox"/>
General Partnership	<input type="checkbox"/>
Sole Proprietorship	<input type="checkbox"/>
501 (c) (3) Corporation	<input type="checkbox"/>
Governmental Entity	<input type="checkbox"/>
Limited Liability Company	<input type="checkbox"/>

4. Does Applicant currently exist or is it to be formed?

Exists	<input checked="" type="checkbox"/>
To be formed	<input type="checkbox"/>

5. If the Applicant is a corporation, identify its directors, officers, and indicate their titles. If the Applicant is a Partnership, identify all of its general partners. If the Applicant is a limited liability company, identify all managers. Provide resumes of all persons identified to completed application.

See Questionnaire Attachment #1 for identity of the Partnership's general partners.

See Questionnaire Attachment #2 for resumes of identified persons.

6. Registered agent of Applicant for service of process.

Name: Thomas G. Crowe
Address: 770 3rd Avenue, SW
City, ST Zip: Carmel, IN 46032
Phone #: 317-587-0341
Email: tgcrowe@pedcor.net

7. Information for contact regarding questions and correspondence.

Name: Thomas G. Crowe
Address: 770 3rd Avenue, SW
City, ST Zip: Carmel, IN 46032
Phone #: 317-587-0341
Email: tgcrowe@pedcor.net

8. Name, address, phone # and email address for legal counsel for the Applicant (note: NOT bond counsel)

Name: Eric Neidlinger
Address: 770 3rd Avenue, SW
City, ST Zip: Carmel, IN 46032
Phone #: 317-705-7932
Email: ericn@pedcor.net

THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE

9. Name, address phone # and email for any and all financial consultant(s), investment banker(s), or mortgage banker(s) advising the Applicant in connection with the Project.

P/R Mortgage & Investments Corp. (Mike Dury 317-569-7420) is the FHA mortgage broker for this transaction. A bond underwriter will be selected in the future for sale of the tax-exempt securities.

10. List banking references (minimum of 2) with contacts.

Name: Citigroup Global Markets, Inc - Mark Risch, Director - Municipal Securities Division
Address: 1801 California Street, Suite 3700
City, ST Zip: Denver, CO 80202
Phone #: 303-308-7401
Email: mark.g.risch@citi.com

Name: P/R Mortgage & Investment Corporation -Michael Petrie
Address: 11555 North Meridian Street, Suite 400
City, ST Zip: Carmel, IN 46032
Phone #: 317-569-7420
Email: mpetrie@prmic.com

Name: Huntington National Bank - Douglas Anderson, VP/Senior Sales Executive - Commercial Real Estate
Address: 45 N. Pennsylvania Street, Suite 300
City, ST Zip: Indianapolis, IN 46204
Phone #: 317.237.2595
Email: doug.anderson@huntington.com

11. If the Applicant or any proposed or existing member of partner of the Applicant has applied for an exemption as a Community Housing Development Organization (CHDO), please provide a copy of the certification.

N/A

12. If the Applicant is a 501(c)(3) corporation, please provide a copy of its IRS exemption letter and its most recently filed IRS form 990.

N/A

13. If the Applicant is a 501(c)(3) corporation, the Corporation will require the Applicant to furnish at the closing an opinion of nationally recognized tax counsel satisfactory to the Corporation confirming the Applicant's 501(c)(3) exemption status.

N/A

14. Does the Applicant anticipate entering into a profits participation or joint venture agreement with a financial institution or other party with regard to the Project? If so, explain and provide any agreements between parties.

None other than the sale of a 99.99% L.P. interest typical of a tax credit transaction; the limited partner has not been selected at this point.

15. Is the principal owner related to any other organization by more than 50% common ownership? If so, indicate name or related organization and relationship.

The principals of the managing GP also have >50% ownership in the general contractor & property manager of the principal owner.

16. Identify all persons/entities that own a 10% or greater interest in the Applicant.

See Questionnaire Attachment #1

17. If any of the above persons own more than 50% of the principal owner, list all other organizations which are related to the principal owner as they have more than a 50% interest in the organizations.

See Questionnaire Attachment #1

THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE

18. Describe all previous experience with multifamily housing projects.

See Questionnaire Attachment #2

19. Has the Applicant, any of its officers or directors, or any person who owns a 10% or greater interest in the Applicant ever been found in violation of any rules or regulations of HUD or any other federal or state agency or been subject to an investigation by HUD or any other federal or state agency? If yes, attach a full explanation.

Yes

No

<input type="checkbox"/>
<input checked="" type="checkbox"/>

20. Is the Applicant or the Project in violation (or ever have been) with any housing code, laws, rules or regulations? If yes, please provide an explanation and verification of cure.

No

21. Does the Applicant or the Project have any tax liens filed against it with the county or other taxing jurisdiction? If yes, please specify.

No

22. Please explain to what extent, if any, the Applicant plans to promote the Corporation's goals, particularly (a) providing for efficient and well-planned growth and development including the limitation and prevention of potential urban blight and the proper coordination with surrounding uses including mass transit (if applicable), (b) assisting persons of low and moderate income in obtaining decent, safe and sanitary housing which they can afford.

Relative to goal (a): William Cannon Apartments is an infill site that was zoned for Multi-Family other than a small 1 acre parcel that we down-zoned from Local Retail to MF-3. While the site acreage is quite large, we are only developing a portion of the site so that the natural terrain and trees can be preserved. The site is within 0.3 miles of a major transit stop and there are several area amenities within walking distance.

Relative to goal (b): William Cannon Apartments will provide 252 additional Multi-Family housing rental units that will all be targeted at tenants whose incomes do not exceed 60% of the Area Median Income. All units will be designed to Market Rate Standards which will exceed normal standards of being decent, safe and sanitary.

THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE

23. Please submit copies of the Applicant's current affirmative action program, if any, and a written undertaking executed by a duly authorized officer of the Applicant that the Applicant will not discriminate on the basis of race, sex or age in the employment, promotion and termination of employment of employees who work in Travis County, Texas; that the Applicant will abide by the Affirmative Action Plan as included in the Application for Financing; and the Applicant will otherwise comply with equal opportunity standards in its employment practices with respect to such employees.

We do not have an affirmative action program. However, in many of our dealings in construction, we participate in MBE/WBE/VBE programs in coordination with local lenders, state agencies, etc.

See Questionnaire Attachment #3 for the written undertaking described above.

24. Please provide an organizational chart demonstrating the structure and relationship between the Applicant and other participating entities.

See Questionnaire Attachment #4

THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE

PROJECT INFORMATION

PLEASE PROVIDE THE FOLLOWING INFORMATION ON THE PROJECT.

Note that questions in **green** relate to rehabilitation projects only.

1. Provide the following information on the project:

New Construction; or
Rehabilitation

Address: 2112 East William Cannon Drive
City, Zip Austin 78744

Description of location of the site, and provide a map with the location marked.

Located approximately 1/2 mile east of Interstate 35 on the north side of East William Cannon Drive.

See Questionnaire Attachment #6

2. Number of acres comprised by the Project site.

27.43

3. Is the Project site currently zoned for multifamily housing?

Yes
No

Zoning: MF-3

4. Have all necessary approvals (including zoning, building and special use permits) been obtained from State, federal or local regulatory bodies? If no, please provide information on the status of permits/approvals.

Zoning is in place for the site. The plans have been reviewed and approved by AEGB with a One Star Rating as part of the SMART program approval process. The plans have been submitted to the City of Austin and we have received the first review relating to the architectural plans and are awaiting the first review of the site plans. We anticipate having a permitted project by the first of June.

5. Describe any existing improvements or structures on the site. Please indicate whether structures will be demolished.

There are existing water and wastewater lines on the site that we will connect to as part of our development. There are not any existing structures on the site.

6. Provide a legal description and the prior year's ad valorem tax statement.

See Questionnaire Attachment #7

7. Describe anticipated traffic impact in terms of vehicles per day, peak traffic hours and anticipated total volume.

Based on Trip Generation, 2003, 7th Edition, Institute of Transportation Engineers, Washington, D.C., the Total Traffic Volume in 24 hours will be 1,665 with an AM peak of 120 and a PM peak of 181

8. Does the Applicant currently own the Project site?

Yes
No

9. If the Applicant presently owns the Project site, please provide evidence of ownership and complete the following information.

Purchase Date

Purchase Price

Balance of Existing Mortgage:

Holder of Existing Mortgage:

THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE

10. If the Applicant presently holds an option to purchase the Project or Project site, please provide a copy of the executed Option Agreement. If option has been assigned, provide a detailed written description of the assignment including copies of all contracts and agreements relating to the assignment. Also, please provide the following:

See Questionnaire Attachment #8

11. Present Owner East William Cannon 2007, Ltd.
Purchase Price \$3,350,000
Date of Option Agreement 06/28/12
Expiration Date of Option Agreement 09/28/13

12. If the Applicant has an executed contract to purchase the Project or Project site, please provide a copy of the executed purchase contract between the Applicant and the Present Owner. If date acquired by the Present Owner is within 1 year of the date of this application, also provide a copy of the purchase contract between the seller and the Present Owner. Also, please provide the following:

Present Owner
Date of Contract
Purchase Price
Settlement Date
Date Present Owner Acquired Project or Project Site

13. If the Applicant does not presently own the Project or Project site, please describe any relationship that exists by virtue of common control or ownership between the Applicant and the Present Owner of the Project or Project site. Please provide copies of any documents demonstrating such a relationship exists.

N/A

14. Please indicate whether the cost of the Project site is to be included in the financing.

Yes
No

15. What is the present number and general description of residential units on the Project site?

Presently the property is undeveloped.

16. Does the Project consist of additions to and/or renovation and rehabilitation of existing units?

Yes
No

17. If a rehabilitation, what is the age of the units?

18. If a rehabilitation, generally describe the proposed additions/improvements to be made. Include descriptions of the type of improvements, and amount to be spent per unit and for common areas. Please provide a list of total project improvements by cost and category.

THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE

19. If a rehabilitation/existing property, please provide financial statements (YE balance sheets and profit and loss statements preferred) for the last three years.

20. Will any tenants require relocation due to the expected renovation and rehabilitation?

Yes
No

If yes, please provide a detailed relocation plan and budget.

21. Describe the overall style of the Project (e.g. garden apartments, midrise, high-rise, etc.), exterior construction materials, energy conservation considerations and landscaping design. Provide a site sketch showing proposed location of the units on the site and an architect's rendering if available.

The project will consist of 3-story garden style buildings plus a clubhouse. Exterior materials will be a combination of cement-board siding, stucco and stone. We have received construction design certification from AEGB of a one-star rating which includes a host of energy conservation items. The landscaping design incorporates the use of native plants that can thrive in Austin's environment.

See Questionnaire Attachment #9 for a copy of the site plan

22. Describe any additional facilities included or to be included in the Project, such as parking, WiFi, laundry, office, recreational facilities, computer lab/business center, etc. If any of the facilities are anticipated to generate income, indicate projected amount.

The project will include a number of amenities - the clubhouse will include a fitness center, community room, education center and business center. Additionally, the residents will enjoy a swimming pool with splash pad, covered pavilion with barbecue grills and tables, two childrens playgrounds, a dog park and community area WiFi. None of these facilities or amenities will generate income.

23. Please see tab II.a. to provide information on current and proposed rents and vacancy for the Project.

24. Please see tab II.b. to provide information on amenities planned for the Project as well as utility structure.

25. Describe any restrictions the Applicant intends to impose on project tenants (i.e. family size, no children, no pets, etc.)

Household size is limited to 2 persons/bedroom. All Section 42 restrictions. Also see Questionnaire Attachment #10.

26. Does the Applicant intend to set aside 5% of the units for occupancy by the elderly?

Yes
No Undecided

27. Does the Applicant intend to pay the required fee to the Texas Department of Aging and Disability Services at closing in lieu of offering 5% of units to the elderly?

Yes
No Undecided

28. Please see tab II.c. to provide estimated costs of developing, constructing and equipping, or acquiring and rehabilitating the Project. Provide additional information as necessary.

29. Has construction or rehabilitation work on the Project begun?

Yes
No

30. Please indicate construction start and completion date, and date units will be available for occupancy.

Start July, 2013
Completion December, 2014
Initial Occupancy June, 2014

THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE

31. Please provide the contact information for the contractor for the Project. Provide any information concerning projects previously completed by this contractor, including location, date of completion, # of units and approximate construction costs for each project.

See Questionnaire Attachment #11

Name: Pedcor Construction Management, LLC - Tom Koontz
Address: 770 3rd Ave, SW
City, ST Zip: Carmel, IN 46032
Phone #: 317-587-0342
Email: tomk@pedcor.net

32. Please provide the following information on the architect for the Project.

Name: Kelly Grossman - John Kelly and J. Mike Grossman
Address: 260 Addie Road, Suite 210
City, ST Zip: Austin, TX 78746
Phone #: 512-327-3397
Email: jkelly@kellygrossmanarchitects.com, jmike@kellygrossmanar

33. If work has begun, indicate the type and amount of costs expended or incurred to date with respect to the Project.

All work to date has been pre-construction; zoning, architectural & civil design, various studies and financing. Estimated costs incurred to date exceed \$500,000.

34. Describe briefly the anticipated arrangements for management of the Project. If a professional management company will be employed, provide a resume for the company and an estimate of the management fee either monthly or annually.

Pedcor Management Corporation (an affiliate of the general partner) will be the professional management company for this project. Their management fee will be 3.00%. In addition, Pedcor Investments, A Limited Liability Company(an affiliate of the general partner) will be responsible for all accounting services and will be paid a fee of 1.50%. A resume has been included as Questionnaire Attachment #12.

35. If a professional management company will be employed, please provide the name, address, phone # and email for the company.

Name: Pedcor Management Corporation - Margie Williamson
Address: 770 3rd Ave, SW
City, ST Zip: Carmel, IN 46032
Phone #: 317-564-5863
Email: margiew@pedcor.net

36. Make a statement regarding the demand and market need for the Project and provide proof, if any (i.e. market survey, feasibility analysis, etc.)

Austin is one of the fastest growing markets in the United States. While the market has seen a fair number of new apartment communities, the overwhelming majority have been at market rate rents. There is a strong demand for additional quality affordable renta housing. Please see Questionnaire Attachment #13 for the Market Study

THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE

37. State the best estimates as to the minimum family income levels of the expected tenants required in order to pay anticipated monthly rental amounts.

Typically the minimum family income requirement is approximately three times the annual rent. This may not always be the case especially if the potential resident has a co-signor, rental assistance, increased deposit or other mitigating circumstances.

THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE

CURRENT AND PROPOSED RENTS

If the Project is a rehab of an existing property, please provide the following information on the current rents and vacancy.

CURRENT RENTS

Unit Type	Sq. Ft.	# of Units	Set-aside*	# Vacant	Current Rent	Rent Per SF
						#DIV/0!
						#DIV/0!
						#DIV/0!
						#DIV/0!
						#DIV/0!
						#DIV/0!
						#DIV/0!
						#DIV/0!
						#DIV/0!
						#DIV/0!
						#DIV/0!
						#DIV/0!
						#DIV/0!
						#DIV/0!
						#DIV/0!
						#DIV/0!
Total/Avg	#DIV/0!	0		0	#DIV/0!	

*Or other affordability restriction if applicable

Indicate the unit mix, rents, and affordability restrictions for the Project.

PROPOSED RENTS

Unit Type	Sq. Ft.	# of Units	Set-aside*	Proposed Rent	Rent Per SF
1bed/1bath	723	4	50%	\$555	0.76763
1bed/1bath	723	68	60%	\$692	0.95712
					#DIV/0!
2bed/2bath	995	132	60%	\$824	0.82814
					#DIV/0!
3bed/3bath	1,231	48	60%	\$916	0.74411
					#DIV/0!
Total/Avg	918	252		\$747	

*Or other affordability restriction if applicable

THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE

AMENITIES AND UTILITIES

Please indicate which of the following equipment, if any, will be included in the Project's dwelling units:

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;"><input checked="" type="checkbox"/></td><td>Range</td></tr> <tr><td style="text-align: center;"><input checked="" type="checkbox"/></td><td>Refrigerator</td></tr> <tr><td style="text-align: center;"><input checked="" type="checkbox"/></td><td>Central A/C</td></tr> <tr><td style="text-align: center;"><input checked="" type="checkbox"/></td><td>Ceiling Fans</td></tr> <tr><td style="text-align: center;"><input type="checkbox"/></td><td>Washer/Dryer</td></tr> </table>	<input checked="" type="checkbox"/>	Range	<input checked="" type="checkbox"/>	Refrigerator	<input checked="" type="checkbox"/>	Central A/C	<input checked="" type="checkbox"/>	Ceiling Fans	<input type="checkbox"/>	Washer/Dryer	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;"><input checked="" type="checkbox"/></td><td>Garbage Disposal</td></tr> <tr><td style="text-align: center;"><input checked="" type="checkbox"/></td><td>Carpet</td></tr> <tr><td style="text-align: center;"><input type="checkbox"/></td><td>Ceramic Tile</td></tr> <tr><td style="text-align: center;"><input checked="" type="checkbox"/></td><td>Drapes/Blinds</td></tr> <tr><td style="text-align: center;"><input checked="" type="checkbox"/></td><td>W/D Connections</td></tr> </table>	<input checked="" type="checkbox"/>	Garbage Disposal	<input checked="" type="checkbox"/>	Carpet	<input type="checkbox"/>	Ceramic Tile	<input checked="" type="checkbox"/>	Drapes/Blinds	<input checked="" type="checkbox"/>	W/D Connections	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;"><input checked="" type="checkbox"/></td><td>Dishwasher</td></tr> <tr><td style="text-align: center;"><input type="checkbox"/></td><td>Fireplace</td></tr> <tr><td style="text-align: center;"><input type="checkbox"/></td><td>Cable TV</td></tr> <tr><td style="text-align: center;"><input type="checkbox"/></td><td>High Speed Internet Access</td></tr> <tr><td style="text-align: center;"><input checked="" type="checkbox"/></td><td>Other: 9' ceilings and microwave ovens</td></tr> </table>	<input checked="" type="checkbox"/>	Dishwasher	<input type="checkbox"/>	Fireplace	<input type="checkbox"/>	Cable TV	<input type="checkbox"/>	High Speed Internet Access	<input checked="" type="checkbox"/>	Other: 9' ceilings and microwave ovens
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<input type="checkbox"/>	High Speed Internet Access																															
<input checked="" type="checkbox"/>	Other: 9' ceilings and microwave ovens																															

Please provide whether utilities are gas or electric and if they will be paid by the tenant:

Utility	Gas/Electric	Paid by Tenant or Owner
Heating	Electric	Tenant
A/C	Electric	Tenant
Cooking	Electric	Tenant
Other Electric	Electric	Tenant
Hot Water	Electric	Tenant
Water	N/A	Tenant
Sewer	N/A	Tenant
Trash	N/A	Owner
Basic Cable	N/A	Tenant

THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE

DEVELOPMENT COSTS

ITEM	COST
Land	See Attached Sources & Uses.
Existing Improvements	
Demolition	
Site Work	
Relocation	
New Construction Hard Costs	
Rehabilitation Hard Costs	
Contractor Overhead	
Contractor Profit	
Construction Contingency	
Architect Fee - Design	
Architect Fee - Supervision	
Permits	
Construction Insurance	
Construction Interest	
Loan Origination - Construction	
Loan Origination - Permanent	
Credit Enhancement Fees	
Taxes	
Title and Recording	
Property Appraisal	
Market Study	
Environmental Study	
Start Up - Marketing	
Surveys & Soil Testing	
Organizational	
Bridge Loan Fees	
Tax Opinion	
Developer's Overhead	
Developer's Fee	
Rent-up Reserve	
Operating Reserve	
Cost of Issuance	
Other	
TOTAL DEVELOPMENT COSTS	See Attached Sources & Uses.

THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE

FINANCING INFORMATION

PLEASE PROVIDE THE FOLLOWING INFORMATION ON THE FINANCING FOR THE PROJECT

1. Please provide an appraisal of the Project no less than 30 days prior to anticipated final approval by the Corporation's Board of Directors. The Appraisal should be dated within 120 days of the anticipated final approval date. If the site is vacant, please provide a land appraisal. Please note, multifamily land sales should be utilized to determine value for multifamily land. If the Project is an existing multifamily property, please provide an appraisal that includes a land and "as is" value. If the property is currently market rate and the regulatory agreement will restrict rents/cash flow, please also provide "as proposed" stabilized and unstabilized values, and a value of the favorable financing.

Total Development Costs (will populate from tab II.c.)

See Attached Sources & Uses.

2. Of total development costs, please indicate the percentage of the Project costs for the Applicant desires financing and the amount of equity investment in the Project which the Applicant proposes to make.

Percentage	Approximately 54%
Equity Investment	Approximately \$12.8MM

3. Briefly describe the nature of the equity investment.

The equity investment will be derived from the sale of a 99.99% LP interest in the owner. The structure of the investment will be tailored to the to-be-determined investor but will follow conventional norms for tax credit industry.

4. State the maximum principal amount of bonds that the Applicant desires that the Corporation issue to provide financing or refinancing for the Project.

\$ 20,000,000

5. If a refinancing of bonds previously issued by the Corporation, please describe the current financial situation of the Project, the refinancing plans, and the future cash flow expectations in detail. Also describe whether the Project will be sold by the current owner before or after the bonds are issued.

N/A

6. Indicate any other rent supplement, loan guarantee, grant or mortgage insurance for which the Applicant has made, or intends to make, application for with respect to the Project.

We have submitted a pre-application to the San Antonio HUD office for 221(d)4 financing and anticipate being invited to FIRM in April. Additionally, we will seek 4% tax credits through TDHCA.

7. Has the Applicant made application to HUD for housing assistance payments under Section 8 of the U.S. Housing Act of 1937? If so, on what percentage of the Project's units?

Yes, on 100% of the units

Yes, on 20% of the units

No

<input type="checkbox"/>
<input type="checkbox"/>
<input checked="" type="checkbox"/>

THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE

8. Please describe all sources of financing.

Sources of financing will included short term tax exempt bonds, a FHA/GNMA guaranteed taxable loan, and equity from the sale of a 99.99% LP interest.

10. Please provide a detailed statement of sources and uses for funds through completion of the acquisition/rehab and/or construction of the Project. If construction is in progress, please additionally provide a sources and uses for what has been spent to date.

See Sources & Uses of Funds.

11. Please describe the status of obtaining the sources of funds listed in the statements and describe plans for obtaining financing if it is not obtained from the original source of funds:

We have submitted a pre-application to the San Antonio HUD office for FHA 221(d)4 financing and anticipate being invited to FIRM in April. Additionally, we will seek 4% tax credits through TDHCA. The sale of the 99.99% LP interest will marketed shortly.

12. Will any of the funds be used to repay or refinance an existing mortgage or outstanding loan?

Yes
No

<input type="checkbox"/>
<input checked="" type="checkbox"/>

13. What percentage of the requested financing is working capital?

FHA regulations provide for a 2.00% LOC for working capital requirements.

14. Describe any other important aspects of the proposed financing, including the nature of the security and required reserve funds. Include a detailed description of any existing or proposed ground leases relating to the Project site, existing deed restrictions, subordinate debt, taxable financing, sale-leaseback arrangements and rights to repurchase the Project or Project site

A cash operating reserve will be established, funded and released according the partnership agreement to be consummated with the limited partner. In addition, FHA requires an operating deficit reserve letter of credit (in the amount of 6.25% of the FHA mortgage loan amount) to be established upon opening of the loan which will be governed by their regulations. It is anticipated that tax exempt bonds to be issued by Travis County will be fully collateralized by cash proceeds so as to receive one of the highest credit ratings from a national credit agency and sold publically. Alternatively the bonds mayl be sold to an accredited investor, for example a national bank. In either case, the tax exempt bonds will be fully retired shortly after construction completion.

15. Name and contact information of the financial institution (bank, investment banking firm, etc.), if determined, which may be interested in purchasing the bonds if and when such bonds may be approved for sale. It is the responsibility of the Applicant to arrange for the marketing of the bonds if the financing is approved, with the Corporation's concurrence.

Institution: To-Be-Determined.
Contact Name:
Address:
City, ST, ZIP
Phone #
Email

**THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE**

16. If the Applicant has a credit rating, please state the rating and agency:

Agency: N/A Rating:

17. If the Applicant is a limited partnership, indicate whether it is anticipated that there will be a syndicated offering of partnership interests.

There will be a syndicated offering or private placement of 99.99% of the partnership's interest.

18. Explain how the Project will be financed if all or a portion of the amount of the financing applied for herein is denied:

To the extent the Applicant receives less sources than shown in the attached sources and uses statement, it will defer additional related party fees to achieve financial feasibility.

19. Has any member of the identified development team filed/declared bankruptcy or reorganization under bankruptcy law and regulations? If yes, please explain.

No.

20. Will the bonds be sold to the public or sold in a private placement to institutional investors? Additional documentation, including an offering memorandum or other disclosure document, may be required in the future, depending on the nature of the proposed offering.

Likely a public offering however a private placement is possible depending on the relative efficacy of each execution.

21. If the applicant is not a 501 (c) (3), please provide a balance sheet, profit and loss statement, and statement of financial position OR an annual report to stockholders and an annual report and Form 10-K to the Securities and Exchange Commission for the Applicant.

22. Please provide financial statement of the Applicant for the most recent fiscal quarter which ended at least 45 days prior to this Application.

The Applicant is a recently formed limited partnership which will be a single asset entity.

23. Please detail all changes or events known to management subsequent to the date of the most recent audited balance sheet (including, but not limited to, pending or threatened litigation, claims, assessments, commitments, subsequent information regarding uncollectability of receivables, valuation of assets, changes in corporate structure or statements or prior period financial statements) which may have a material effect on the Applicant's financial position (provide data separately if necessary to provide more detailed information):

24. List the face amount of all tax-exempt financing previously arranged by or for the benefit of the principal owner in the County.

Date of Issue	Original Face Amount	Current Outstanding Amount
<u>None</u>		

25. Please provide a 15 year pro forma cash flow statement for the Project. Include line items for administrative, operating and maintenance costs, taxes, insurance, payroll and management at a minimum.

See attached Cash Flow Statement.

AGREEMENT TO ISSUE BONDS

THIS AGREEMENT TO ISSUE BONDS, entered into as of the ____ day of _____, 2013, by and between Travis County Housing Finance Corporation (the "Corporation"), created pursuant to the authority of the Texas Housing Finance Corporations Act, Local Government Code, Chapter 394, Tex. Rev. Civ. Stat. (the "Act"), and Pedcor Investments-2012-CXXXI, L.P. (the "User"), for the purpose of carrying out the public purpose set forth in the Act, including the promotion and development of new, expanded or improved residential development to provide decent, safe, and sanitary housing for residents of Travis County, Texas;

WITNESSETH

WHEREAS, Travis County, Texas (the "Unit") has authorized and approved the creation of the Corporation to act on behalf of the Unit for the public purpose of furthering on behalf of the Unit the promotion and development of new, expanded or improved residential development to provide decent, safe, and sanitary housing for residents of the Unit; and

WHEREAS, the Corporation is authorized by the Act to acquire, construct, improve, maintain, equip and furnish and to lease or sell "residential developments", as that term is defined in the Act, or to make loans for the purpose of providing financing for all or part of the costs of a residential development, and the Corporation is further authorized to issue its bonds for the purpose of paying all or part of the costs of a residential development; and

WHEREAS, the User desires to acquire and construct a residential development, more particularly described in Exhibit "A" attached hereto, within the Unit (the "Project"), which Project is suitable for the promotion of new, expanded or improved residential development to provide decent, safe, and sanitary housing for residents of Travis County, Texas; and

WHEREAS, pursuant to the Act, the Corporation is authorized to issue the bonds hereinafter described, which bonds shall never constitute an indebtedness or pledge of the faith and credit of the State of Texas (the "State"), of the Unit, or of any other political corporation, subdivision or agency of the State within the meaning of any State constitutional or statutory provision, shall never be paid in whole or in part out of any funds raised or to be raised by taxation or any other funds of the Unit, and shall never be paid in whole or in part out of any funds of the Corporation except those derived from or in connection with the sale or lease of the Project or the loan of funds to finance the Project; and

WHEREAS, to provide decent, safe, and sanitary housing for residents of Travis County, Texas, the Corporation agrees to issue at the request of the User, one or more series of the Corporation's housing finance revenue bonds (the "Bonds") for the purpose of paying all or part of the costs of constructing and acquiring the Project, or for the purpose of loaning the proceeds to the User in order to provide temporary or permanent financing of all or part of the cost of constructing and acquiring the Project, and the Corporation and the User deem it desirable and proper that this Agreement to Issue Bonds constitutes a formal record of such agreement and understanding in

order that the User may proceed with or provide for the acquisition and construction of the Project; and

WHEREAS, the User has evidenced a desire to cooperate with the Corporation in the acquisition and construction of the Project and for the Corporation to authorize and issue the Bonds in the aggregate principal amount now estimated not to exceed \$20,000,000 to provide the funds to defray all or part of the cost of the acquisition and construction of the Project; and

WHEREAS, the Corporation and the User contemplate that the Project will be sold on an installment payment basis or leased to the User or that proceeds of the Bonds will be loaned to the User in order to provide temporary or permanent financing of all or part of the costs of the Project and that the installment purchase, rental or loan payments therefor will be sufficient to pay the principal of and any premium and interest on the Bonds; and

WHEREAS, it is the desire of the Corporation that the acquisition and construction of the Project occur at the earliest possible time so as to provide decent, safe, and sanitary housing for residents of Travis County, Texas;

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration and of the mutual benefits, covenants and agreements herein expressed, the Corporation and the User agree as follows:

1. The User shall commence with the acquisition and construction of the Project, which Project will be in furtherance of the public purpose of the Corporation and the Unit as aforesaid, and the User will provide, or cause to be provided, at its expense, the necessary interim financing to expedite the commencement of the acquisition and construction of the Project. On or prior to the issuance of the Bonds, the User will enter into a purchase, lease or loan agreement on an installment payment basis (herein called the "Agreement") with the Corporation under which the Corporation will sell or lease the Project to the User or make a loan to the User, or to a financial institution designated by the User for the purpose of providing temporary or permanent financing of all or part of the costs of the Project, and the User will make installment payments sufficient to pay the principal of and any premium and interest on such series of Bonds. The Bonds shall never constitute an indebtedness or pledge of the faith and credit of the State, of the Unit, or of any other political corporation, subdivision or agency of the State within the meaning of any State constitutional or statutory provision, and the Bonds shall never be paid in whole or in part out of any funds raised or to be raised by taxation or any other funds of the Unit, and shall be payable from the funds of the Corporation derived from or in connection with the sale or lease of the Project or the loan of the proceeds of the Bonds.

2. On receipt of a ruling from the Internal Revenue Service (or the opinion of nationally recognized bond counsel) that interest paid on the Bonds is exempt from federal income taxation and subject to the requirements of the Policy Guidelines and the Act, and upon receipt of favorable reports from the Corporation's legal and financial advisors concerning the issuance of the Bonds and from the Corporation's engineering consultant concerning the environmental and traffic

impact of the Residential Development; the Corporation hereby agrees to issue, pursuant to the terms of the Act, the Bonds, or from time to time, the portion thereof as may be the subject of such a ruling or opinion as aforesaid, in an appropriate principal amount not exceeding that which is the subject of a ruling or opinion as aforesaid, maturing in such amount and times, bearing interest at the rate, payable on the dates and having such optional and mandatory redemption features and prices as are approved in writing by the User. The Corporation will deliver the Bonds to the purchaser designated by the User and will cooperate to the fullest extent in facilitating delivery of the Bonds.

3. The Corporation and the User agree that the Bonds may be issued either at one time or in several series from time to time as the User shall request in writing; provided, however, that the parties agree that the Bonds will be issued in an aggregate principal amount as will not exceed the amount that is the subject of a ruling or rulings or opinion or opinions as aforesaid. A request in writing for issuance of one or more series of Bonds shall not affect the obligation hereunder of the Corporation to issue the remaining Bonds as written requests therefor are received. It is further agreed that the proceeds of the Bonds or portions thereof, whether or not issued in a series, shall not be invested so as to constitute the Bonds or a portion thereof as arbitrage bonds under the Internal Revenue Code of 1986, as amended, and applicable regulations promulgated pursuant thereto.

4. The payment of the principal of and any premium and interest on the Bonds shall be made solely from moneys realized from the sale or lease of the Project or from moneys realized from the loan of the proceeds of the Bonds to finance all or part of the costs of the Project.

5. The costs of the Project (the "Project Costs") may include any cost of acquiring, constructing, remodeling, repairing, renovating and improving the Project. Without limiting the generality of the foregoing, the Project Costs shall specifically include the cost of: (i) acquiring any land, rights-of-way, options to purchase land, easements, leasehold estates in land and interests of all kinds in land related to such Project; (ii) acquiring, constructing, repairing, renovating, remodeling or improving all buildings and structures to be used as or in connection with the Project; (iii) site preparation, including the cost of demolishing or removing any buildings or structures the removal of which is necessary or incident to providing the Project; (iv) machinery, equipment, furnishings and facilities necessary or incident to the equipping of the Project so that it may be placed in operation; (v) financing charges, start-up costs and interest prior to and during construction and for two years after completion of construction, whether or not capitalized; and (vi) architectural, engineering, legal and related services (including fees for legal counsel and the financial advisor to the Issuer), plans, specifications, surveys, studies, estimates of cost and of revenue, other expenses necessary or incident to planning, providing or determining the feasibility and practicability of acquiring, constructing, reconstructing, improving and expanding the Project, administrative expenses and such other expenses as may be necessary or incident to the acquisition, construction, remodeling, repair, renovation or improvement of the Project, the placing of the Project in operation and all incidental expenses, costs and charges relating to the Project not enumerated above. The parties agree, upon request, to provide or cause to be provided to each other any data or information that may be reasonably required to verify any of the Project Costs enumerated in this paragraph. The User agrees that it will be responsible for and pay any Project

Costs incurred whether before or after the date of this Agreement prior to issuance of the Bonds and will pay all Project Costs that are not or cannot be paid or reimbursed from the proceeds of the Bonds.

6. The User agrees that it will at all times indemnify and hold harmless the Corporation, the directors of the Corporation, the Unit, the Commissioners' Court of the Unit (both individually and as a group) and any officers, directors, employees, agents, consultants, servants and any other party acting for or on behalf of the Corporation or the Unit (such parties being hereinafter referred to as the "Indemnified Parties") against all losses, costs, damages, expenses and liabilities (collectively referred to hereinafter as "Losses") of whatsoever nature (including, but not limited to, attorney's fees, litigation and court costs, amounts paid in settlement and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of or relating to one or more Claims, as hereinafter defined, even if such Losses or Claims, or both, directly or indirectly result from, arise out of or relate to, or are asserted to have resulted from, arisen out of or related to, in whole or in part, one or more negligent acts or omissions of any one or more of the Indemnified Parties in connection with the issuance of the Bonds or that in any way pertain to the duties or activities or lack thereof, whether real or alleged, of any such Indemnified Party incidental to the issuance of the Bonds. The term "Claims" as used herein shall mean all claims, lawsuits, causes of action and other legal actions and proceedings of whatever nature, including, but not limited to, claims, lawsuits, causes of action and other legal actions and proceedings involving bodily or personal injury or death of any person or damage to any property (including, but not limited to, persons employed by the Corporation, the Unit, the User or any other person and all property owned or claimed by the Corporation, the Unit, the User, any affiliate of the User or any other person) or involving damages relating to the issuance, offering, sale or delivery of the Bonds brought against the Corporation or the Unit or to which the Corporation or the Unit is party, even if groundless, false or fraudulent, that directly or indirectly result from, arise out of or relate to the issuance, offering, sale or delivery of the Bonds or the design, construction, installation, operation, use, occupancy, maintenance or ownership of the Project or any part thereof. The obligations of the User shall apply to all Losses or Claims, or both, that result from, arise out of or are related to any event, occurrence, condition or relationship prior to termination of this Agreement to Issue Bonds, whether such Losses or Claims, or both, are asserted prior to termination of this Agreement to Issue Bonds or thereafter. None of the Indemnified Parties shall be liable to the User for, and the User hereby releases each of them from all liability to the User for any injuries, damages or destruction to all or any part or parts of any property owned or claimed by the User that directly or indirectly result from, arise out of or relate to the issuance, offering, sale or delivery of the Bonds or the design, construction, installation, operation, use, occupancy, maintenance or ownership of the Project or any part thereof, even if such injuries, damages or destruction directly or indirectly result from, arise out of or relate to, in whole or in part, one or more negligent acts or omissions of any one or more of the Indemnified Parties in connection with the issuance of the Bonds or in connection with the Project. Each Indemnified Party, as appropriate, shall reimburse the User for payments made by the User to the extent of any proceeds, net of all expenses of collection, actually received by them from any insurance with respect to the Loss sustained. At the request and expense of the User, each of the Indemnified Parties, as appropriate, shall have the duty to claim any such insurance proceeds and such Indemnified Party, as appropriate, shall assign their respective rights to such proceeds, to

the extent of such required reimbursement, to the User. In case any action shall be brought against any one or more of the Indemnified Parties, such Indemnified Party shall promptly notify the User in writing and the User shall have the right to assume the investigation and defense thereof, including the employment of counsel and the payment of all expenses. The Indemnified Party shall have the right to employ separate counsel in any such action and participate in the investigation and defense thereof, but the fees and expenses of such counsel shall be paid by the Indemnified Party unless the employment of such counsel has been authorized by the User. The User shall not be liable for any settlement of any such action without its consent, but, if any such action is settled with the consent of the User or if there be final judgment for the plaintiff of any such action, the User agrees to indemnify and hold harmless the Indemnified Parties from and against any Loss by reason of such settlement or judgment.

7. If within three (3) years from the date hereof (or such later date as shall be mutually satisfactory to the Corporation and the User) the Corporation and the User shall not have agreed to mutually acceptable terms for the Bonds and for the sale and delivery thereof and mutually acceptable terms and conditions of the Agreement, the User agrees that it will pay the Corporation for all unpaid Project Costs which the Corporation shall have incurred and this Agreement to Issue Bonds (other than the obligations of the parties under paragraph 6 hereof) shall thereupon terminate. In the event that the User elects, prior to any such termination, not to proceed with the issuance of the Bonds for any reason, it shall so notify the Corporation in writing and shall promptly pay to the Corporation all Project Costs incurred by the Corporation prior to such notification, and if payment is so made, the User's obligations under paragraph 5 above shall terminate from and after the date of such notification.

8. The User may, without the consent of the Corporation, transfer or assign this Agreement to Issue Bonds or transfer or assign any or all of its rights and delegate any or all of its duties hereunder to any of its subsidiaries or affiliates currently existing or hereafter created, but no such transfer, assignment or delegation shall, without the written consent and approval of the Corporation, relieve the User of its liability for payment of Project Costs under paragraphs 5 and 7 hereof or indemnification under paragraph 6 hereof.

9. The provisions of paragraphs 5 and 6 of this agreement shall survive the expiration or termination of this Agreement to Issue Bonds and the closing of the transactions contemplated by the Agreement.

IN WITNESS WHEREOF, the Travis County Housing Finance Corporation, acting pursuant to a resolution of its Board of Directors, and USER have caused this Agreement to Issue Bonds to be executed by their duly authorized officers as of the year and date first above written.

TRAVIS COUNTY HOUSING FINANCE CORPORATION

By: _____
Samuel T. Biscoe, President

USER

Pedcor Investments-2012-CXXXI, L.P.,

By: William Cannon Housing Company, LLC,
Its General Partner

By: Pedcor Investments, A Limited Liability Company, Its Manager

By: _____
Thomas G. Crowe,
Executive Vice President

Application Number _____

TRAVIS COUNTY HOUSING FINANCE CORPORATION
700 Lavaca, Suite 1560
Austin, Texas 78701
Attention: Samuel T. Biscoe, President

**APPLICATION FOR FINANCIAL PARTICIPATION
AND INDEMNIFICATION AGREEMENT**

TO: The Board of Directors of the Travis County Housing Finance Corporation:

The undersigned, on behalf of the entity named as Applicant, hereby applies to the Travis County Housing Finance Corporation (the "Corporation") for Residential Development Financing, pursuant to the Texas Housing Finance Corporations Act, and pursuant to the Policy Guidelines for Receiving and Approving Applications for Financial Participation in Residential Developments of the Corporation.

We have reviewed the Corporation's Policy Guidelines presented to us and in effect on the date hereof, and we agree to and accept the terms hereof.

The Residential Development Financing Questionnaire has been completed to the best of our ability, and submitted to the Corporation's staff, and the information contained therein and on any attachments thereto, represent a reasonable comprehensive outline of the Residential Development and the financing requested in connection therewith.

We submit herewith the Processing Fees required by subparagraph III(A)(1) of your Policy Guidelines, together with two copies of the executed Agreement to Issue Bonds required by Subparagraph II(A)(2) of the Policy Guidelines.

Preliminary Official Action, pursuant to paragraph II(B) of the Policy Guidelines is requested.

The undersigned warrants that he is authorized to submit this application on behalf of the Applicant.

Pedcor Investments-2012-CXXXI, L.P.,

By: William Cannon Housing Company, LLC,
Its General Partner

By: Pedcor Investments, A Limited Liability Company, Its Manager

By: _____
Thomas G. Crowe,
Executive Vice President

Presently Estimated Amount of
Project Financing Requested:

\$20,000,000

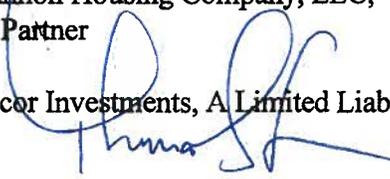
As an inducement to the Corporation and the Commissioners' Court of Travis County, Texas, to accept, review and favorably consider and approve said application and to issue the obligations therein contemplated, and whether or not all or any part thereof are ever actually approved or issued, Applicant agrees to (a) pay all facility costs which are not or cannot be paid or reimbursed from the proceeds of obligations issued by the Corporation, and (b) at all times indemnify and hold harmless the Corporation, the Commissioners' Court, their members, directors, officers, agents, contractors, and employees against all losses, costs, damages, expenses and liabilities of whatsoever nature or kind (including, but not limited to, attorney's fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgment) direct or indirectly resulting from, arising out of or related to the acceptance, consideration and approval or disapproval of such Application or the issuance, offering, sale, delivery or payment of any such obligations and interest thereon, or the design, construction, installation, operation, use, occupancy, maintenance or ownership of the Facility.

It is understood and agreed that this undertaking shall be continuing and shall survive and continue to be effective after any approval or disapproval of this Application and the issuance or failure to issue any such obligations and the construction and operation of the Facility. It is also understood that additional indemnity agreements may be required by the Corporation from the applicant or others, such as guarantors, prior to the final approval of such Application.

The undersigned officer of Applicant hereby certifies that he or she is duly authorized to submit the foregoing Application on behalf of the Applicant and that the foregoing information is true and correct to the best of his or her knowledge and belief submitted on the 6th day of March, 2013.

Pedcor Investments-2012-CXXXI, L.P.,

By: William Cannon Housing Company, LLC,
Its General Partner

By:  Pedcor Investments, A Limited Liability Company, Its Manager

By: _____
Thomas G. Crowe,
Executive Vice President

Questionnaire Attachment #2



Pedcor Investments, A Limited Liability Company
One Pedcor Square, 770 3rd Avenue, S.W.
Carmel, Indiana 46032
(317) 587-0320
FAX (317) 587-0340

www.pedcorcompanies.com

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PEDCOR INVESTMENTS,
A LIMITED LIABILITY COMPANY

**PEDCOR INVESTMENTS,
A Limited Liability Company**

Pedcor Investments, A Limited Liability Company ("Pedcor") was founded in 1987 when its original principals, Gerald K. Pedigo and Bruce A. Cordingley, developed and constructed the first for profit IRC Section 42 Low Income Housing Tax Credit ("LIHTC") rental housing project in central Indiana. Today, Pedcor is one of the largest developers of affordable housing within the multifamily housing tax credit program and with reference to Affordable Housing Finance Magazine Pedcor consistently remains one of the Top 50 developers and owners/managers of LIHTC units in the country.

Pedcor has established a reputation as an innovative development company with a solid history of identifying active rental housing markets with a demonstrated ability to construct and manage affordable housing developments in compliance with IRC Section 42 (9% LIHTC transactions) and IRC Section 142 (4% LIHTC tax-exempt bond transactions) as enacted by the Tax Reform Act of 1986.

Pedcor has used a combination of various construction and permanent loan structures. Construction financing has been provided by various community and national lending institutions offering traditional construction loan programs and letter of credit enhancements. Permanent financing for Pedcor's developments has been provided by Federal National Mortgage Association, HUD/FHA 223(f), HUD/FHA 221(d)(4), Rural Housing Program, the Federal Home Loan Bank with the assistance of a consortium of member banks, thrifts and savings and loans utilizing various conventional and tax-exempt financing structures. Equity participants include numerous national banks, savings and loans, regional and national syndicators, as well as individuals and large publicly held or privately owned corporations. In aggregate, Pedcor has raised over \$744 million in debt and \$495 million in LIHTC equity proceeds since its inception.

Pedcor's development portfolio is comprised of 49 conventionally financed 9% tax credit partnerships, 50 tax-exempt 4% bond financed partnerships and 11 market rate partnerships, in addition to a special use facility providing a safe haven for women who have been victims of domestic violence. In summary, since its inception, Pedcor has successfully closed 110 partnerships consisting of 14,656 units (11,496 tax credit and 3,160 market) located within 74 communities throughout 12 states including Indiana, Ohio, Michigan, Illinois, Kentucky, Missouri, Nebraska, Tennessee, Alabama, Virginia, Iowa and South Carolina.

The Pedcor Investments development team consists of:

Gerald K. Pedigo, Chairman. Mr. Pedigo has been involved in residential and commercial real estate development since 1958. He attended Butler University and subsequently was employed by his father in the business of single-family construction and sales. In 1962, Mr. Pedigo started his own firm and while constructing approximately 400 homes, expanded his business to include commercial and industrial activities. Beginning in 1966, Mr. Pedigo concentrated on the commercial side of the construction business forming Gerald K. Pedigo Corporation to provide real estate development services, Pedigo Construction Company, Inc. for construction and Pedigo & Associates to provide management services. He completed over 100 commercial and office buildings from \$100,000 to \$8,000,000. His involvement included all facets of the industry including construction, ownership, marketing/leasing and management. He was also a partner in several partnerships owning and developing commercial and residential properties in Indiana, Florida and Tennessee.

In 1986, as the tax shelter incentives were being revised, Mr. Pedigo sold the majority of his holdings and concentrated on general construction. In 1987, he joined Bruce Cordingley in forming Pedcor Investments to pursue the development of IRC Section 42 affordable rental housing.

Mr. Pedigo currently resides in Rancho Santa Fe, California. Mr. Pedigo is a member/director of the executive committee of International City Bank, N. A. with branches in Long Beach and San Diego, California and director of United Fidelity Bank of Evansville, Indiana. He is Chairman of Pedcor Bancorp, the bank holding company for International City Bank and Chairman of Pedcor Financial Bancorp, the bank holding company for United Fidelity Bank. He is also a director of Fidelity Federal Bancorp and its subsidiaries. He is Chairman of Pedcor Investments, A Limited Liability Company located in Indianapolis, Indiana, the principal business of which is real estate oriented investments and developments.

He is a member of the Murat Shrine in Indianapolis, godfather in St. Mary's Child Center and various trade associations. He enjoys golf and is a member of Fairbanks Country Club and the Bridges Golf Club in San Diego, and Woodland Country Club in Carmel, Indiana.

Bruce A. Cordingley, President & CEO. Mr. Cordingley has been involved in commercial and residential development and financing since 1971. He graduated in 1968 from Purdue University (BS-Industrial Management) with Distinction and Honors in Economics. In 1971 he graduated from the Harvard Law School with a Juris Doctor degree. After a two-year affiliation with Bingham Dana & Gould, Boston, Massachusetts, Mr. Cordingley joined Ice Miller Donadio & Ryan, Indianapolis, Indiana, in 1973 as an associate, becoming a partner in the firm's Real Estate Section in 1980. His legal practice focused on representation of real estate developers in all aspects of the development process (zoning, construction and permanent financing, acquisition, sales, joint ventures, syndications and tax matters).

In 1973, Mr. Cordingley began investing in real estate for his own account through International Enterprises, Inc., which owns and manages apartment communities and farms in central and southern Indiana. In 1986, he started the development of the Bridlebourne subdivision which subsequently became the highest priced residential development in the State of Indiana. In 1987, he joined with Jerry Pedigo in forming Pedcor Investments to develop affordable rental housing. In 1992, Mr. Cordingley formally withdrew from Ice Miller to devote his efforts to the development activities of Pedcor Investments full time.

In addition to President and CEO of Pedcor Investments, Mr. Cordingley is a director of United Fidelity Bank of Evansville, Indiana and a director/member of the executive committee of International City Bank, N.A. of Long Beach and San Diego, California. He is President and CEO of Pedcor Bancorp, the holding company for International City Bank and President of Pedcor Financial, LLC, the holding company for United Fidelity Bank. He is also a director of Fidelity Federal Bancorp and its subsidiaries. He was a director of Eastside Community Investments, Inc. from 1983 to 1996. Mr. Cordingley was a director of the Indianapolis Economic Development Corporation, a city development corporation, from 1985 to 1988. He was also Commissioner (1983-1986) and President (1984-1986) of the Indianapolis Historic Preservation Commission, a governmental body that regulates historic districts and promotes preservation and a board member of the Riley Area Revitalization Program, a community development corporation from 1982 to 1987.

Phillip J. Stoffregen, Executive Vice President & COO. Mr. Stoffregen has been involved in commercial and residential development and financing since 1984. He graduated in 1980 from Indiana University (BS-Business Finance) with departmental honors. In 1981 he received his MBA degree from Indiana University (Financial Economics). In 1984 he graduated with Honors from the Indiana University School of Law and joined Ice Miller Donadio and Ryan, Indianapolis, Indiana, as an associate, becoming a partner active in both the Real Estate and Municipal Finance Sections of the firm in 1991. His legal practice focused on taxable and tax-exempt financing for, and development of, single-family and multifamily housing. Mr. Stoffregen served in a bond counsel capacity to the Indiana Housing Finance Authority and other Indiana issuers for various housing related tax-exempt bond-financing programs. He represented numerous for-profit and not-for-profit multifamily housing developers, lenders and investors, primarily in the area of low income housing tax credit, financing and development issues.

In 1992, Mr. Stoffregen withdrew from Ice Miller and joined Pedcor Investments, LLC as a Principal where he is directly responsible for apartment development, construction and financing activities. Pedcor Investments, LLC and its affiliates have developed in excess of 15,000 apartments since inception, most of which participate in the low income housing tax credit program. He is currently Executive Vice President and COO of Pedcor Investments, LLC.

Mr. Stoffregen is a Director/Member of the Executive Committee/Executive Vice President of Fidelity Federal Bancorp which is the holding company for United Fidelity Bank, Evansville, Indiana and a Director/Executive Vice President of Pedcor Capital, LLC and Pedcor Financial, LLC, which are upper tier bank holding companies for International City Bank, Long Beach, California and United Fidelity Bank, respectively. Mr. Stoffregen and his partners in Pedcor Investments, LLC own and control such bank holding companies.

In 2012, Mr. Stoffregen joined the Urban Land Institute (ULI), a nationally recognized organization in the fields of development, land use and urban planning, where he is a member of the Affordable/Workforce Housing Council. Mr. Stoffregen has also served as a director of the Martin Luther King Community Development Corporation (1991 to 2000), and as a member of the board of directors for Coburn Place Safehaven, Inc., a not-for-profit operating transitional housing for victims of domestic violence (1996 to 2012).

Thomas E. Koontz, CPA, Executive Vice President – Construction & Development. Mr. Koontz has over 20 years of financial accounting experience with more than 15 years experience as chief financial officer in the areas of construction, real estate development and property management. He received his Bachelor of Science in Accounting and Management from Ball State University in 1976 and completed his Certified Public Accountant Certification in 1981. Mr. Koontz spent two years as a senior tax accountant with National Homes Corporation, Lafayette, Indiana and four years as a controller with Duke Associates, Indianapolis, Indiana.

In 1984, Mr. Koontz joined Gerald K. Pedigo as controller of Mr. Pedigo's affiliated companies. He was controller of Pedcor Investments and its related affiliates from its inception in 1987 through May of 1993. Mr. Koontz is currently President of Signature Construction, LLC which is the construction management affiliate of Pedcor Investments, LLC.

Mr. Koontz remains a member in good standing with the Indiana CPA Society.

Thomas G. Crowe, *Executive Vice President – Development & Finance*. Mr. Crowe graduated from the University of Notre Dame in 1988 (BA – Accounting). He worked for NBD – First Chicago Corporation for approximately eight years as a commercial lender in several departments, leaving as a Second Vice President. His responsibilities during his tenure at the bank included lending to real estate developers, builders, commercial contractors and architects/engineers. Additionally, Mr. Crowe was responsible for underwriting of the bank's investment in limited partnership interests for affordable housing.

Mr. Crowe joined Pedcor Investments in 1996 and has since advanced to Executive Vice President. During his tenure with Pedcor, Mr. Crowe has been responsible for the development and financing of thousands of apartment units in multiple states. Mr. Crowe has served as a guest panelist for the Urban Land Institute, the Nebraska Investment Finance Authority, and the Illinois Housing Development Authority. His responsibilities include oversight of all aspects of apartment development transactions, including site selection, financial feasibility, plan production, debt and equity procurement, partnership agreement negotiation, legal documentation and investor relations.

Douglas Boggs, *Senior Vice President & CFO*. Mr. Boggs graduated from Ball State University in 1992 (BS-Accounting). In 1993, Mr. Boggs joined Pedcor Financial Services, a division of Pedcor Investments which provides financial management and accounting services to affiliates of Pedcor Investments. He worked as a Staff Accountant for one and a half years and then took a position with Simon Property Group, the largest REIT on North America. Mr. Boggs worked for Simon Property Group for 3 years in the Operational Accounting Department where he handled accounting for shopping malls, office buildings and community centers throughout the United States. In 1998, he rejoined Pedcor Financial Services as an Assistant Controller and has since been promoted to his current title. Mr. Boggs has been involved in real estate accounting dealing with residential and commercial properties since 1993.

Maureen M. Hougland, *Senior Vice President & Secretary*. Ms. Hougland has over 23 years real estate experience since graduating from Indiana University in 1980 (BS-Biology). Her real estate background began when she was hired as the pilot employee for Monroe County Land Title Co., Inc. upon its formation in 1980, where she performed a multitude of duties which included searching titles, examining chains of title, reviewing surveys, closing residential and commercial transactions and serving as escrow agent for financial institutions distributing draws on behalf of residential and commercial developers. Ms. Hougland joined the Real Estate Section of Ice Miller Donadio & Ryan in 1984, where she provided paralegal support for the Section which represented commercial and multi-family real estate developers, lenders and investors, primarily in the areas of financing and development issues.

Ms. Hougland obtained her Paralegal Degree from Indiana University in 1988. She is a member of the Indiana Paralegal Association. In 1994, Ms. Hougland joined Pedcor Investments where she provides paralegal support to Pedcor and its related affiliates. Ms. Hougland is responsible for tax appeals in the State of Indiana and serves as a corporate officer for Pedcor and several of its affiliates. She has been a charter member of the Indianapolis Chapter of CREW (Commercial Real Estate Women).

Andrew H. Burroughs, Senior Vice President – Finance. Mr. Burroughs graduated from Indiana University in 1978 with a B.S. in Real Estate Administration. Mr. Burroughs worked for Merchants Bank/National City Bank of Indianapolis for over 9 years primarily responsible for placing construction and FNMA DUS permanent debt financing for market rate and affordable LIHTC rental housing. In 1995, he joined Bank One, Indianapolis, as Vice President of Community Development. His responsibilities included facilitating debt and equity investments for affordable 9% LIHTC rental housing, 4% LIHTC tax-exempt bond transactions and historic tax credit renovations for Community Reinvestment Act (CRA) purposes on behalf of Bank One and its related subsidiaries.

In May, 2000, Mr. Burroughs joined Pedcor Investments as Senior Vice President to manage and service existing debt and equity relationships, manage bond arbitrage investments and establish new debt and equity relationships for each of Pedcor's proposed developments.

He is currently an independent Indiana licensed real estate broker and a Certified Commercial Investment Member (CCIM) candidate. He is also a past Chairman of the Local Advisory Council and member of the Project Review Committee for the Local Initiatives Support Corporation (LISC). LISC is a not-for-profit organization established to provide interim funding and/or grants to facilitate inter-city affordable housing, community development and economic development initiatives for independent community development corporations located within the Indianapolis MSA.

Bruce E. Hagen, PE/RLS, Senior Vice President – Development. Mr. Hagen has been involved in civil engineering and surveying since 1980. He graduated from the university of Wisconsin-Madison in 1980 with a B.S. in Civil and Environmental Engineering and Surveying and joined Aerometric Engineering in Sheboygan, WI as a project surveyor where he worked in both the surveying and photogrammetric departments.

From 1993 to 2005, Mr. Hagen worked at Mid-States Engineering, Paul I. Cripe and EMH&T Engineers, all of Indianapolis, IN, in various capacities ranging from Project Engineer to Department Head. Most recently, he was the Manager of the Surveying Department at EMH&T Engineers where he directed the day to day activities of the surveying department and acted as the lead engineering designer and project manager for single family developments. In 2005, Mr. Hagen joined Pedcor where he is responsible for the coordination and review of the civil engineering design for all multifamily developments.

Susan E. Krohne, Senior Vice President – Legal Counsel. Ms. Krohne graduated from Indiana University/Purdue University of Indianapolis in 1994 and earned a Juris Doctor degree from the Indiana University School of Law of Indianapolis in 1998. Prior to joining Pedcor in January of 2003, Ms. Krohne worked as a Vice President & Trust Officer in the Wealth Management Departments of both Bank One and National City Bank. Ms. Krohne is a member of the Indiana State Bar Association and Indianapolis Bar Association (IBA), and is a Distinguished Fellow of the Indianapolis Bar Foundation. She has served on the executive councils of both the IBA's Women and the Law Division and the Young Lawyers' Division and served on the Executive Council for the IBA in 2005. In 2004, Ms. Krohne was named Young Lawyer of the Year by the IBA.

Carolina M. Rashidfarokhi, Vice President – Assistant Legal Counsel. Ms. Rashidfarokhi obtained her first law degree in 2002 from the Universidad Privada Boliviana, that nation's No. 1 university. She graduated at the top of her class. She received her Masters of Law Degree (LL.M.) in 2005 and Juris Doctor Degree in 2010 from Indiana University School of Law - Indianapolis. She is admitted to practice law in the State of Indiana. Prior to joining Pedcor in 2011, Ms. Rashidfarokhi was a summer associate at Carlton Fields, a Florida based firm. From 2006 to 2009, she worked as a Contract Specialist at Wolters Kluwer Health, a Dutch holding company. During her legal practice in Bolivia, Ms. Rashidfarokhi worked as a Project Manager for the Contract Analysis Group at the Registry of Commerce. Ms. Rashidfarokhi is a member of the American Bar Association, Hispanic Bar Association and Indianapolis Bar Association. Ms. Rashidfarokhi is fluent in Spanish.

Eric J. Neidlinger, Vice President – Associate General Counsel. Mr. Neidlinger graduated from Franklin College in 1994 and received his law degree from Indiana University School of Law – Indianapolis in 2002. Since joining Pedcor in 2004, Mr. Neidlinger has provided legal counsel to the company's owners and executive officers in the areas of real estate transactions and land use, fair housing, employment law, and insurance and liability, among others, and he has presented at seminars on many of these topics. Mr. Neidlinger is a member of the Indianapolis and Indiana State Bar Associations, and has served on the executive committee of the IBA's Young Lawyers Division.

Jared M. Houser, Vice President – Operations & Finance. Mr. Houser graduated from the University of Indianapolis in May 2002 and received his M.A. in Economics from Indiana University (Indianapolis) in 2007. Prior to joining Pedcor his experiences include 2-years as an analyst with a local community bank and serving the 2005 session as an intern financial analyst for the Indiana House Ways & Means Committee.

Mr. Houser joined Pedcor as an intern during graduate school in April 2005 and accepted a full time position as a financial analyst with Pedcor Bancorp, a bank holding company, in August 2005. He accepted the position of Vice President with Pedcor Investments in October 2007. His responsibilities include financial management, corporate and property budgeting, portfolio management and various analytical activities in connection with Pedcor Investments and its entire portfolio of multifamily properties.

Kathleen M. Ramey, Vice President – Finance. Prior to joining Pedcor, Ms. Ramey had over 23 years of financial and accounting experience in the areas of construction, real estate development and property management. She received her Bachelor of Science in Accounting, with a minor in Computer Science, from Indiana State University in 1980. Kathleen served on the local chapter board of the institute of Management Accountants from 1984-1989, and as chapter president from 1990-1991.

Susan M. Diehl, Assistant Vice President – Finance. Ms. Diehl graduated from the Indiana University Kelley School of Business in 1990 with a BS in Accounting. Immediately following graduation, she spent five months in Accra, Ghana West Africa working as a student intern for a local public accounting firm. Ms. Diehl has over 20 years of accounting and finance experience, having held various positions with Fortune 500 companies, including Plant Controller for The Gatorade Company (then a division of The Quaker Oats Company) and Financial Analyst at Stanley Black & Decker (formerly known as The Stanley Works) in Indianapolis. Ms. Diehl began her employment with Pedcor Investments in December, 2011.

W.W. (Bill) Parrish, Senior Vice President – Development. Prior to joining Pedcor Investments in January, 2002, Mr. Parrish was employed for 8 years as Vice President of Multifamily Development for a privately owned developer and builder of single family and multifamily housing. His responsibilities were to establish and grow the multifamily division, developing over 1,000 rental units utilizing the IRC Section 42 LIHTC program, HUD insured mortgage financing and conventional financing.

Mr. Parrish's experience in the multifamily industry originally began in 1983 working for the Anderson Housing Authority, a public housing authority as the Housing Control Officer for federally subsidized housing. After four years in that capacity Mr. Parrish was recruited by the City of Anderson, which was a designated HUD "entitlement community", to implement and administer the various federally funded housing rehabilitation programs for that community. Mr. Parrish continued in that capacity until 1990 when he began working in the Federal Programs Division of the Indiana Department of Commerce.

During his tenure at the Department of Commerce, the State of Indiana initiated a reorganization of the state agencies that administered the various federally funded housing programs on behalf of the State. Mr. Parrish was assigned to the Indiana Housing Finance Authority where he served in the capacity as the IRC Section 42 LIHTC Administrator until 1993.

Michael S. Smith, Senior Vice President – Development. Mr. Smith is a graduate of Michigan State University, School of Business. He has nearly 30 years of real estate experience with various Midwest development and property management firms including Cardinal Industries Inc., Lexford Realty, Equity Residential Trust, Thompson and Thrift Management Inc., and J.C. Hart Apartments. Mike's experience includes site and market evaluations, site development, entitlements, construction turnover, asset management and property management of a portfolio of over 10,000 units in 9 states. In November 2003, he joined Pedcor Investments as a Vice President of Development and holds both an Indiana real estate sales license and CPM designation from IREM.

Craig H. Lintner, Senior Vice President – Development. Mr. Lintner has been involved in residential development and engineering since 1994. He graduated from Iowa State University in 1994 with a BS in Civil Engineering and joined Landplan Engineering of Lawrence, KS working as a Project Engineer and Project Manager. In 1997, Mr. Lintner began working at Simmons Development Corporation as Vice President of Development developing residential and master-planned communities in the Kansas City metropolitan area. From 2001 to 2004, Mr. Lintner worked for Dura Builders, Inc. in Indianapolis, IN as Land Development Coordinator. In 2004, Dura Builders was acquired by KB Homes and Mr. Lintner's responsibility expanded to Director and eventually Vice President of Land Acquisition and Planning. During this time, he directed all aspects of acquisition, purchase agreements, entitlement, due diligence, corporate land packages and development.

Mr. Lintner is a registered Professional Engineer in Indiana and holds a State of Indiana Real Estate Salesperson License. He is a Board Member of the Hawthorne Community Center in Indianapolis.

Michael S. Byron, Vice President – Development. Mr. Byron graduated from Indiana University in 1995 and earned a J.D. from the Valparaiso University School of Law in 1999.

Mr. Byron joined Pedcor in October, 2007, having previously worked as a staff attorney for the Indiana Department of Environmental Management, Office of Legal Counsel, Department of Enforcement, as well as an associate in the private practice of law for a local law firm focusing on litigation, real estate and environmental law.

Tracey L. Da Silva, Vice President – Development. Ms. Da Silva attended Indiana University-Purdue University at Indianapolis (IUPUI) and International Business College. She joined Pedcor Investments in May, 1993 as an Administrative Assistant, was later promoted to Development Assistant and then to Vice President of Development. In 2002, Ms. Da Silva started her own real estate business and became a real estate agent for RE/MAX Preferred and the Sycamore Group. She returned to Pedcor in 2005. Prior to working for Pedcor, she worked in the auditing and actuarial departments of the American United Life Insurance Company.

Brandon C. Delk, Vice President – Development. Mr. Delk graduated from Indiana University Kelly School of Business – Bloomington in 2010 with a B.S. in Real Estate Finance and Business Management. While attending Indiana University he received a first place honor for his involvement in the Stanley E. Hunt Development Case Study competition in the fall of 2009. Brandon joined Pedcor Investments in July, 2010.

Ryan M. Rodgers, Vice President – Development. Mr. Rodgers graduated from Purdue University in 1998 and earned a Juris Doctor degree in 2001 from Indiana University Maurer School of Law. Prior to joining Pedcor, Mr. Rodgers worked in the private practice of law in the areas of real estate and corporate litigation. Additionally, Mr. Rodgers was a principal in a local residential real estate company and holds a State of Indiana Real Estate Salesperson License.

Patrick J. Stoffregen, Vice President – Development. Mr. Stoffregen graduated with distinction from Indiana University – Bloomington in 2009 with a BA in East Asian Languages and Cultures and a Music Minor. A recipient of the Alpine Prize for Japanese Studies, he spent one year in Suzaka City, Nagano Prefecture on the Japan Exchange and Teaching Program as an Assistant Language Teacher. There, he team-taught high school English Oral Communications classes with Japanese Teachers of English. After returning to Indiana in August, Mr. Stoffregen joined Pedcor Investments in September, 2011.

PEDCOR INVESTMENTS DEVELOPMENT PORTFOLIO

Name	Location	Total Units	LIHTC	Market	Completion
English Village SOLD 4/07	Indianapolis, IN	208	208	0	Apr-88
Emerson Village SOLD 1/08	Indianapolis, IN	144	144	0	Nov-87
Emerson Lakes SOLD 1/08	Indianapolis, IN	208	0	208	Dec-88
Mann Village I SOLD 4/08	Indianapolis, IN	204	192	12	Jan-89
Thompson Village SOLD 4/07	Indianapolis, IN	240	240	0	Sep-89
Greenfield Village SOLD 11/08	Greenfield, IN	256	112	144	Jul-90
Port Crossing I	Portage, IN	160	160	0	Dec-89
Round Barn Manor	Greencastle, IN	112	49	63	Dec-89
Golfview	Valparaiso, IN	240	0	240	Jun-90
Mann Village II SOLD 4/08	Indianapolis, IN	132	123	9	Dec-90
Shady Knoll I	Crawfordsville, IN	112	48	64	Jan-91
Lakeview I	Franklin, IN	160	70	90	Apr-92
Shady Knoll II	Crawfordsville, IN	48	48	0	Jul-94
Bittersweet Pointe SOLD 1/12	Mishawaka, IN	116	116	0	Dec-93
Ohio Street Townhomes ¹	Indianapolis, IN	20	20	0	Dec-94
Port Crossing II	Portage, IN	96	96	0	Jun-95
Cedar Run	Huntington, IN	104	104	0	Jun-95
Woodland Crossing II	Michigan City, IN	80	80	0	Aug-95
Shady Knoll III	Crawfordsville, IN	48	48	0	Mar-95
Lakeview II	Franklin, IN	64	64	0	Oct-95
Woodland Crossing I	Michigan City, IN	64	64	0	Jun-96
Port Crossing III	Portage, IN	176	96	80	Aug-96
Sycamore Springs I	Seymour, IN	128	128	0	Jul-97
Lyons Gate	Miamisburg, OH	240	176	64	Feb-98
Coburn Place ²	Indianapolis, IN	35	35	0	Mar-97
Willow Lake	Lima, OH	192	192	0	Jan-99
Berrien Woods I	Niles, MI	72	72	0	Apr-99
Cumberland Crossing	Fishers, IN	232	232	0	Aug-99
Crystal Glen I	Findlay, OH	192	192	0	Mar-00
Berrien Woods II	Niles, MI	56	56	0	Aug-99
Ravenbrook ²	Indianapolis, IN	15	15	0	Dec-99
Sycamore Springs II	Seymour, IN	80	0	80	Jun-00
Waterfront Pointe	Indianapolis, IN	192	182	10	Mar-01
Crystal Glen II ³	Findlay, OH	64	48	16	Oct-00
Knollwood Crossing I ³	Hamilton, OH	240	180	60	Sep-01
Autumn Woods I ³	Crawfordsville, IN	96	72	24	Jul-00
Teal Run I	Battle Creek, MI	150	100	50	Nov-02
Crooked Creek I	Kansas City, MO	176	176	0	Nov-02
Brownsburg Pointe I	Brownsburg, IN	80	64	16	Aug-02
The Overlook	Elkhart, IN	188	188	0	Jul-02
Golf Pointe	Columbus, OH	228	228	0	Jul-02
Berrien Woods III	Niles, MI	128	77	51	Sep-02
Whispering Pines I	Coldwater, MI	112	112	0	Nov-02
Autumn Woods II ³	Crawfordsville, IN	96	72	24	Jun-02
Lake Pointe SOLD 10/07	Portage, IN	192	0	192	Dec-02
Riverbend I	Grand Island, NE	160	128	32	Feb-04
Lakes of Georgetown	Indianapolis, IN	208	156	52	Dec-03
Sand Creek II	Adrian, MI	126	76	50	Sep-03
The Masters I	Valparaiso, IN	176	88	88	Sep-03
Danbury Court I	Bloomington, IL	128	96	32	Apr-04
Ashton Pines I	Goshen, IN	144	106	38	Dec-03
North Lake	Elkhart, IN	192	167	25	Mar-04
Brownsburg Pointe II	Brownsburg, IN	80	71	9	Dec-03
Brainard Landings I	Lincoln, IL	56	56	0	Aug-04
Princeton Lakes	Noblesville, IN	208	208	0	Apr-05
Knollwood Crossing II	Hamilton, OH	128	128	0	Jan-05
Cedars at Rivers Bend	South Lebanon, OH	176	176	0	Aug-06
Whispering Pines II	Coldwater, MI	44	44	0	Aug-04
Heights at Knollwood Crossing	Hamilton, OH	192	0	192	May-06
Crooked Creek II	Kansas City, MO	112	112	0	May-07
Danbury Court II	Bloomington, IL	128	96	32	Jul-06
Saddlebrook III	Henderson, KY	48	48	0	Dec-05
Springview II	Newburgh, IN	66	66	0	Aug-06
Lakes of Beaver Creek	Beavercreek, OH	212	0	212	Jan-08

PEDCOR INVESTMENTS DEVELOPMENT PORTFOLIO

Name	Location	Total Units	LIHTC	Market	Completion
Southwind Lakes I	Memphis, TN	200	200	0	Apr-07
Teal Run II	Battle Creek, MI	76	0	76	Jun-06
Preserve of Avon	Avon, IN	128	113	15	Aug-06
Trotters Pointe I	Greenwood, IN	256	0	256	May-07
Stoneridge I	Kearney, NE	80	70	10	Nov-06
Alderwood Estates	Bay City, MI	150	150	0	May-07
Trotters Pointe II	Greenwood, IN	120	106	14	Apr-07
GreyStone I	Noblesville, IN	236	236	0	Jan-08
Clay Terrace I	Kansas City, MO	210	210	0	Sep-08
Southwind Lakes II	Memphis, TN	76	0	76	Aug-08
Ashland Lakes I	Memphis, TN	200	200	0	Nov-07
Avalon Lakes	Marion, OH	176	176	0	Apr-08
Riverbend II	Grand Island, NE	96	81	15	Feb-08
Masters II	Valparaiso, IN	64	54	10	Jan-08
Weatherly Ridge I	Nashville, TN	192	192	0	Jan-09
Delaware Trace I	Evansville, IN	112	95	17	Mar-08
Alison Pointe I	Foley, AL	128	128	0	Jun-08
Brainard Landings II	Lincoln, IL	46	46	0	Dec-07
Valley View I	Moline, IL	192	192	0	May-09
Timber Ridge I	Lynchburg, VA	96	96	0	Jul-08
Retreat at Dry Creek Farms I	Goodlettsville, TN	176	176	0	Feb-09
Cross Creek I	Davenport, IA	192	192	0	May-09
Alison Pointe II	Foley, AL	128	0	128	Jun-08
Irvington Heights I	Omaha, NE	160	160	0	Oct-09
Timber Ridge II	Lynchburg, VA	72	72	0	Nov-09
Forest Ridge	Indianapolis, IN	220	220	0	Jan-10
Ashland Lakes II	Memphis, TN	212	212	0	Oct-09
GreyStone II	SOLD 7/12 Noblesville, IN	216	0	216	Dec-09
Ashton Pines II	Goshen, IN	144	144	0	Jan-10
Weatherly Ridge II	Nashville, TN	48	48	0	Dec-09
Cross Creek II	Davenport, IA	144	144	0	Aug-10
Whisper Ridge	West Des Moines, IA	208	208	0	Sep-10
Bradford Park	Brownsburg, IN	96	81	15	Sep-10
Prairie Meadows I	Greenfield, IN	100	85	15	Dec-10
Franklin Cove I	Indianapolis, IN	100	85	15	Oct-10
Stoneridge II	Kearney, NE	24	24	0	Oct-10
Irvington Heights II	Omaha, NE	32	32	0	Nov-10
Trotters Pointe III	Greenwood, IN	96	96	0	Jun-11
Village Park	Waukegan, IL	126	113	13	Oct-11
Appleton I	Lincoln, NE	84	84	0	Oct-11
Cimarron Terrace I	La Vista, NE	84	84	0	Nov-11
May River Village ⁴	Bluffton, SC	68	68	0	Jan-12
Steeple on Washington	Indianapolis, IN	144	144	0	2nd Qtr 13
Cimarron Terrace II	La Vista, NE	48	38	10	Aug-12
Fletcher Estates I	Ankeny, IA	48	48	0	1st Qtr, 13
Retreat at Dry Creek Farms II	Goodlettsville, TN	92	92	0	4th Qtr. 13
Totals		14,656	11,496	3,160	

¹ Co-developed and constructed as a joint venture with Eastside Community Investments, Inc.

² Developed and constructed for the sole benefit of Martin Luther King Community Development Corporation.

³ Co-developed and constructed as a joint venture with Affordable Housing Partners, Inc., a 501(c)3 not-for-profit.

⁴ Co-developed as a joint venture with Bennett & Reindl, LLC.

NOTE: Aggregate total does not include 8 apartment communities developed by Village Community Development consisting of 916 units (736 LIHTC and 180 market units) that were acquired in June 2000 from United Fidelity Bank of Evansville, IN. Also excluded are 5 apartment communities acquired and currently managed by Pedcor Homes Corp. consisting of an additional 1,388 units and 2 communities under management contract totaling 160 units.

In aggregate, Pedcor Investments and its affiliated management companies manage

15,521 units.

PEDCOR MANAGEMENT

PEDCOR PROPERTY MANAGEMENT

Pedcor Investments currently has three full service property management companies.

Pedcor Management Corp. was formed in October of 1987 and is owned 50% by Gerald K. Pedigo and 50% by Bruce A. Cordingley. Pedcor Management Corp. was established to manage multifamily properties developed by Pedcor Investments and its related entities. In addition to managing properties developed by Pedcor Investments, in June of 2000, Pedcor Investments purchased, and Pedcor Management Corp. assumed management responsibilities of, the Village Community Development Corporation ("Village") affordable housing portfolio from United Fidelity Bank of Evansville, IN. The Village portfolio includes 8 properties consisting of 17 different partnerships with 900 units located within Indiana, Kentucky and Illinois. Management of the overall day-to-day operations of Pedcor Management Corp. is split between two Division Presidents, Kim Losacker and Margie Williamson.

Kim Losacker, CPM, Division President, obtained her BS from DePauw University in Greencastle, IN. She started her property management career in 1985 in southern California as a part time leasing representative. She has been leasing and marketing, and eventually managing, tax credit developments since inception of the IRC Section 42 tax credit program. She joined Pedcor Management Corp. in 1993 as Property Site Manager and has since worked her way to Division President. Her professional designations include being a Certified Property Manager ("CPM") under IREM Chapter 24 in Indianapolis and a Housing Credit Certified Professional ("HCCP") as certified by the National Association of Home Builders ("NAHB") Multifamily Division.

Margie Williamson, CPM, Division President, received her BS from Indiana University in Bloomington, IN. She started in property management in 1988 and joined Pedcor Management Corp. in 1989 as a Property Site Manager with concentration in managing IRC Section 42 tax credit units from construction, lease-up and stabilization. She received her CPM designation in 1995 and has served on the Executive Council with the Indianapolis IREM Chapter.

Pedcor Affordable Management, Inc. was formed in March of 1993. Prior to the unexpected death of Sarah "Sally" A. Lentz-Crouse, Pedcor Affordable Management was owned 51.0% by Sally with 24.5% owned by Gerald K. Pedigo and 24.5% by Bruce A. Cordingley, establishing Pedcor Affordable Management, Inc. as a Woman Business Enterprise ("WBE") to further facilitate and compliment the effort of providing affordable housing and to manage special needs programs. With settlement of the Sarah A. Lentz estate, ownership was ultimately transferred 50% to Gerald K. Pedigo and 50% to Bruce A. Cordingley and the WBE status discontinued.

Pedcor Homes Corporation was formed in October 1997 as a subsidiary of International City Bank ("ICB") of Long Beach, CA for the purpose of managing acquisitions of multifamily communities for the benefit of ICB and its bank holding company, Pedcor Bancorp, in addition to select multifamily properties developed and/or acquired by Pedcor Investments. The current Pedcor Homes Corp. management portfolio consists of 19 properties with 30 different partnerships consisting of 4,304 units located in Indiana, Michigan, Illinois, Tennessee, Arizona and California under the auspice of Richard B. McCool.

Richard B. McCool, CPM, Executive Vice President, has over 20 years of experience in the management, acquisition, disposition, development and construction of various commercial properties with a primary focus on multifamily. Before joining Pedcor, this included supervising all aspects of asset management for over 3,500 units in five states for both a family owned business and Cornerstone Properties, Inc., a large property management firm located in Carmel, Indiana.

He received his BS degree in Business Administration and a minor in Management from the University of Arizona in 1981. He received his CPM designation in 1987 and National Compliance Professional Executive in 2001.

In August of 1999, Mr. McCool joined Pedcor Community Development Corporation as its Asset Manager with the responsibility of acquisition/rehabilitation and management of apartments primarily in the southern California area. Since then his management responsibilities include properties in California, Arizona, Indiana, Illinois and Tennessee.

Summary of Operations

Pedcor's property management group in aggregate is responsible for **15,521** units including the collection and accounting of more than \$120 million in gross annual rental proceeds. Management provides the formulation and implementation of marketing and leasing strategies, new product delivery, absorption, income and expense projections, insurance coverage coordination, completion analysis, capital expenditure projections, personnel selection, training and direction, maintenance and formulation of management systems and procedures. This process has made it possible for Pedcor to maintain an average occupancy level above 92% overall for the portfolio. In addition, Pedcor provides feasibility input for site selection and unit design and acts as construction liaison for ownership in the areas of quality control and interim operations management.

Pedcor's property management operation employs over 250 people to market, administer and maintain each Pedcor managed property. The on-site resident managers are Certified Apartment Managers ("CAM") or Accredited Resident Managers ("ARM"), or are in the process of obtaining such certifications. These individuals are responsible for property marketing, revenue and expense control and supervision of additional property staff which consists of leasing and maintenance personnel. The leasing representatives are primarily responsible for apartment leasing, resident relations and retention. The maintenance personnel are responsible for property service and preventive maintenance.

HUD REAC Scoring

HUD's Real Estate Assessment Center ("REAC") conducts physical property inspections of multifamily properties that are financed by HUD/FHA insured loans. Over 20,000 such inspections are conducted each year using a 100 point scoring system with the intent to ensure that HUD residents have housing that is safe, decent, sanitary and maintained in good condition. Such site inspections are conducted by HUD to monitor the physical condition of their rental housing portfolio; therefore, holding property owners and/or property managers accountable for deficiencies in housing quality. Pedcor is proud to claim that with over \$275 million in HUD financings consisting of over 60 multifamily partnerships our average REAC score exceeds 93 points which is considered a very high standard within the overall HUD REAC scoring system.

PEDCOR PROPERTY MANAGEMENT PORTFOLIO

Name	Location	Total Units	Tax Credit Units	Market Units	Completion Date
English Village SOLD 4/07	Indianapolis, IN	208	208	0	Apr-88
Emerson Village SOLD 1/08	Indianapolis, IN	144	144	0	Nov-87
Emerson Lakes SOLD 1/08	Indianapolis, IN	208	0	208	Dec-88
Mann Village I SOLD 4/08	Indianapolis, IN	204	192	12	Jan-89
Thompson Village SOLD 4/07	Indianapolis, IN	240	240	0	Sep-89
Greenfield Village SOLD 11/08	Greenfield, IN	256	112	144	Jul-90
Port Crossing I	Portage, IN	160	160	0	Dec-89
Round Barn Manor	Greencastle, IN	112	49	63	Dec-89
Golfview	Valparaiso, IN	240	0	240	Jun-90
Mann Village II SOLD 4/08	Indianapolis, IN	132	123	9	Dec-90
Shady Knoll I	Crawfordsville, IN	112	48	64	Jan-91
Lakeview I	Franklin, IN	160	70	90	Apr-92
**Shady Knoll II	Crawfordsville, IN	48	48	0	Jul-94
Bittersweet Pointe SOLD 1/12	Mishawaka, IN	116	116	0	Dec-93
+Ohio Street Townhomes (1)	Indianapolis, IN	20	20	0	Dec-94
**Port Crossing II	Portage, IN	96	96	0	Jun-95
**Cedar Run	Huntington, IN	104	104	0	Jun-95
Woodland Crossing II	Michigan City, IN	80	80	0	Aug-95
Shady Knoll III	Crawfordsville, IN	48	48	0	Mar-95
Lakeview II	Franklin, IN	64	64	0	Oct-95
Woodland Crossing I	Michigan City, IN	64	64	0	Jun-96
Port Crossing III	Portage, IN	176	96	80	Aug-96
Sycamore Springs I	Seymour, IN	128	128	0	July-97
Lyons Gate	Miamisburg, OH	240	176	64	Feb-98
+Bella Vista	El Cajon, CA	150	150	0	Apr-98 acquisition
Coburn Place Safehaven (2)	Indianapolis, IN	35	35	0	Mar-97
Willow Lake	Limo, OH	192	192	0	Jan-99
Berrien Woods I	Niles, MI	72	72	0	Apr-99
**Cumberland Crossing	Fishers, IN	232	232	0	Aug-99
Crystal Glen I	Findlay, OH	192	192	0	Mar-00
Berrien Woods II	Niles, MI	56	56	0	Aug-99
+Hickory Knoll	Anderson, IN	64	64	0	May-00 mgt. contract
Sycamore Springs II	Seymour, IN	80	0	80	Jun-00
Vann Park I	Evansville, IN	44	40	4	Jun-00 acquisition
Vann Park II	Evansville, IN	48	48	0	Jun-00 acquisition
Vann Park III	Evansville, IN	64	32	32	Jun-00 acquisition
Vann Park IV	Evansville, IN	40	40	0	Jun-00 acquisition
+Prairie Green I	Urbana, IL	56	56	0	Jun-00 acquisition
+Prairie Green II	Urbana, IL	48	24	24	Jun-00 acquisition
+Prairie Green III	Urbana, IL	48	48	0	Jun-00 acquisition
Autumn Trace I	Kokomo, IN	64	64	0	Jun-00 acquisition
Autumn Trace II	Kokomo, IN	64	32	32	Jun-00 acquisition
Deerfield I	Kendallville, IN	40	40	0	Jun-00 acquisition
Deerfield II	Kendallville, IN	40	40	0	Jun-00 acquisition
+Fox Hill I	Bloomington, IL	40	40	0	Jun-00 acquisition
+Fox Hill II	Bloomington, IL	48	48	0	Jun-00 acquisition
Saddlebrook I	Henderson, KY	40	40	0	Jun-00 acquisition
Saddlebrook II	Henderson, KY	40	40	0	Jun-00 acquisition
Edgewater	Greensburg, IN	80	40	40	Jun-00 acquisition
Springview I	Newburgh, IN	96	48	48	Jun-00 acquisition

**Waterfront Pointe	Indianapolis, IN	192	182	10	Mar-01
**Crystal Glen, Phase II (3)	Findlay, OH	64	48	16	Oct-00
**Knollwood Crossing I (3)	Hamilton, OH	240	180	60	Sep-01
**Autumn Woods I (3)	Crawfordsville, IN	96	72	24	Jul-00
Teal Run I	Battle Creek, MI	150	100	50	Nov-02
Crooked Creek I	Kansas City, MO	176	176	0	Nov-02
**Brownsburg Pointe I	Brownsburg, IN	80	64	16	Aug-01
**The Overlook	Elkhart, IN	188	188	0	Jul-02
Golf Pointe	Columbus, OH	228	228	0	Jul-02
Sand Creek I	Adrian, MI	96	96	0	Oct-01 acquisition
Berrien Woods III	Niles, MI	128	77	51	Sep-02
Whispering Pines I	Coldwater, MI	112	112	0	Nov-02
**Autumn Woods II (3)	Crawfordsville, IN	96	72	24	Jun-02
Lake Pointe SOLD 10/07	Portage, IN	192	0	192	Dec-02
Riverbend I	Grand Island, NE	160	128	32	Feb-04
**Lakes of Georgetown	Indianapolis, IN	208	156	52	Dec-03
Sand Creek II	Adrian, MI	126	76	50	Sep-03
**The Masters I	Valparaiso, IN	176	88	88	Sept-03
+Danbury Court I	Bloomington, IL	128	96	32	Apr-04
**Ashton Pines I	Goshen, IN	144	106	38	Dec-03
**North Lake	Elkhart, IN	192	167	25	Mar-04
**Brownsburg Pointe II	Brownsburg, IN	80	71	9	Dec-03
+Brainard Landings I	Lincoln, IL	56	56	0	Aug-04
**Princeton Lakes	Noblesville, IN	208	208	0	Apr-05
Knollwood Crossing II	Hamilton, OH	128	128	0	Jan-05
Cedars at Rivers Bend	South Lebanon, OH	176	176	0	Aug-06
Whispering Pines II	Coldwater, MI	44	44	0	Aug-04
+Allegro SOLD 7/07	Phoenix, AZ	264	0	264	Dec-03 acquisition
+Lions Creek	Noblesville, IN	502	0	502	Jun-04 acquisition
+Echo Ridge	Indianapolis, IN	208	0	208	Aug-04 acquisition
Heights at Knollwood Crossing	Hamilton, OH	192	0	192	May-06
Crooked Creek II	Kansas City, MO	112	112	0	May-07
+Palm Valley (PCD)	Goodyear, AZ	264	0	264	Nov-04 acquisition
+Danbury Court II	Bloomington, IL	128	96	32	Jul-06
**Saddlebrook III	Henderson, KY	48	48	0	Dec-05
**Springview II	Newburg, IN	66	66	0	Sep-06
Lakes of Beaver creek	Beavercreek, OH	212	0	212	Jan-08
+Southwind Lakes I	Memphis, TN	200	200	0	Apr-07
Teal Run II	Battle Creek, MI	76	0	76	Jun-06
Preserve of Avon	Avon, IN	128	113	15	Aug-06
+Trotters Pointe I	Greenwood, IN	256	0	256	May-07
Stoneridge I	Kearney, NE	80	70	10	Nov-06
Alderwood Estates	Bay City, MI	150	150	0	May-07
+Trotters Pointe II	Greenwood, IN	120	106	14	Apr-07
+GreyStone I	Noblesville, IN	236	236	0	Jan-08
Clay Terrace I	Kansas City, MO	210	210	0	Sep-08
+Southwind Lakes II	Memphis, TN	76	0	76	Aug-07
+Ashland Lakes I	Memphis, TN	200	200	0	Nov-07
Avalon Lakes	Marion, OH	176	176	0	Apr-08
Riverbend II	Grand Island, NE	96	81	15	Feb-08
**Masters II	Valparaiso, IN	64	54	10	Jan-08
+Weatherly Ridge I	Nashville, TN	192	192	0	Jan-09
**Delaware Trace I	Evansville, IN	112	95	17	Mar-08
Alison Pointe I	Foley, AL	128	128	0	Jun-08

+Brainard Landings II	Lincoln, IL	46	46	0	Dec-07
Valley View I	Moline, IL	192	192	0	May-09
Timber Ridge I	Lynchburg, VA	96	96	0	Jul-08
+Retreat at Dry Creek Farms I	Goodlettsville, TN	176	176	0	Feb-09
Cross Creek I	Davenport, IA	192	192	0	May-09
Alison Pointe II	Foley, AL	128	0	128	Jun-08
Irvington Heights I	Omaha, NE	160	160	0	Oct-09
Timber Ridge II	Lynchburg, VA	72	72	0	Nov-09
Forest Ridge	Indianapolis, IN	220	220	0	Jan-10
+Ashland Lakes II	Memphis, TN	212	212	0	Oct-09
+GreyStone II SOLD 7/12	Noblesville, IN	216	0	216	Dec-09
Ashton Pines II	Goshen, IN	144	144	0	Jan-10
+Weatherly Ridge II	Nashville, TN	48	48	0	Dec-09
+Residences at City Center	Carmel, IN	106	0	106	Sep-10
Cross Creek II	Davenport, IA	144	144	0	Aug-10
Whisper Ridge	West Des Moines, IA	208	208	0	Sep-10
Bradford Park	Brownsburg, IN	96	81	15	Sep-10
Prairie Meadows I	Greenfield, IN	100	85	15	Dec-10
+Franklin Cove I	Indianapolis, IN	100	85	15	Oct-10
Stoneridge II	Kearney, NE	24	24	0	Oct-10
Irvington Heights II	Omaha, NE	32	32	0	Nov-10
+Trotters Pointe III	Greenwood, IN	96	96	0	Jun-11
Village Park	Waukegan, IL	126	113	13	Oct-11
Appleton I	Lincoln, NE	84	84	0	Oct-11
Cimarron Terrace I	LaVista, NE	84	84	0	Nov-11
Steeple on Washington	Indianapolis, IN	144	144	0	Dec-12
Cimarron Terrace II	LaVista, NE	48	38	10	Aug-12
Fletcher Estates I	Ankeny, IA	48	48	0	Nov-12
Walnut Manor (PCD)	Muncie, IN	120	120	0	Nov-11 acquisition
Single Family Rentals (PCD)	Evansville, IN	39	0	39	Dec-11 acquisition
+Harborview (PCD)	National City, CA	75	0	75	Jan-12 acquisition
+The Cove (PCD)	Bear Valley, CA	24	0	24	Jan-12 acquisition
Foxbrook (PCD)	Muncie, IN	40	0	40	Mar-12 acquisition
+Centro (PCD)	National City, CA	60	0	60	Apr-12 acquisition
+Retreat at Dry Creek Farms II	Goodlettsville, TN	92	92	0	4th Qtr 13
TOTALS		17,485	12,563	4,922	

English Village	Indianapolis, IN	(208)	(208)	0	SOLD Apr-07
Thompson Village	Indianapolis, IN	(240)	(240)	0	SOLD Apr-07
+Allegro	Phoenix, AZ	(264)	0	(264)	SOLD Jul-07
Lake Pointe	Portage, IN	(192)	0	(192)	SOLD Oct-07
Emerson Village	Indianapolis, IN	(144)	(144)	0	SOLD Jan-08
Emerson Lakes	Indianapolis, IN	(208)	0	(208)	SOLD Jan-08
Mann Village I	Indianapolis, IN	(204)	(192)	(12)	SOLD Apr-08
Mann Village II	Indianapolis, IN	(132)	(123)	(9)	SOLD Apr-08
Greenfield Village	Greenfield, IN	(256)	(112)	(144)	SOLD Nov-08
Bittersweet Pointe	Mishawaka, IN	(116)	(116)	0	SOLD Jan-12
ADJUSTED TOTAL		15,521	11,428	4,093	

All properties are managed by Pedcor Management Corp. unless otherwise indicated per the following:

** Managed by Pedcor Affordable Management, Inc.

+ Managed by Pedcor Homes Corporation.

- (1) Co-developed for the benefit of Eastside Community Investments, Inc.
- (2) Co-developed for the benefit of Martin Luther King Community Development Corporation.
- (3) Co-developed for the benefit of Affordable Housing Partners, Inc.

PCD is a Pedcor affiliate specializing in acquisition/rehab opportunities.

PEDCOR GROUP ORGANIZATION

THE PEDCOR COMPANIES

Organizational Summary

PEDCOR
INVESTMENTS

PEDCOR OFFICE
d/b/a
PEDCOR
CITY CENTER
DEVELOPMENT
COMPANY

PEDCOR
CAPITAL

PEDCOR
FINANCIAL

PEDCOR INVESTMENTS COMPANIES

PEDCOR INVESTMENTS,
A Limited Liability Company (PILLC)

PEDCOR
DEVELOPMENT
CORPORATION (PDC)

PEDCOR
CONSTRUCTION
CORPORATION (PCC)

PEDCOR
MANAGEMENT
CORPORATION (PMC)

SIGNATURE
CONSTRUCTION,
LLC

PEDCOR
DEVELOPMENT
SERVICES, LLC (PDS)

PEDCOR
CONSTRUCTION
MANAGEMENT, LLC (PCM)

PEDCOR
AFFORDABLE
MANAGEMENT, INC. (PAM)

PROVIDES DEVELOPMENT
SERVICES FOR
PEDCOR INVESTMENTS
MULTIFAMILY PROPERTIES

PROVIDES CONSTRUCTION
MANAGEMENT SERVICES
FOR PROPERTIES
DEVELOPED BY
PEDCOR INVESTMENTS

PROVIDES PROPERTY
MANAGEMENT SERVICES
FOR PROPERTIES
DEVELOPED BY
PEDCOR INVESTMENTS

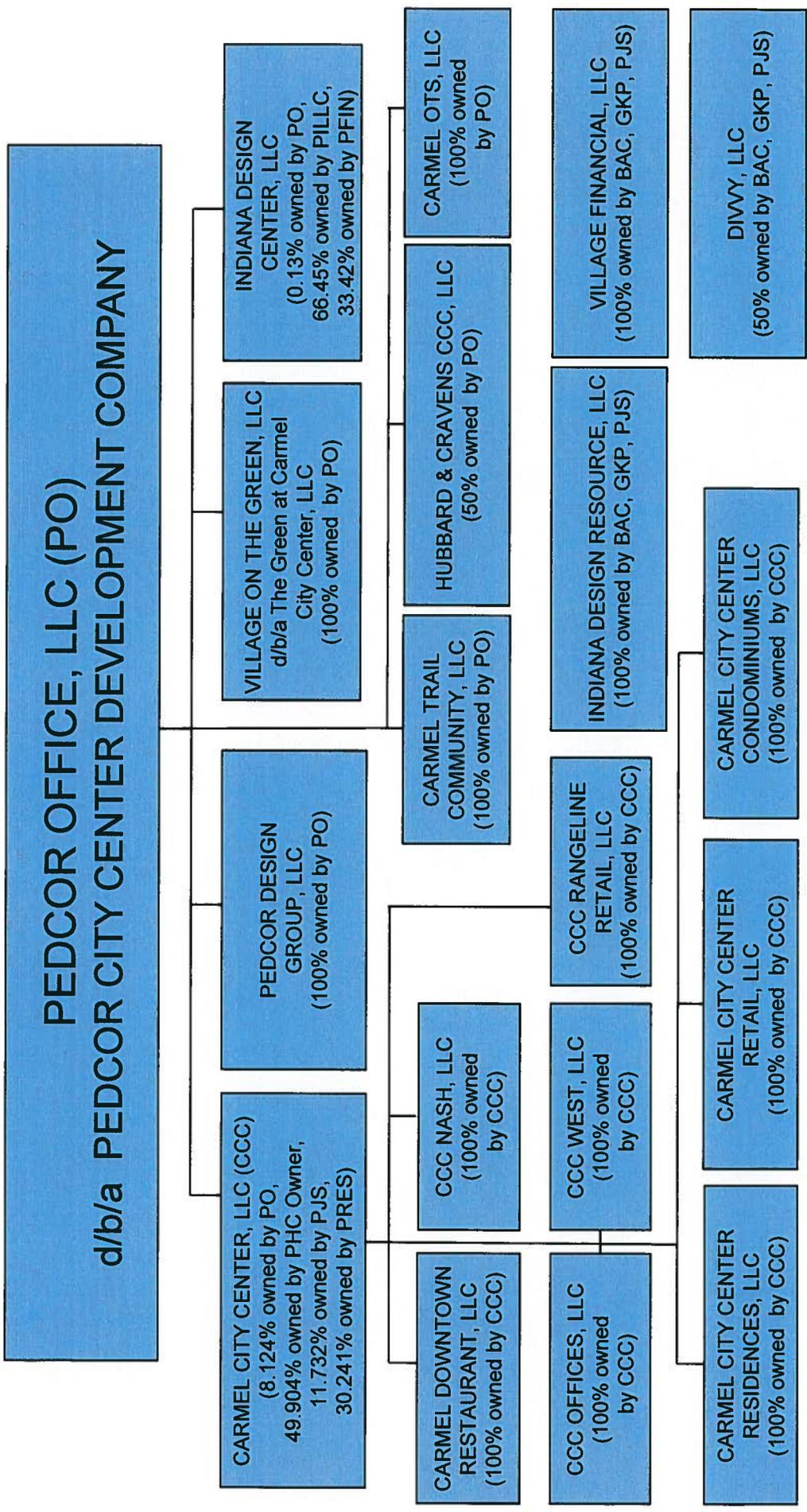
PROVIDES GENERAL
CONTRACTOR SERVICES
FOR PROPERTIES
DEVELOPED BY
PEDCOR INVESTMENTS

SINGLE ASSET LIMITED PARTNERSHIPS

Broadband Network Systems, LLC
PROVIDES COMMUNICATIONS SERVICES TO PEDCOR PROPERTIES

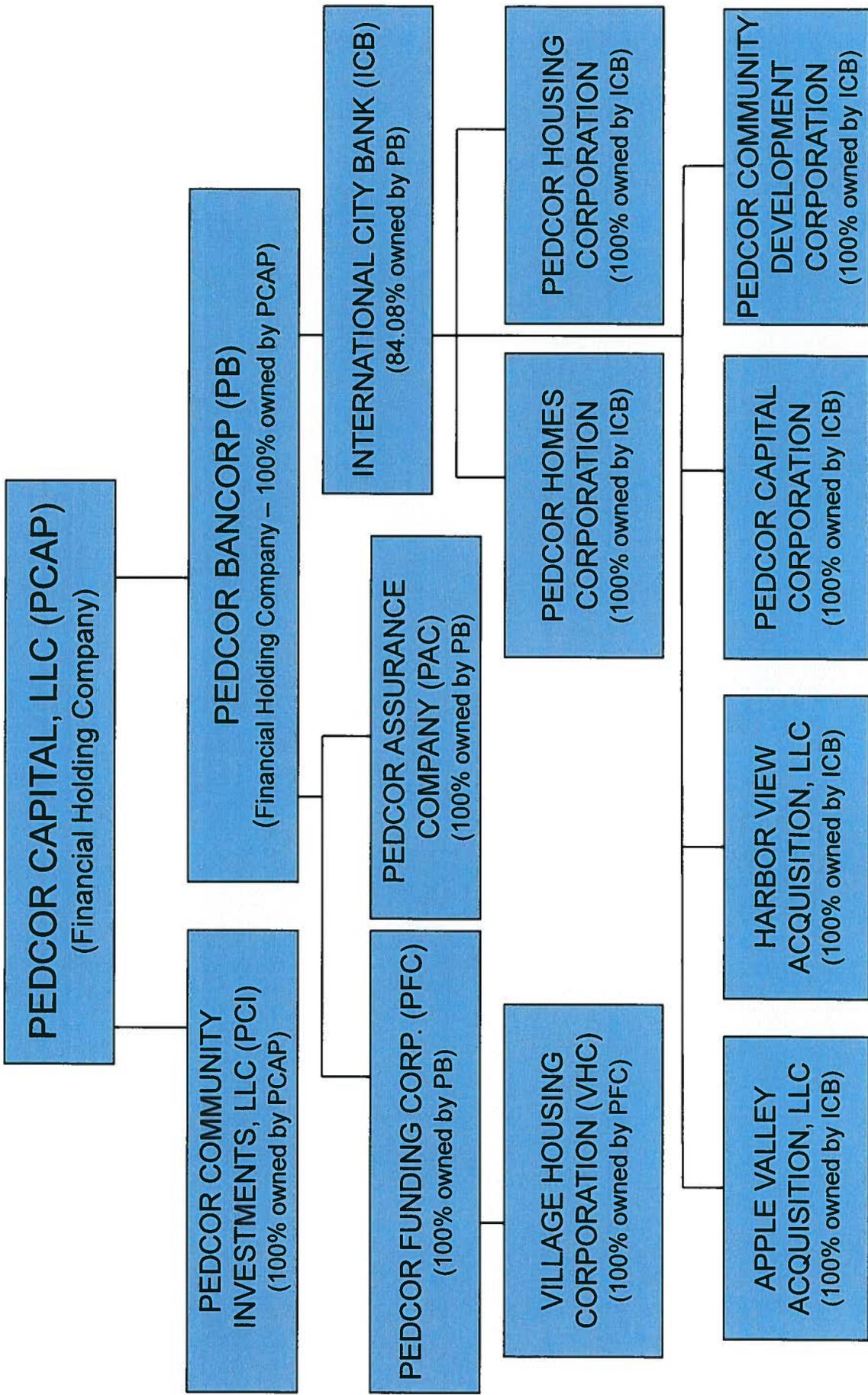
PDC, PDS, PCC, PCM, PMC & PAM ARE AFFILIATES, NOT SUBSIDIARIES, OF PEDCOR INVESTMENTS

PEDCOR OFFICE COMPANIES

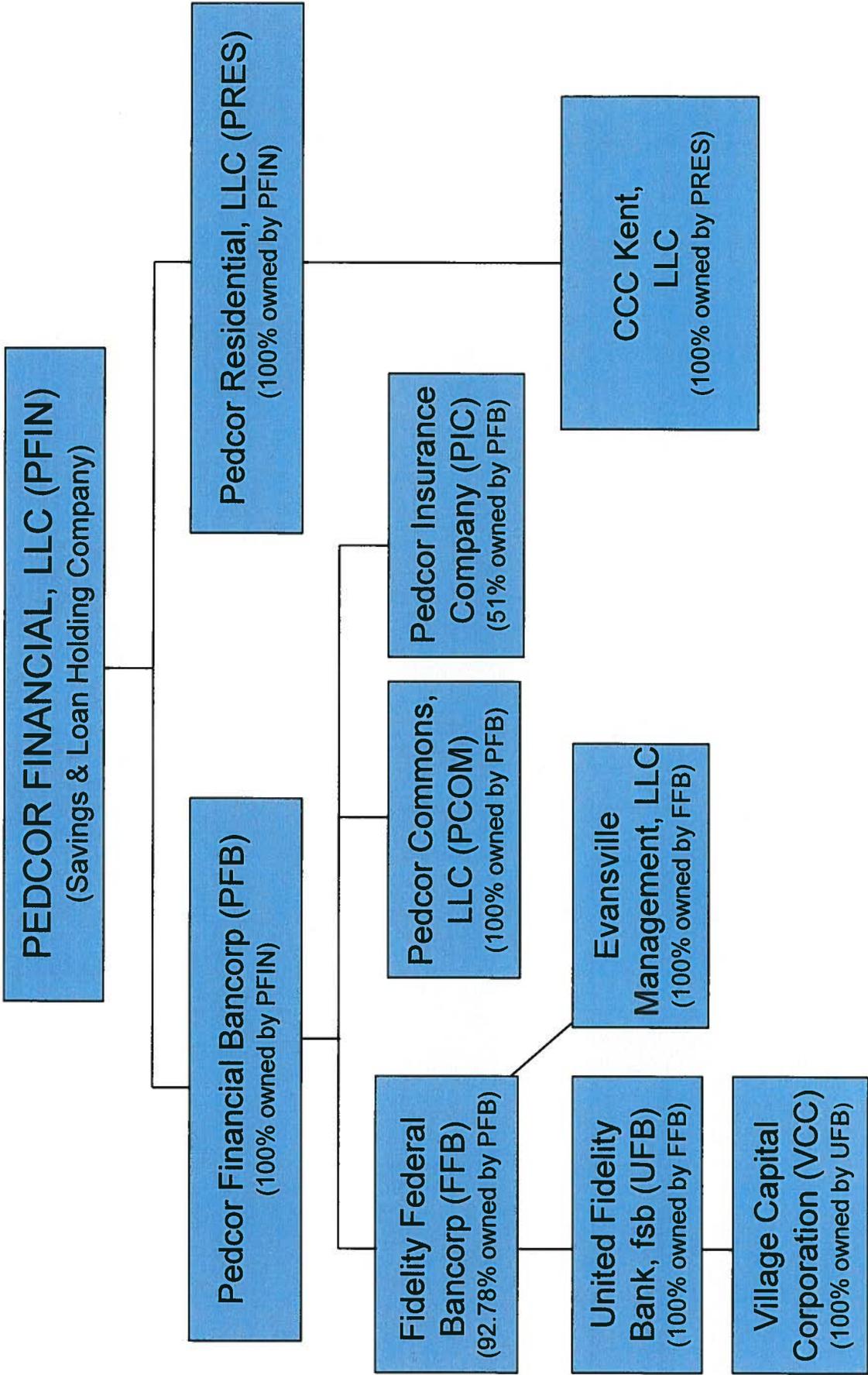


PEDCOR OFFICE, LLC IS A DEVELOPER OF PEDCOR'S CORPORATE CAMPUS AND HOLDS AN INTEREST IN CARMEL CITY CENTER, A MULTI-USE DEVELOPMENT LOCATED IN CARMEL, INDIANA. PEDCOR OFFICE IS OWNED BY PILLC (98.2133%) AND THE ESTATE OF SLC (1.7867%).

PEDCOR CAPITAL COMPANIES



PEDCOR FINANCIAL COMPANIES



MARKETING AMENITIES

MARKETING AMENITIES

Pedcor Investments, A Limited Liability Company ("Pedcor") is Indiana's leader in the development and management of affordable housing under the IRC Section 42 federal housing tax credit program. Pedcor's success is the direct result of comprehensive planning in the areas of marketing research and construction techniques. Timely demographic studies are an integral part of the planning process. These tools, combined with Title 8 requirements, are used to develop an apartment community that is appealing to everyone.

Our overall property design evolves and improves with each new community. Pedcor has always followed the highest industry standards for construction and energy efficiency. Most Pedcor properties today receive federally-designated Energy Star certification. Pedcor properties include all standard necessities, plus upgrades and amenities not common in many competing affordable housing projects. In most of the communities we build today, our standard amenities package is extensive and impressive.

Individual Entryways

Instead of a common area hallway, we give our tenants individual access to their units. This provides private ingress and egress, and eliminates hallway maintenance and noise.



Separate Dining Area

The separate area for dining provides a comfortable space conducive to family dining, just like in modern homes.



Large Closet Space

Our residents appreciate large closet spaces for clothing, supplies, and other storage. Our newer units have walk-in closets with built-in shelves.





Room Design

Room sizes are designed to easily accommodate one to six occupants. Careful space planning is necessary to accommodate furniture, beds and appliances. Phone jacks and electrical outlets are placed for easy access.

Large Private Storage Room

Because of the emphasis on recreation and exercise, our units feature individual private storage for bicycles, toys, tools and/or patio belongings.



Washer/Dryer Closet Hook-ups

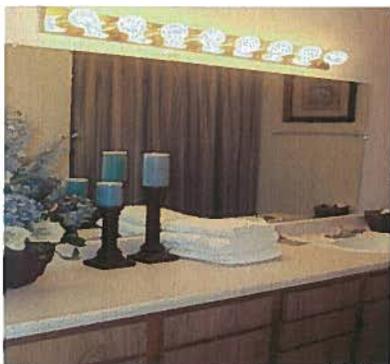
Residents preferring not to transport laundry away from their apartments can have washers and dryers installed in their units. This is especially convenient in bad weather. The utility closet can also be used for additional storage. On-site laundry facilities are also provided at each community.

Private Patios and Balconies

Every Pedcor unit includes a patio or balcony that is ideal for sunning, relaxing or decorating.

Patio Doors

Insulated doors with an Energy Star rating and five (5) year warranty are now standard.



Bathrooms

Residents desire plenty of vanity space and large mirrors. Our vanities have several drawers for storage, and all bathrooms feature large wall-mounted vanity mirrors.

Curb Appeal

Abundant landscaping is provided and maintained by professional landscape companies to enhance appeal. Each property is inspected and cleaned on a daily basis to provide a favorable first impression. Additionally, detailed inspections are performed quarterly, and any necessary maintenance is performed on a timely basis.



Standard Unit Amenities

-  Dishwasher
-  Garbage disposal
-  Frost-free refrigerator
-  Electric range with self-cleaning oven
-  Range hood
-  Double kitchen sinks
-  Pantry
-  Wood-paneled kitchen cabinets
-  Separate dining area
-  Vanity/dressing area
-  Washer/dryer hook-ups
-  Mini and vertical blinds
-  Wall to wall carpeting
-  Ceramic tile bathroom and kitchen
-  Built-in light fixtures
-  Linen closet
-  Walk-in closets
-  Built-in shelving in closets
-  Patio or balcony
-  Private exterior storage
-  Central air conditioning
-  Energy Star certified heating and cooling systems
-  Energy Star windows and sliding glass doors
-  Cable ready
-  High-speed Internet
-  Deadbolt locks and peepholes
-  Smoke detectors
-  Lake views



Standard Community Amenities

-  Swimming pool with sundeck
-  Clubhouse
-  Central laundry area
-  Playground/tot lot
-  Fitness center
-  Business center
-  Picnic tables and BBQ grills
-  Carports and/or parking garages
-  Lake



Clubhouse Building

Each Pedcor project includes a full service clubhouse facility including rental office, community room with complete kitchen amenities, computer center, exercise room, swimming pool, playground area and maintenance facility.



Building Design

Every Pedcor building is designed to enhance curb appeal and constructed to provide long-term durability. Brick, aluminum fascia and soffit are almost maintenance free. The fiber cement siding or vinyl siding has a fifty (50) year non-prorated warranty that is transferable.

Windows

Double pane Energy Star windows provide above average insulation and little or no condensation.

Parking

Careful attention goes into the selection of the appropriate number and location of parking spaces. Carports and Garages are built in most of our communities. Specific locations and totals are based on the types of units on each property.



Maintenance

A qualified person is available to perform routine, preventative and 24-hour emergency maintenance. Procedures are available in a Standard Operating Manual.

Market Surveys

Market surveys are performed by management prior to opening, then quarterly during the operation of the community. This serves as a development feasibility indicator and a reference for comparing the competition.

Marketing

Pedcor pre-markets its properties prior to the completion of the first building. Pedcor goes beyond the normal marketing concept. Prospects can talk with a representative months before construction is complete. These prospects receive a personal opening announcement and brochure. Dozens of employers receive brochures prior to opening via a specifically designed outreach program. Our goal is to have pre-leasing in place as each building becomes ready for occupancy.



DEVELOPMENT PORTFOLIO

























Questionnaire Attachment #5

Pedcor Real Estate Schedule

6/30/2012

#	Property Name	City	State	Property Type	LIHTC Units	Market Units	Total Units	Placed in Service Date	Construction Status	Average Occupancy (YTD 2012)	Estimated Market Value	Outstanding Mortgage Debt	Current Debt Financing	Debt Maturity Date	Default (Y,N) (3)	Primary LIHTC	Total LIHTC	2012 Actual (6/30 ANNUALIZED)	
																		Primary Debt Service	NOI
7	ROUND BARN MANOR	Greensboro	IN	Multi-family (Mfrs)	49	63	112	1990	Complete	95.97%	\$4,033,512	\$3,853,486	HUD 2310	1/1/2045	N	83.2%	83.2%	264,297	355,224
8	PORT CROSSING	Portage	IN	Multi-family (Market)	160	160	160	1990	Complete	95.97%	\$8,654,118	\$3,743,338	HUD 2310	1/1/2034	N	66.5%	66.4%	442,312	666,909
9	GOLFVIEW	Valparaiso	IN	Multi-family (Market)	240	240	240	1991	Complete	95.97%	\$15,392,075	\$10,994,851	HUD 2310	7/1/2036	N	71.2%	71.2%	804,045	1,167,661
11	SHADY KNOLL	Greensboro	IN	Multi-family (Mfrs)	48	64	112	1991	Complete	94.17%	\$4,501,636	\$3,696,002	HUD 2310	1/1/2044	N	82.1%	82.1%	251,148	311,649
12	LAKEVIEW II	Franklin	IN	Multi-family (Mfrs)	70	90	160	1993	Complete	94.17%	\$6,345,981	\$5,385,481	HUD 2310	12/1/2044	N	74.8%	74.8%	438,976	648,610
13	LAKEVIEW I	Greensboro	IN	Multi-family (Mfrs)	48	64	112	1994	Complete	93.92%	\$1,942,462	\$1,077,181	HUD 2310	1/1/2044	N	55.1%	55.1%	74,428	110,492
14	PORT CROSSING II	Greensboro	IN	Multi-family (Mfrs)	104	104	104	1996	Complete	93.85%	\$2,516,556	\$2,165,956	HUD 2310	12/1/2033	N	46.5%	46.5%	188,550	419,184
15	PORT CROSSING III	Greensboro	IN	Multi-family (Mfrs)	104	104	104	1996	Complete	93.85%	\$2,516,556	\$2,165,956	HUD 2310	12/1/2033	N	46.5%	46.5%	188,550	419,184
16	WOODLAND CROSSING II	Mechanicsville	IN	Multi-family (Mfrs)	80	202	282	1996	Complete	93.66%	\$2,445,272	\$2,302,320	Trans-Exempt Bonds	1/1/2033	N	76.3%	76.3%	146,633	234,132
17	LAKEVIEW III	Franklin	IN	Multi-family (Mfrs)	64	64	64	1996	Complete	97.14%	\$2,153,186	\$2,114,899	HUD 2310	12/1/2046	N	71.4%	72.2%	233,114	115,447
21	SHADY KNOLL III	Portage	IN	Multi-family (Mfrs)	96	80	176	1996	Complete	97.02%	\$10,701,978	\$4,270,615	HUD 2310	2/1/2045	N	73.3%	73.3%	567,457	803,174
23	PORT CROSSING III	Seymour	IN	Multi-family (Mfrs)	128	128	128	1998	Complete	97.90%	\$3,995,375	\$4,221,306	Trans-Exempt Bonds	1/1/2021	N	94.6%	105.7%	71,304	281,191
25	STYCAMORE SPRINGS	Seymour	IN	Multi-family (Mfrs)	64	240	304	1999	Complete	97.37%	\$8,921,292	\$9,807,033	Trans-Exempt Bonds	1/1/2021	N	81.1%	109.7%	61,687	374,151
26	LYONS OAK	Dayton	OH	Multi-family (Mfrs)	192	192	192	2000	Complete	97.37%	\$6,294,293	\$5,796,845	Trans-Exempt Bonds	1/1/2021	N	84.1%	93.1%	96,430	178,907
27	LYONS OAK II	Dayton	OH	Multi-family (Mfrs)	192	192	192	2000	Complete	97.37%	\$6,294,293	\$5,796,845	Trans-Exempt Bonds	1/1/2021	N	84.1%	93.1%	96,430	178,907
30	CUMBERLAND CROSSING	Niles Township	MI	Multi-family (Mfrs)	232	232	232	1999	Complete	93.32%	\$10,141,412	\$5,576,079	Trans-Exempt Bonds	4/1/2048	N	81.9%	81.9%	135,818	456,800
31	BERRIEN WOODS I	Niles Township	MI	Multi-family (Mfrs)	232	232	232	1999	Complete	93.32%	\$10,141,412	\$5,576,079	Trans-Exempt Bonds	4/1/2048	N	81.9%	81.9%	135,818	456,800
32	BERRIEN WOODS II	Niles Township	MI	Multi-family (Mfrs)	232	232	232	1999	Complete	93.32%	\$10,141,412	\$5,576,079	Trans-Exempt Bonds	4/1/2048	N	81.9%	81.9%	135,818	456,800
33	STYCAMORE SPRINGS II	Seymour	IN	Multi-family (Market)	56	80	136	2000	Complete	93.88%	\$2,008,028	\$1,628,123	RHS 538	4/1/2046	N	81.0%	81.0%	335,910	271,285
35	GROOKED CREEK I	Kennett	MO	Multi-family (Mfrs)	176	176	176	2002	Complete	92.99%	\$7,932,246	\$7,060,560	Trans-Exempt Bonds	1/1/2021	N	78.2%	89.0%	133,502	556,197
36	BRANDARD LANDINGS I	Belle Creek	IL	Multi-family (Mfrs)	100	50	150	2002	Complete	93.61%	\$8,033,461	\$7,107,000	Trans-Exempt Bonds	10/26/2021	N	73.6%	82.3%	129,856	590,870
38	WATERFRONT POINTE	Indianapolis	IN	Multi-family (Mfrs)	182	10	192	2001	Complete	95.68%	\$9,000,981	\$8,530,966	HUD 2310	4/1/2045	N	58.7%	58.7%	72,929	135,376
39	WATERFRONT POINTE I	Indianapolis	IN	Multi-family (Mfrs)	64	16	80	2001	Complete	95.68%	\$3,097,000	\$2,429,838	HUD 2310	1/1/2045	N	94.8%	94.8%	585,912	674,276
40	RIVERBEND	Chicago	IL	Multi-family (Mfrs)	188	32	220	2003	Complete	90.85%	\$7,150,000	\$7,150,000	HUD 2310	6/1/2018	N	63.6%	65.6%	185,916	288,694
41	OVERLOOK THE	Sikart	IN	Multi-family (Mfrs)	188	32	220	2003	Complete	90.85%	\$7,150,000	\$7,150,000	HUD 2310	6/1/2018	N	63.6%	65.6%	185,916	288,694
42	BROWNSBURG POINTE II	Brownsburg	IN	Multi-family (Mfrs)	9	80	89	2004	Complete	93.85%	\$4,298,463	\$2,485,936	HUD 2310	4/1/2037	N	51.8%	51.8%	218,448	218,448
43	WHISPERRING PINES I	Columbus	IN	Multi-family (Mfrs)	112	112	112	2003	Complete	90.72%	\$4,550,974	\$2,913,436	HUD 2310	6/1/2043	N	64.0%	64.0%	201,443	214,259
46	GOLF POINTE	Columbus	IN	Multi-family (Mfrs)	228	228	228	2003	Complete	90.72%	\$10,328,640	\$6,028,182	Trans-Exempt Bonds	10/26/2021	N	83.0%	86.5%	156,872	691,152
47	BERRIEN WOODS III	Niles Township	MI	Multi-family (Mfrs)	77	51	128	2003	Complete	90.82%	\$6,984,562	\$4,045,000	Trans-Exempt Bonds	1/1/2041	N	83.0%	86.5%	115,541	400,051
48	MASTERS TEE	Valparaiso	IN	Multi-family (Mfrs)	88	88	176	2003	Complete	88.96%	\$13,119,338	\$7,678,422	HUD 2310	10/26/2021	N	58.5%	58.5%	117,829	538,621
49	SANDY CREEK II	Indianapolis	IN	Multi-family (Mfrs)	76	50	126	2004	Complete	95.19%	\$7,177,786	\$5,400,000	Trans-Exempt Bonds	10/26/2021	N	69.7%	81.2%	113,292	483,201
51	LAGON PINES RES	Noblesville	IN	Multi-family (Mfrs)	208	38	246	2006	Complete	95.19%	\$12,615,865	\$11,333,345	HUD 2310	9/1/2046	N	89.8%	89.8%	300,694	471,996
53	LAGON PINES RES	Noblesville	IN	Multi-family (Mfrs)	156	52	208	2006	Complete	95.19%	\$11,188,471	\$10,511,721	HUD 2310	9/1/2046	N	89.8%	89.8%	300,694	471,996
54	DANBURY COURT I	Indianapolis	IN	Multi-family (Mfrs)	96	32	128	2004	Complete	94.47%	\$6,671,421	\$6,671,421	Trans-Exempt Bonds	1/1/2024	N	94.0%	105.3%	188,411	188,411
55	BRANDARD LANDINGS II	Lemoore	IL	Multi-family (Mfrs)	46	46	46	2008	Complete	90.22%	\$2,624,404	\$2,570,000	Trans-Exempt Bonds	5/1/2024	N	97.9%	97.9%	49,155	129,668
56	WHISPERRING PINES II	Elkhart	IN	Multi-family (Mfrs)	167	25	192	2005	Complete	94.00%	\$11,728,475	\$4,344,992	HUD 2310	12/1/2044	N	71.1%	71.1%	557,457	711,038
58	KNOLI WOOD CROSSING II	Hamilton	OH	Multi-family (Mfrs)	128	128	128	2005	Complete	90.72%	\$8,493,047	\$6,334,164	Trans-Exempt Bonds	1/1/2041	N	69.2%	69.2%	99,671	324,519
59	DEWARS AT RIVERS BEND	South Lebanon	OH	Multi-family (Mfrs)	176	176	176	2007	Complete	93.18%	\$10,932,783	\$6,771,108	HUD 2310	3/1/2047	N	61.9%	61.9%	428,070	505,780
62	RESERVE OF AVON	Avon	OH	Multi-family (Mfrs)	113	15	128	2006	Complete	95.83%	\$8,484,330	\$5,759,244	HUD 2310	6/1/2047	N	67.9%	67.9%	337,348	448,738
63	LAKEVIEW III	Noblesville	IN	Multi-family (Mfrs)	18	8	26	2006	Complete	97.22%	\$4,555,019	\$1,843,000	HUD 2310	6/1/2047	N	42.2%	42.2%	69,395	151,907
65	SADDI BROOK III	Indianapolis	IN	Multi-family (Mfrs)	48	48	48	2006	Complete	93.30%	\$6,130,000	\$5,130,000	Trans-Exempt Bonds	3/1/2026	N	68.0%	78.8%	50,031	157,907
67	GROOKED CREEK II	Kennett	MO	Multi-family (Market)	112	76	188	2006	Complete	94.08%	\$7,188,112	\$4,604,584	HUD 2310	6/1/2045	N	95.3%	95.3%	277,485	369,566
70	STONERIDGE	Kennett	MO	Multi-family (Mfrs)	70	10	80	2007	Complete	95.31%	\$3,175,860	\$2,241,096	Conventional	6/1/2022	N	43.3%	43.3%	91,610	255,207
71	DANBURY COURT II	Bloomington	IL	Multi-family (Mfrs)	96	12	108	2007	Complete	92.32%	\$9,655,899	\$7,849,035	Trans-Exempt Bonds	6/1/2021	N	75.9%	86.7%	475,369	576,124
72	HITS AT KNOLI WOOD	Hamilton	OH	Multi-family (Market)	192	192	192	2006	Complete	93.84%	\$11,151,233	\$11,151,233	HUD 2310	5/1/2044	N	82.7%	82.7%	835,596	1,110,949
73	CLAY TERRACE	Kennett	MO	Multi-family (Mfrs)	210	210	210	2009	Complete	95.91%	\$17,921,113	\$10,305,000	Trans-Exempt Bonds	5/1/2013	N	58.8%	58.8%	291,488	789,140
74	SOUTHWIND LAKES	Memphis	TN	Multi-family (Mfrs)	200	200	200	2008	Complete	91.71%	\$13,024,401	\$11,745,000	Trans-Exempt Bonds	4/1/2020	N	74.5%	87.5%	212,597	808,235
75	LAKEVIEW III	Greensboro	IN	Multi-family (Mfrs)	107	13	120	2007	Complete	96.69%	\$5,550,213	\$4,184,117	HUD 2310	4/1/2046	N	64.7%	64.7%	385,760	424,713
76	LAKES OF BEAVERCREEK	Greensboro	IN	Multi-family (Mfrs)	212	212	212	2007	Complete	96.05%	\$4,441,829	\$4,441,829	Conventional	6/1/2026	N	10.0%	10.0%	622,400	142,684
77	STONERIDGE II	Kennett	MO	Multi-family (Mfrs)	24	24	24	2011	Complete	95.05%	\$4,303,554	\$4,303,554	Conventional	6/1/2026	N	42.9%	42.9%	84,665	326,996
78	DELAWARE TRACE	Evansville	IN	Multi-family (Mfrs)	96	16	112	2008	Complete	95.33%	\$7,447,483	\$3,310,829	Conventional	12/1/2013	N	105.5%	105.5%	169,931	401,718
79	SOUTHWIND LAKES II	Memphis	TN	Multi-family (Market)	150	76	226	2007	Complete	93.99%	\$5,108,793	\$5,384,266	Conventional	7/1/2013	N	89.2%	89.2%	209,022	430,635
81	ALDERWOOD ESTATES	Bax City	IN	Multi-family (Mfrs)	236	236	236	2008	Complete	91.44%	\$9,106,733	\$12,323,134	Trans-Exempt Bonds	3/1/2013	N	66.7%	73.8%	289,398	880,428
82	GRUYSTONE I	Grand Island	NE	Multi-family (Mfrs)	81	15	96	2008	Complete	94.10%	\$7,478,975	\$1,931,170	Conventional	10/24/2023	N	34.0%	34.0%	116,348	280,478
83	AVONDA LAKES	Marion	OH	Multi-family (Mfrs)	176	176	176	2008	Complete	89.25%	\$9,590,516	\$4,335,000	Trans-Exempt Bonds	9/9/2024	N	89.9%	89.9%	215,662	370,240
84	ASHLAND LAKES I	Valparaiso	IN	Multi-family (Mfrs)	34	10	44	2008	Complete	96.88%	\$5,809,626	\$3,049,107	Trans-Exempt Bonds						

Pedcor Real Estate Schedule 6/30/2012

#	Property Name	City	State	Property Type	LIHTC Units	Market Units	Total Units	Placed in Service Date	Construction Status	Average Occupancy (YTD 2012)	Estimated Market Value	Outstanding Mortgage Debt	Current Debt Financing	Debt Maturity Date	Default (L,N,C)	Primary LTV	Total LTV	Primary Debt Service	NOI	Primary DSCR
96	VALLEY VIEW	Medina	IL	Multi-Family (TC)	102	102	204	2007	Complete	91.71%	\$10,966,341	\$1,756,000	Tax-Exempt Bonds	5/15/2024	N	60.3%	60.3%	197,748	506,744	2.37
97	IRVINGTON HEIGHTS	Owaka	NE	Multi-Family (TC)	160	160	320	2008	Complete	96.35%	\$15,600,231	\$1,600,000	Conventional	9/10/2013	N	91.6%	91.6%	417,707	791,686	1.90
98	ALBION POINTE II	Foley	AL	Multi-Family (Market)	128	128	256	2008	Complete	90.85%	\$6,900,000	\$6,000,000	Conventional	9/10/2013	N	91.6%	91.6%	171,157	330,350	1.72
100	TIMBER RIDGE II	Lynchburg	VA	Multi-Family (TC)	72	72	144	2009	Complete	96.88%	\$7,287,111	\$2,681,359	Conventional	11/1/2014	N	25.5%	25.5%	58,432	255,380	0.12
103	ASHTON RIDGE II	Owachen	MO	Multi-Family (TC)	144	144	288	2009	Complete	97.19%	\$11,659,098	\$8,450,000	Conventional	9/1/2012	N	68.8%	76.7%	211,721	572,682	2.40
108	ASHLAND LAKES II	Merrillville	IN	Multi-Family (TC)	212	212	424	2009	Complete	97.85%	\$8,450,000	\$8,450,000	Conventional	9/1/2012	N	61.1%	76.8%	233,399	874,736	3.92
111	WEATHERLY RIDGE II	Nashville	TN	Multi-Family (TC)	48	48	96	2010	Complete	97.67%	\$6,899,093	\$2,694,538	Conventional	9/1/2012	N	37.8%	37.8%	152,368	224,432	1.47
112	BRADFORD PARK	Brownsville	TX	Multi-Family (Mkt)	81	15	96	2010	Complete	95.83%	\$13,879,227	\$2,000,000	Conventional	10/1/2016	N	15.1%	15.1%	69,922	602,789	4.37
113	WATERFRONT	West Des Moines	IA	Multi-Family (TC)	208	208	416	2010	Complete	97.92%	\$36,803,294	\$7,171,478	Conventional	10/1/2016	N	19.4%	19.4%	582,652	961,023	1.70
114	TRUSTEES ROW	Des Moines	IA	Multi-Family (Mkt)	144	256	400	2010	Complete	91.25%	\$15,993,889	\$1,717,478	Conventional	8/1/2015	N	90.0%	90.0%	964,255	1,489,375	1.54
117	WOODLAND CROSSING	Michigan City	IN	Multi-Family (TC)	64	64	128	2010	Complete	94.14%	\$2,448,854	\$1,663,345	Conventional	11/1/2012	N	67.7%	67.7%	134,170	198,170	1.37
201	WOODLAND CROSSING	Michigan City	IN	Multi-Family (TC)	64	64	128	2010	Complete	94.14%	\$2,448,854	\$1,663,345	Conventional	11/1/2012	N	67.7%	67.7%	134,170	198,170	1.37
461	CRYSTAL GLEN II	Hampton	OH	Multi-Family (Mkt)	180	16	196	1999	Complete	89.84%	\$14,841,132	\$2,542,681	Conventional	11/4/2021	N	63.8%	78.4%	170,612	1,003,153	6.06
462	KNOXWOOD CROSSING	Hampton	OH	Multi-Family (Mkt)	180	60	240	2001	Complete	97.31%	\$4,513,674	\$4,513,674	Conventional	4/1/2045	N	78.7%	78.7%	310,090	461,558	1.77
463	AUTUMN WOODS II	Crawfordsville	IN	Multi-Family (Mkt)	72	24	96	2002	Complete	96.95%	\$6,251,872	\$4,500,000	Conventional	11/4/2021	N	58.7%	70.5%	215,046	367,399	2.17
464	AUTUMN WOODS II	Crawfordsville	IN	Multi-Family (Mkt)	72	24	96	2002	Complete	96.95%	\$6,251,872	\$4,500,000	Conventional	11/4/2021	N	58.7%	70.5%	215,046	367,399	2.17
780	JOCKOY KNOLL	Anderson	IN	Multi-Family (TC)	64	64	128	1998	Complete	88.54%	\$2,841,274	\$2,683,339	Conventional	6/9/2013	N	26.9%	26.9%	26,987	144,663	2.40
781	CHICO STREET TIPS	Indianapolis	IN	Multi-Family (TC)	20	20	40	1995	Complete	77.50%	\$377,953	\$153,759	Conventional	6/9/2013	N	26.9%	26.9%	26,987	144,663	2.40
782	SAND CREEK VILLAGE	Autumn	MI	Multi-Family (TC)	24	24	48	1997	Complete	89.24%	\$3,313,953	\$3,313,953	Conventional	10/25/2021	N	111.7%	112.7%	86,298	166,335	2.16
					3,342	3,422	6,764				\$74,238,148	\$4,641,756				64.3%	69.4%	\$2,433,337	\$2,723,985	1.19

2012 Actual (6/30 ANNUALIZED)

Property Name	City	State	Property Type	LIHTC Units	Market Units	Total Units	Placed in Service Date	Construction Status	Average Occupancy (YTD 2012)	Estimated Market Value	Outstanding Mortgage Debt	Current Debt Financing	Debt Maturity Date	Default (L,N,C)	Primary LTV	Total LTV	Primary Debt Service	NOI	Primary DSCR	
PEDCOR INVESTMENTS - NON-STABILIZED PROPERTIES																				
68	ORENSTONE II	Noblesville	IN	Multi-Family (Market)	32	216	248	2009	Complete	86.19%	\$19,300,000	\$16,223,672	HUD 2210-4	5/15/2019	N	84.1%	84.1%	871,065	1,097,614	1.26
101	IRVINGTON HEIGHTS II	Owaka	NE	Multi-Family (TC)	160	160	320	2008	Complete	94.53%	\$4,544,228	\$882,142	Conventional	10/20/22	N	17.8%	17.8%	71,343	133,057	1.86
102	PRAIRIE MEADOWS	Greenfield	IN	Multi-Family (Mkt)	85	15	100	2011	Complete	72.83%	\$12,013,673	\$2,465,000	Conventional	3/1/2026	N	19.1%	19.1%	144,509	408,822	2.83
104	VILLAGE PARK	Waukegan	IL	Multi-Family (Mkt)	113	13	126	2011	Complete	12.83%	\$27,611,037	\$5,000,000	Conventional	3/1/2013	N	18.1%	18.1%	338,375	737,248	2.06
115	FRANKLIN COVE	Indianapolis	IN	Multi-Family (Mkt)	85	15	100	2010	Complete	91.33%	\$12,030,199	\$2,375,000	Conventional	10/21/2026	N	18.4%	18.4%	117,232	289,555	2.47
118	CHAMBERLAIN TERRACE	La Vista	NE	Multi-Family (TC)	84	84	168	2011	Complete	2.69%	\$18,642,828	\$2,100,000	Conventional	10/21/2027	N	11.3%	11.3%	54,682	515,858	1.00
120	1600 PARK FORTHE	Greenwood	IN	Multi-Family (TC)	96	96	192	2011	Complete	44.38%	\$18,375,783	\$1,950,000	Conventional	8/1/2027	N	10.7%	10.7%	115,841	307,297	2.64
126	APPLETON APARTMENTS	Greenbush	NE	Multi-Family (TC)	84	84	168	2011	Complete	23.02%	\$13,079,565	\$1,100,000	Conventional	8/1/2027	N	16.1%	16.1%	33,207	428,239	1.29
					572	259	831			\$74,238,148	\$4,641,756				23.9%	25.9%	\$2,433,337	\$2,843,957	1.54	
PEDCOR INVESTMENTS - CONSTRUCTION PROPERTIES																				
129	STEEL ON WASHINGTON	Indianapolis	IN	Multi-Family (TC)	144	144	288	2012	52.76%	\$20,500,000	\$1,900,000	Conventional	11/1/2028	N	9.3%	9.3%	\$ -	\$ -	\$ -	
133	CHAMBERLAIN TERRACE II	La Vista	NE	Multi-Family (Mkt)	38	10	48	2012	82.16%	\$7,118,640	\$1,700,000	Conventional	11/1/2028	N	21.9%	21.9%	\$ -	\$ -	\$ -	
136	FLETCHER ESTATES	Ankeny	IA	Multi-Family (TC)	48	10	58	2012	57.74%	\$9,437,080	\$1,250,000	Conventional	6/01/2029	N	13.2%	13.2%	\$ -	\$ -	\$ -	
					230	10	240			\$35,055,720	\$4,850,000				13.1%	13.1%	\$ -	\$ -	\$ -	
PEDCOR PARTNER OWNED PROPERTIES																				
723	BELLA VISTA	El Cajon	CA	Multi-Family (TC)	150	150	300	1999	Complete	91.83%	\$8,729,333	\$4,400,000	Conventional	2/1/2014	N	50.4%	50.4%	89,197	522,572	5.86
724	EL CAJON	Indianapolis	IN	Multi-Family (Market)	50	20	70	2003	Complete	95.43%	\$14,226,163	\$3,965,200	HUD 2210	7/1/2042	N	69.8%	69.8%	712,159	894,882	1.26
1001	LIONS CREEK	Noblesville	IN	Multi-Family (Market)	50	50	100	2006	Complete	85.34%	\$9,800,800	\$2,133,997	HUD 2210	4/1/2044	N	63.3%	63.3%	1,668,270	1,616,665	0.97
					150	170	320			\$24,756,296	\$10,498,297				78.3%	78.3%	\$2,485,628	\$3,048,614	1.20	
VILLAGE FORT POLLO																				
601	VANN PARK I	Evansville	IN	Multi-Family (TC)	40	4	44	1993	Complete	91.86%	\$1,316,881	\$1,339,480	HUD 2210	5/15/2046	N	101.7%	101.7%	84,706	124,077	1.46
602	DEERFIELD	Kendallville	IN	Multi-Family (TC)	40	40	80	1994	Complete	96.07%	\$1,513,149	\$1,688,015	HUD 2210	5/15/2046	N	71.9%	71.9%	67,634	105,170	1.55
603	VANN PARK II	Evansville	IN	Multi-Family (TC)	48	48	96	1994	Complete	93.05%	\$1,289,948	\$1,594,769	HUD 2210	5/15/2046	N	123.6%	123.6%	100,759	116,332	1.15
604	SADDLEBROOK	Henderson	KY	Multi-Family (TC)	40	40	80	1995	Complete	96.04%	\$1,665,691	\$1,689,845	HUD 2210	3/1/2046	N	65.4%	65.4%	84,066	132,432	1.95
605	PRAIRIE GREEN	Urbana	IL	Multi-Family (TC)	56	56	112	1995	Complete	94.79%	\$1,693,410	\$1,233,838	HUD 2210	11/1/2041	N	76.3%	76.3%	89,095	138,705	1.56
606	FOX HILL II	Bloomington	IN	Multi-Family (TC)	40	40	80	1995	Complete	94.38%	\$1,626,027	\$1,054,108	HUD 2210	11/1/2041	N	64.7%	64.7%	76,738	129,503	1.69
608	DEERFIELD II	Kendallville	IN	Multi-Family (TC)	40	40	80	1994	Complete	93.33%	\$1,937,469	\$1,435,125	HUD 2210	5/1/2039	N	87.6%	87.6%	108,280	137,837	1.27
609	AUTUMN TRACE I	Kokomo	IN	Multi-Family (TC)	64	64	128	1995	Complete	83.16%	\$3,557,477	\$1,604,404	HUD 2210	2/1/2037	N	187.6%	187.6%	107,935	198,404	0.97
610	VANN PARK IV	Evansville	IN	Multi-Family (TC)	40	40	80	1996	Complete	85.63%	\$950,080	\$913,072	HUD 2210	6/1/2037	N	96.1%	96.1%	53,510	56,601	1.06
611	SADDLEBROOK II	Henderson	KY	Multi-Family (TC)	40	40	80	1995	Complete	93.13%	\$1,550,234	\$1,120,885	HUD 2210	3/1/2046	N	72.3%	72.3%	70,005	122,949	1.76
612	PRAIRIE GREEN III	Urbana	IL	Multi-Family (TC)	48	48	96	1996	Complete	94.17%	\$1,503,758	\$1,247,698	HUD 2210	11/1/2037	N	83.0%	83.0%	98,841	128,091	1.30
303	EDGEWATER VILLAGE	Urbana	IL	Multi-Family (TC)	24	24	48	1995	Complete	93.00%	\$1,458,727	\$1,369,047	HUD 2210	9/1/2012	N	93.2%	93.2%	93,851	126,289	1.35
303	VANN PARK III	Urbana	IL	Multi-Family (TC)	40	40	80	1996	Complete	91.98%	\$2,724,240	\$2,887,000	HUD 2210	9/1/2012	N	93.3%	106.0%	83,482	187,576	2.23
303	VANN PARK III	Urbana	IL	Multi-Family (TC)	32	32	64	1995	Complete	83.94%	\$1,291,932	\$1,246,583	HUD 2210	9/1/2045	N	137.0%	137.0%	100,268	148,445	1.48
303	VANN PARK III	Urbana	IL	Multi-Family (TC)	4	2	6	1996	Complete	83.86%	\$2,420,381	\$2,410,325	HUD 2210	9/1/2039	N	100.9%	100.9%	85,950	174,353	1.74
303	SPRINGVIEW	Northridge	IN	Multi-Family (TC)	4	4	8	1996	Complete	88.12%	\$2,420,381	\$2,410,325	HUD 2210	9/1/2039	N	92.3%	92.3%	85,950	174,353	1.74
					720	180	900			\$24,756,296	\$10,498,297				92.3%	9				

SOURCES AND USES THRU BREAKEVEN OPERATIONS

WILLIAM CANNON APARTMENTS
AUSTIN, TEXAS

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		Total Development Costs
USES OF FUNDS		
To Purchase Land		3,350,000
Reserved		-
Hard Construction Costs		
1. Site Work	4,102,339	
2. Buildings	15,755,070	
3. Clubhouse, Pool & Cable Equipment	229,606	
4. Carports & Garages	242,614	
5. General Requirements	262,000	
6. Signature Fees	1,093,481	
7. Pedcor Construction Fees	1,669,587	
8. Permits & Travel	228,000	
9. Contingency	5.04% 1,050,000	24,632,697
Architectural and Engineering Fees		511,370
Architectural Services Fee (Pedcor)		200,000
Other Construction Period Costs		
1. Real Estate Attorney (Pedcor)	40,000	
2. Construction Loan Legal (Zoning Attny)	20,000	
3. Title & Recording	134,666	
4. Construction Interest (thru Breakeven)	1,092,187	
5. Loan Origination Fees (Pedcor)	242,000	
6. Furnishings and Equipment	247,574	
7. Taxes & Insurance	220,522	
8. Operating Expenses (thru Breakeven)	504,321	
9. Interest on DDF	450,000	
10. Construction Guaranty Fee (Pedcor)	492,654	3,443,924
Permanent Financing Costs/Soft Costs		
1. Bond Placement/Origination Fee	100,000	
2. Bond Financing Fees	-	
-Underwriter's Counsel	40,000	
-Bond Counsel	-	
-Issuer Counsel	-	
-Capitalized Bond Interest	252,000	
-Rating Agency	8,000	
-Trustee Fees	10,000	
-Printing Fees	5,000	
-Issuer Fees	294,020	
-Pedcor Bond Counsel Fees	40,000	749,020
3. FHA/GNMA Origination Fee (P/R Mtg.)	484,000	
- FHA/GNMA Lender Counsel (P/R Mtg.)	15,000	
- FHA/GNMA Pedcor Counsel	15,000	
- 221(d)4 Application Fee	72,600	
- 221(d)4 Inspection Fee	121,000	
- 221(d)4 MIP	217,800	
- Performance/Latent Defect Bond	223,270	
- Other FHA LOC Fees	149,150	1,297,820
Syndication Costs		
1. Organizational (e.g. Partnership)	-	
2. LIHTC Fees	64,550	
3. Investor Legal	-	
4. Cost Certification	7,500	72,050
Developer Fee		4,383,944
Operating Reserve		500,000
Misc. Soft Cost		40,000
TOTAL		39,180,825
SOURCES OF FUNDS		
Rental Income (thru Breakeven)		667,842
Limited Partner Equity		12,800,000
First Mortgage Proceeds		24,200,000
Reserved		-
Reserved		-
Deferred Fees		1,512,983
Reserved		-
Reserved		-
TOTAL		39,180,825

CASH FLOW FROM OPERATIONS

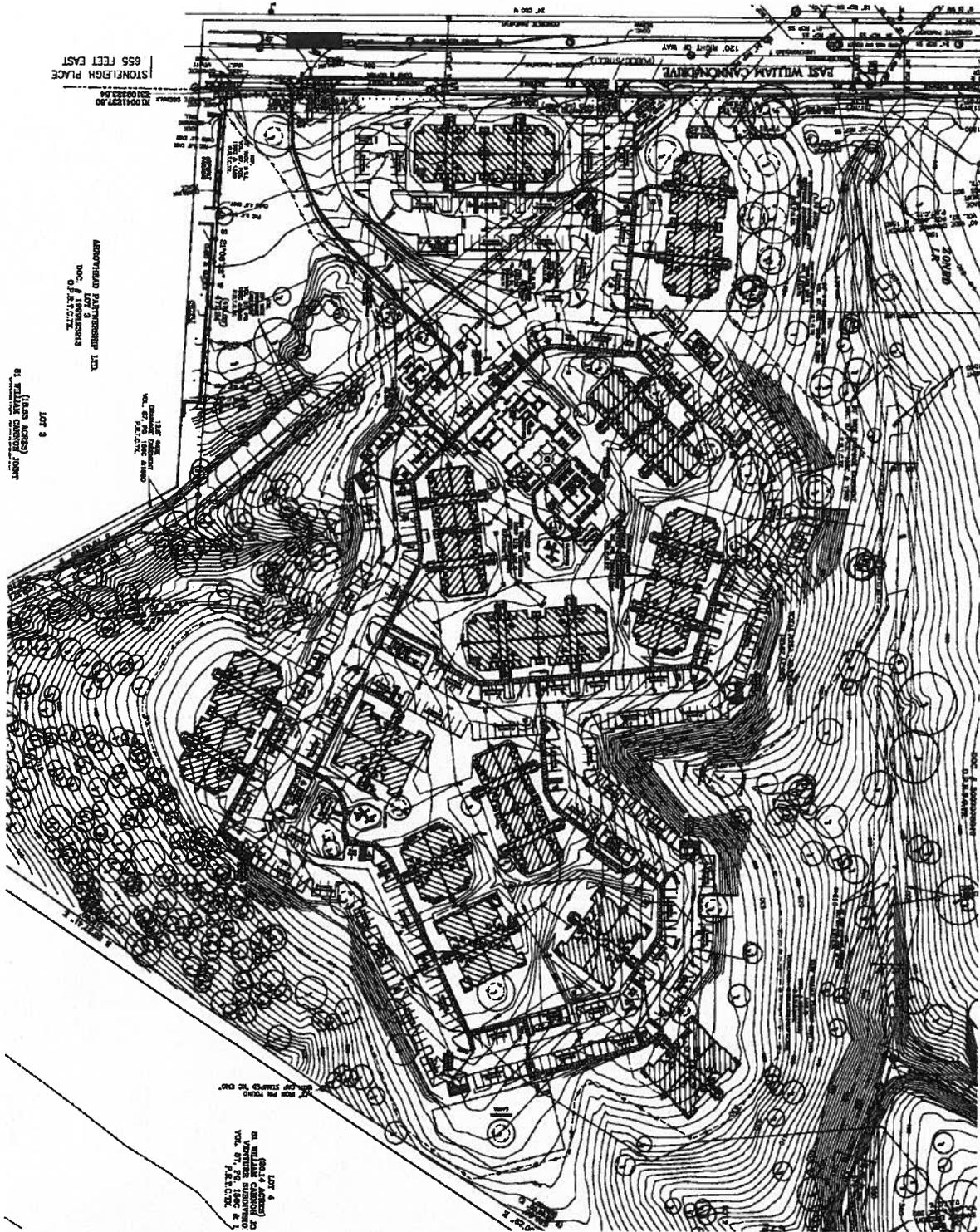
WILLIAM CANNON APARTMENTS
AUSTIN, TEXAS

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Income increases @: 2.00%
Expenses increases @: 3.00%
Vacancy @: 5.00%

CONSTRUCTION AND LEASE UP PERIOD

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17
EFFECTIVE INCOME	-	336,687	1,942,778	2,468,028	2,517,389	2,567,737	2,619,091	2,671,473	2,724,903	2,779,401	2,834,989	2,891,689	2,949,522	3,008,513	3,068,683	3,130,057	3,192,658
Operating Costs (except taxes)	-	(69,581)	(527,489)	(708,655)	(729,915)	(751,812)	(774,367)	(797,598)	(821,526)	(846,171)	(871,556)	(897,703)	(924,634)	(952,373)	(980,944)	(1,010,373)	(1,040,684)
RE Taxes-No abatement	-	-	(113,908)	(293,313)	(302,113)	(311,176)	(320,512)	(330,127)	(340,031)	(350,232)	(360,739)	(371,561)	(382,708)	(394,189)	(406,014)	(418,195)	(430,741)
INCOME FROM OPERATIONS	-	267,106	1,301,582	1,466,060	1,485,361	1,504,748	1,524,213	1,543,749	1,563,346	1,582,998	1,602,694	1,622,425	1,642,181	1,661,951	1,681,724	1,701,489	1,721,233
Reserve for Replacement	-	-	(105,149)	(105,149)	(105,149)	(105,149)	(105,149)	(105,149)	(105,149)	(105,149)	(105,149)	(105,149)	(105,149)	(105,149)	(105,149)	(105,149)	(105,149)
NET OPERATING INCOME	-	267,106	1,196,232	1,360,911	1,380,212	1,399,599	1,419,064	1,438,600	1,458,197	1,477,849	1,497,545	1,517,276	1,537,031	1,556,802	1,576,575	1,596,340	1,616,084
DEBT SERVICE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
First Mortgage	-	-	1,147,892	1,146,564	1,145,075	1,145,540	1,141,959	1,140,330	1,138,651	1,136,921	1,135,139	1,133,302	1,131,410	1,129,459	1,127,450	1,125,379	1,123,246
Interest	-	-	775,305	713,614	703,699	693,483	682,955	672,108	660,931	649,414	637,546	625,318	612,717	599,734	586,355	572,570	558,365
Principal	-	-	264,282	325,973	335,888	346,104	356,631	367,479	378,656	390,173	402,040	414,269	426,869	439,853	453,232	467,017	481,222
MIP	-	-	108,305	106,977	105,488	103,954	102,372	100,743	99,064	97,335	95,552	93,715	91,823	89,873	87,863	85,793	83,659
2nd Mortgage Taxable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred Pdcor/Affiliate Fees/Interest	-	-	-	200,153	220,518	241,000	261,595	282,294	303,092	4,332	-	-	-	-	-	-	-
Land Lease Payment/Released reserves	-	-	-	-	(0)	(0)	(0)	(0)	(0)	0	-	-	-	-	-	-	-
EXCESS CASH FLOW	-	267,106	48,340	14,194	14,620	15,058	15,510	15,975	16,455	336,596	362,406	383,973	405,622	427,342	449,125	470,960	492,838
SUBORDINABLE MGMT FEES	-	267,106	87,425	111,061	113,283	115,548	117,859	120,216	122,621	125,073	127,574	130,126	132,729	135,383	138,091	140,853	143,670
DEBT SERVICE COVERAGE RATIOS																	
1st Mortgage Tax Exempt & Taxable	NA	NA	1.04	1.19	1.21	1.22	1.24	1.26	1.28	1.30	1.32	1.34	1.36	1.38	1.40	1.42	1.44
1st Mgtg Tx Exempt with Subordn. Mgmt Fees	NA	NA	1.12	1.28	1.30	1.32	1.35	1.37	1.39	1.41	1.43	1.45	1.48	1.50	1.52	1.54	1.57
All Debt Tx Exempt & Tble	NA	NA	1.04	1.19	1.21	1.22	1.24	1.26	1.28	1.30	1.32	1.34	1.36	1.38	1.40	1.42	1.44
All Debt w/ Subordn. Mgmt Fees	NA	NA	1.23	1.42	1.44	1.46	1.48	1.50	1.52	1.54	1.56	1.58	1.61	1.63	1.65	1.67	1.69
AVERAGE TOTAL RATE	3.450%	3.450%	3.450%	3.450%	3.450%	3.450%	3.450%	3.450%	3.450%	3.450%	3.450%	3.450%	3.450%	3.450%	3.450%	3.450%	3.450%
Components:																	
-One Year CNT	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%
-Spread and/or MIP	0.450%	0.450%	0.450%	0.450%	0.450%	0.450%	0.450%	0.450%	0.450%	0.450%	0.450%	0.450%	0.450%	0.450%	0.450%	0.450%	0.450%
-Base/Ceiling Adjustment	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
-Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-Permanent FHA 223(f) Rate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CUM. CASH DEFICIT (after deferrals)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BEGINNING MORTGAGE BAL	-	11,644,121	24,200,000	23,935,718	23,609,745	23,273,857	22,927,763	22,571,122	22,203,643	21,824,987	21,434,814	21,032,774	20,618,595	20,191,635	19,751,782	19,298,251	18,831,534
ENDING TOTAL RESERVES BALANCE	-	505,000	500,000	505,000	510,050	515,151	520,302	525,505	530,760	536,068	541,428	546,843	552,311	557,834	563,413	569,047	574,737
DEFERRED FEES BALANCE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

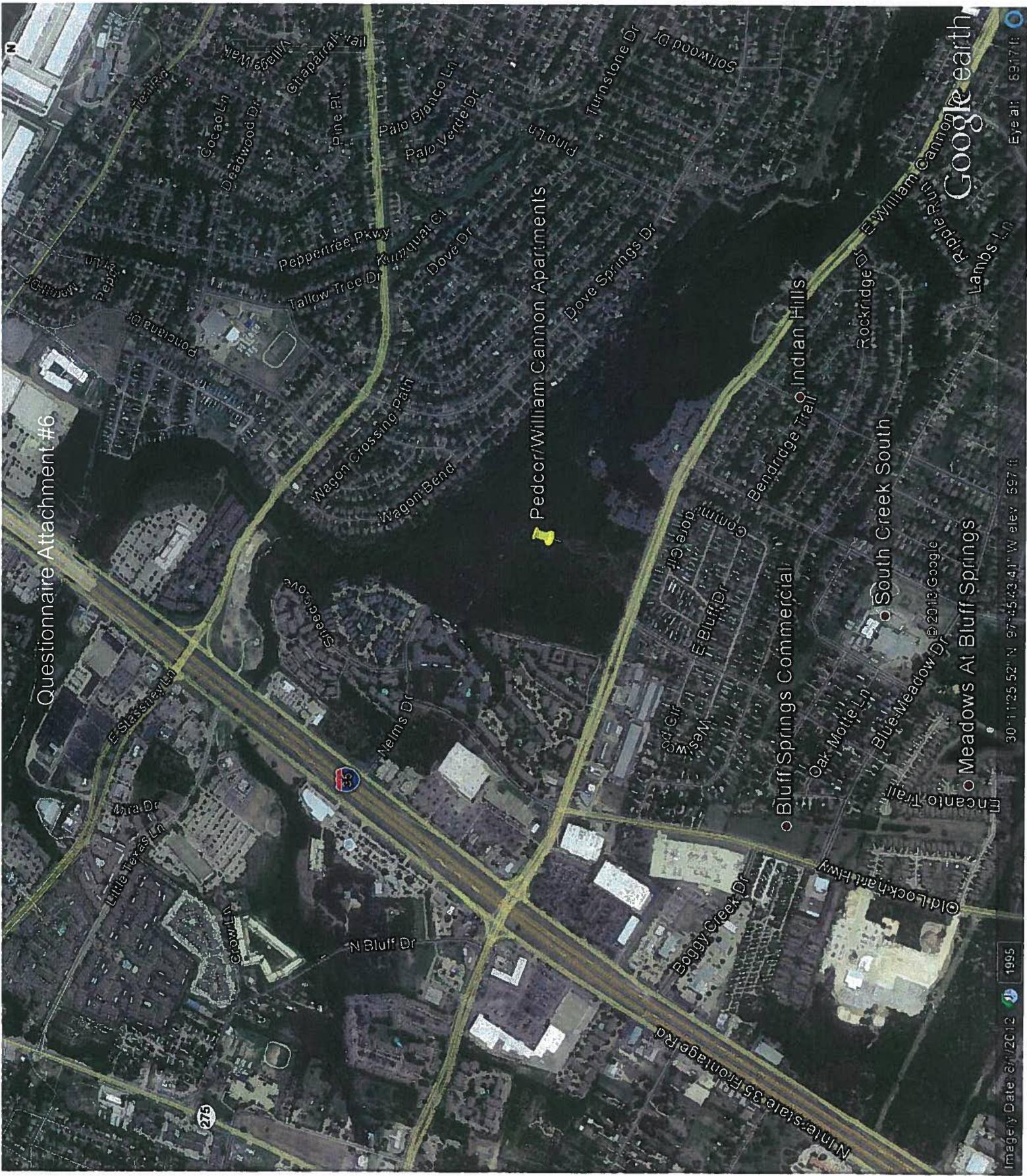
Questionnaire Attachment #9



<p>GENERAL SITE NOTES</p> <p>1. ALL UTILITIES SHOWN ARE BASED ON RECORD DRAWINGS AND FIELD SURVEY. THE ENGINEER HAS CONDUCTED VISUAL INSPECTIONS OF THE UTILITIES SHOWN AND HAS FOUND THEM TO BE CORRECT. THE ENGINEER HAS NOT CONDUCTED ANY OTHER INVESTIGATION OF UTILITIES.</p> <p>2. THE ENGINEER HAS CONDUCTED VISUAL INSPECTIONS OF THE UTILITIES SHOWN AND HAS FOUND THEM TO BE CORRECT. THE ENGINEER HAS NOT CONDUCTED ANY OTHER INVESTIGATION OF UTILITIES.</p> <p>3. THE ENGINEER HAS CONDUCTED VISUAL INSPECTIONS OF THE UTILITIES SHOWN AND HAS FOUND THEM TO BE CORRECT. THE ENGINEER HAS NOT CONDUCTED ANY OTHER INVESTIGATION OF UTILITIES.</p> <p>4. THE ENGINEER HAS CONDUCTED VISUAL INSPECTIONS OF THE UTILITIES SHOWN AND HAS FOUND THEM TO BE CORRECT. THE ENGINEER HAS NOT CONDUCTED ANY OTHER INVESTIGATION OF UTILITIES.</p> <p>5. THE ENGINEER HAS CONDUCTED VISUAL INSPECTIONS OF THE UTILITIES SHOWN AND HAS FOUND THEM TO BE CORRECT. THE ENGINEER HAS NOT CONDUCTED ANY OTHER INVESTIGATION OF UTILITIES.</p>	
<p>PERMISSIONS REQUIRED</p> <p>1. A PERMIT TO EXCAVATE SHALL BE OBTAINED FROM THE CITY OF AUSTIN FOR ALL EXCAVATION WORK.</p> <p>2. A PERMIT TO OCCUPY SHALL BE OBTAINED FROM THE CITY OF AUSTIN FOR ALL OCCUPANCY WORK.</p> <p>3. A PERMIT TO CONSTRUCT SHALL BE OBTAINED FROM THE CITY OF AUSTIN FOR ALL CONSTRUCTION WORK.</p> <p>4. A PERMIT TO DISPOSE OF SOLID WASTE SHALL BE OBTAINED FROM THE CITY OF AUSTIN FOR ALL SOLID WASTE DISPOSAL WORK.</p> <p>5. A PERMIT TO DISPOSE OF LIQUID WASTE SHALL BE OBTAINED FROM THE CITY OF AUSTIN FOR ALL LIQUID WASTE DISPOSAL WORK.</p>	
<p>SITE LEGEND</p> <p>█ BUILDING</p> <p>█ DRIVEWAY</p> <p>█ PARKING SPACE</p> <p>█ WALKWAY</p> <p>█ LANDSCAPE</p> <p>█ TREE</p> <p>█ FENCE</p> <p>█ UTILITY</p> <p>█ ELEVATION</p> <p>█ PROPERTY LINE</p>	

<p>WILLIAM CANNON APARTMENT HOMES</p> <p>2112 EAST WILLIAM CANNON AUSTIN, TX</p>	<p>KELLY GROSSMAN</p> <p>REGISTERED PROFESSIONAL ENGINEER</p> <p>700 TEXAS AVE. SUITE 1000</p> <p>AUSTIN, TEXAS 78701</p> <p>(512) 500-3100</p>	<p>PERIODIC INVESTIGATIONS</p> <p>700 TEXAS AVE. SUITE 1000</p> <p>AUSTIN, TEXAS 78701</p> <p>(512) 500-3100</p>	<p>PROJ. NO. 11/2013</p> <p>DATE: 11/2013</p>	<p>PREPARED BY: AS</p> <p>CHECKED BY: [Signature]</p> <p>DATE: 11/2013</p>
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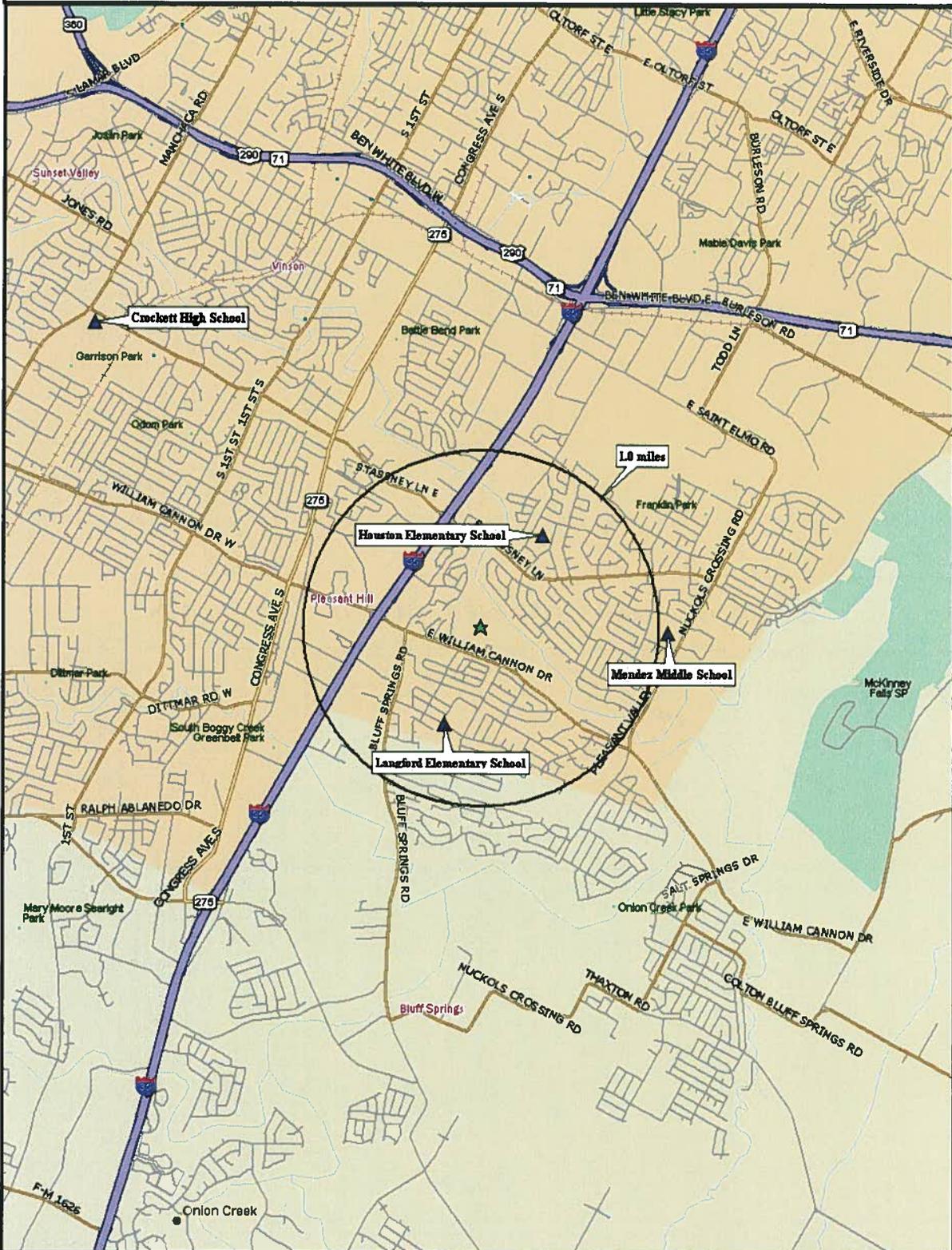
Questionnaire Attachment #6



Pedcor/William Cannon Apartments

Google earth

William Cannon Apartments – Schools



DeLORME

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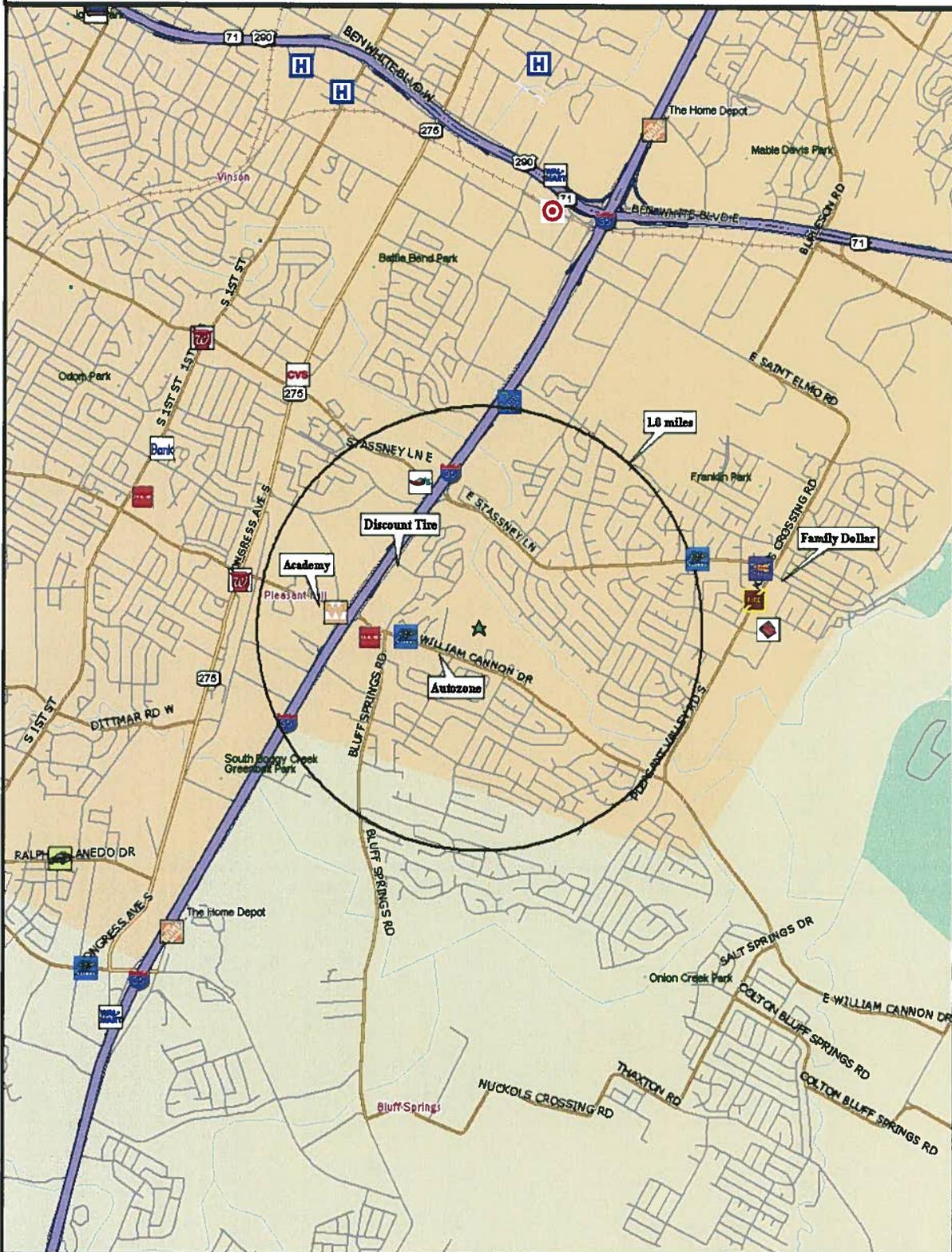
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Data Zoom 12-1

William Cannon Apartments – Area Amenities



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Data Zoom 12-4

William Cannon Green Building Characteristics

William Cannon Apartments has been designed to meet the requirements of the Austin Energy Green Building (AEGB) 1 Star Rating. To meet these requirements, fourteen measures were designed into our project. The following is a summary of those items.

1. **Current Regulations** - Must comply with all current codes and laws associated with the built environment. Specific interests were those regulations relating to water quality and energy efficiency.
2. **Transportation Alternatives** - Reduce pollution and development impact from automobile use and improve public health by encouraging bicycle use. Ensure safety of tenants and their property. This will be achieved by providing bicycle parking for 50% of residents and permanent building occupants and providing a safe path from property entrance to bike parking.
3. **Building Energy Performance** – The Energy Code establishes minimum regulations for energy-efficient buildings. Exceeding these standards further reduces building energy consumption and load and contributes to the reduction of conventional power plant construction, greenhouse gas emissions, and utility costs. This will be achieved by providing windows that meet specific glazing requirements, exterior walls designed with increased insulation, lighting that is Energy Star compliant, mechanical systems with minimum 14 SEER systems and appliances that include Energy Star refrigerator and dishwashers.
4. **Residential Mechanical Systems** – An efficient and correctly sized air conditioner is an important part of an energy-efficient residence. Air conditioners are sized correctly to match the cooling needs of the dwelling unit for tenant comfort, improved indoor air quality and energy savings.
5. **Tenant Education** – Increase awareness of building's green features and encourage conservation by building occupants through education to extend the life of the landfill, save energy, water and other resources. This will be achieved by educating building tenants on recycling and green practices through a formal and ongoing educational program.
6. **Testing/Building Systems Commissioning** – Intent is to ensure a comfortable and healthy environment for building occupants and minimize energy use; to reduce building operating costs by keeping mechanical and electrical building systems compliant with warranties and operating as designed; and to reduce potential for mold or other damage that can be caused by poor indoor air quality. This was achieved by bringing in a Commissioning Agent as a team member during the design and construction process to ensure all standards are met.
7. **Building Water Use Reduction Through Metering** – Give residents the ability to monitor their own consumption of utilities and be rewarded for conserving behaviors on an individual basis. This will be achieved by individually metering each dwelling unit.
8. **Building Water Use Reduction** – High efficiency plumbing fixtures reduce consumption of water for indoor use thus lessening the impact on the water supply and treatment facilities as well as reducing building operating costs by saving water and associated energy use. This will be achieved by providing low-flow fixtures, showerheads and toilets in each dwelling unit.

9. **Irrigation Water Reduction** – Minimize potable water use for landscape irrigation by designing water-wise landscapes to reduce the treatment and energy used by municipal water systems, saving water and energy and lower building operating costs.
10. **Low Volatile Organic Compound (VOC) Interior Paints and Coatings** – The requirement of Low VOC materials will reduce toxic pollution and contribute to good indoor air quality for the benefit of the health and productivity of building occupants and those applying the paints and coatings.
11. **Filtration for Indoor Air Quality** – Proper air filtration plays an important role in keeping the coils and heat exchangers clean, which helps the HVAC system to work most efficiently, as well as prolong the life of the system. Air filters also help maintain good indoor quality resulting in improved occupant health.
12. **Moisture Prevention** – Protect against building moisture infiltration through direct rainwater intrusion, water vapor transmission, and negative pressurization. Avoid potentially damaging results of condensation that may occur within an exterior wall system. Proper moisture prevention affects the health of the occupants, air conditioning costs, and building integrity and durability.
13. **Storage and Collection of Recyclables** – Collection of recyclables reduces waste generated by building occupants and building operations that is directed to the landfill, extending the life of the landfill and saving energy and resources through the recycling process. This will be achieved by providing easily-accessible, clearly-marked areas dedicated to the separation, collection, and storage of materials for recycling.
14. **Construction Waste Management** – This includes recycling construction and land clearing waste to reduce the amount of waste destined for the landfill or incineration. This will be achieved by recycling at least 50% (by weight) of non-hazardous construction waste.

William Cannon Tenant Service and Programming

Tenant Services

- After studying the market, we determined that the existing apartment communities that were the most vibrant offered substantial programming for children. With that in mind, we carefully planned our clubhouse to include a separate Learning Center wing.
- We saw first-hand how the YMCA operates in the Austin market and chose to seek them out for this important tenant service. We are in ongoing discussions with Andrew Wiggins, who is the Executive Director of the YMCA of Austin, to finalize the services the YMCA will provide in our Learning Centers. To date, we have outlined the plan below:
 - After-school programming from 2:30-6:30pm. YMCA will provide 1 Site Director and 2 Counselors.
 - Summer hours of 9:30-5:30pm. YMCA will provide 2 Site Directors and 2 Counselors.
 - YMCA will supply snacks, craft supplies, sports equipment, books, etc.
 - YMCA will provide specialist in computers and English as a Second Language training.
- For our seniors, disabled and those that cannot or should not go out in bad weather, we will pick up their rent and take out their trash.

Community Programming

- Community wide yard sales - we set up advertising, signs, balloons for the residents to have the individual sale in front of their apartment.
- Ice cream social - typically done in the summer time by the pool or picnic area for the kids
- Video night - G rated movie in the clubhouse. We supply the popcorn and lemonade for kids and parents.
- Card Night - we supply cards, lemonade.
- Game Night - everyone brings in a game of their choice Yahtzee, Trivial Pursuit, etc.
- Pet Fair – done in conjunction with the Humane Society who brings pets that meet our specific pet criteria to the site. They agree to reduce their adoption fee and we reduce the pet deposit for any adoption conducted that day.
- Mobile Library
- Holiday Parties
 - Manager typically does a Holiday party around Christmas time for all residents.
 - Easter Egg hunt - Maintenance hides eggs, toys, etc. around the property for the children to enjoy.
 - Halloween parade followed by a party in the clubhouse. Instead of a door to door set up, we prefer the children dress up, meet at our clubhouse we parade around the property so all the residents can see their costumes and then bring them back to the office for a safe party where the candy that was donated has been inspected and sorted. We also have games like bobbing for apples and other themed games.
- Barbeque at the pool - hot dog/hamburger cook out for the residents.
- Pool Parties - residents can bring an extra guest and we will have snacks set up outside the pool area. Often done in conjunction with the ice cream social.
- Picnic in the park area - We invite the residents to join us for a picnic lunch.

Parmer Place Apartments

Backup

- *The HFC Application Questionnaire**
- *Agreement to Issue Bonds**
- *Application for Financial Participation**
- *Sources and Uses**
- *15 Year Cash Flow**
- *Site Plan**
- *Location Maps**
- *Parmer Place Green Building Characteristics**
- *Parmer Place Tenant Service and Programming**

THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE

APPLICANT INFORMATION

PLEASE PROVIDE THE FOLLOWING INFORMATION ON THE APPLICANT

i.e. the entity that will own the residential development for which financing is requested
(referred to hereinafter as the "Project")

1. Name: Pedcor Investments-2012-CXXX, L. P.
Address: 770 3rd Ave SW
City, ST Zip: Carmel, IN 46032
Phone #: 317-587-0341

2. Jurisdiction under whose law Applicant was organized.
Indiana

3. Form of organization of the Applicant.

For Profit Corporation	<input type="checkbox"/>
Limited Partnership	<input checked="" type="checkbox"/>
General Partnership	<input type="checkbox"/>
Sole Proprietorship	<input type="checkbox"/>
501 (c) (3) Corporation	<input type="checkbox"/>
Governmental Entity	<input type="checkbox"/>
Limited Liability Company	<input type="checkbox"/>

4. Does Applicant currently exist or is it to be formed?

Exists	<input checked="" type="checkbox"/>
To be formed	<input type="checkbox"/>

5. If the Applicant is a corporation, identify its directors, officers, and indicate their titles. If the Applicant is a Partnership, identify all of its general partners. If the Applicant is a limited liability company, identify all managers. Provide resumes of all persons identified to completed application.

See Questionnaire Attachment #1 for identity of general partners
See Questionnaire Attachment #2 for resumes of identified persons

6. Registered agent of Applicant for service of process.

Name: Thomas G. Crowe
Address: 770 3rd Ave SW
City, ST Zip: Carmel, IN 46032
Phone #: 317-587-0341
Email: tgcrowe@pedcor.net

7. Information for contact regarding questions and correspondence.

Name: Thomas G. Crowe
Address: 770 3rd Ave SW
City, ST Zip: Carmel, IN 46032
Phone #: 317-587-0341
Email: tgcrowe@pedcor.net

8. Name, address, phone # and email address for legal counsel for the Applicant (note: NOT bond counsel)

Name: Eric Neidlinger
Address: 770 3rd Ave SW
City, ST Zip: Carmel, IN 46032
Phone #: 317-705-7932
Email: ericn@pedcor.net

THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE

9. Name, address phone # and email for any and all financial consultant(s), investment banker(s), or mortgage banker(s) advising the Applicant in connection with the Project.

N/A

10. List banking references (minimum of 2) with contacts.

Name: Citigroup Global Markets, Inc - Mark Risch, Director - Municipal Securities Division
Address: 1801 California Street, Suite 3700
City, ST Zip: Denver, CO 80202
Phone #: 303-308-7401
Email: mark.g.risch@citi.com

Name: U.S. Bank - Andrew W. Hugger, AVP
Address: 209 S. LaSalle Street, Suite 210
City, ST Zip: Chicago, IL 60604
Phone #: 312-325-8850
Email: adrew.hugger@usbank.com

Name: Huntington National Bank - Douglas Anderson, VP/Senior Sales Executive - Commercial Real Estate
Address: 45 N. Pennsylvania Street, Suite 300
City, ST Zip: Indianapolis, IN 46204
Phone #: 317.237.2595
Email: doug.anderson@huntington.com

11. If the Applicant or any proposed or existing member or partner of the Applicant has applied for an exemption as a Community Housing Development Organization (CHDO), please provide a copy of the certification.

N/A

12. If the Applicant is a 501(c)(3) corporation, please provide a copy of its IRS exemption letter and its most recently filed IRS form 990.

N/A

13. If the Applicant is a 501(c)(3) corporation, the Corporation will require the Applicant to furnish at the closing an opinion of nationally recognized tax counsel satisfactory to the Corporation confirming the Applicant's 501(c)(3) exemption status.

N/A

14. Does the Applicant anticipate entering into a profits participation or joint venture agreement with a financial institution or other party with regard to the Project? If so, explain and provide any agreements between parties.

No

15. Is the principal owner related to any other organization by more than 50% common ownership? If so, indicate name or related organization and relationship.

The principals of the Managing GP also have >50% ownership in the general contractor, property manager of the principal owner.

16. Identify all persons/entities that own a 10% or greater interest in the Applicant.

See Questionnaire Attachment #1

17. If any of the above persons own more than 50% of the principal owner, list all other organizations which are related to the principal owner as they have more than a 50% interest in the organizations.

See Questionnaire Attachment #1

THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE

18. Describe all previous experience with multifamily housing projects.

See PDF page 4 of Questionnaire Attachment #2

19. Has the Applicant, any of its officers or directors, or any person who owns a 10% or greater interest in the Applicant ever been found in violation of any rules or regulations of HUD or any other federal or state agency or been subject to an investigation by HUD or any other federal or state agency? If yes, attach a full explanation.

Yes
No

<input type="checkbox"/>
<input checked="" type="checkbox"/>

20. Is the Applicant or the Project in violation (or ever have been) with any housing code, laws, rules or regulations? If yes, please provide an explanation and verification of cure.

No

21. Does the Applicant or the Project have any tax liens filed against it with the county or other taxing jurisdiction? If yes, please specify.

No

22. Please explain to what extent, if any, the Applicant plans to promote the Corporation's goals, particularly (a) providing for efficient and well-planned growth and development including the limitation and prevention of potential urban blight and the proper coordination with surrounding uses including mass transit (if applicable), (b) assisting persons of low and moderate income in obtaining decent, safe and sanitary housing which they can afford.

Relative to goal (a): Parmer Place Apartments is a urban/suburban site that was zoned for Multi-Family at the time we placed the property under contract. The Seller zoned the site through the City of Austin's planning process which carefully coordinates efficient and well-planned communities. The site is within 1 mile of a major transit stop.

Relative to goal (b): Parmer Place Apartments will provide 252 additional Multi-Family housing rental units that will all be targeted at tenants whose incomes do not exceed 60% of the Area Median Income. All units will be designed to Market Rate Standards which will exceed normal standards of being decent, safe and sanitary.

THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE

23. Please submit copies of the Applicant's current affirmative action program, if any, and a written undertaking executed by a duly authorized officer of the Applicant that the Applicant will not discriminate on the basis of race, sex or age in the employment, promotion and termination of employment of employees who work in Travis County, Texas; that the Applicant will abide by the Affirmative Action Plan as included in the Application for Financing; and the Applicant will otherwise comply with equal opportunity standards in its employment practices with respect to such employees.

We do not have an affirmative action program. However, in many of our dealings in construction, we participate in MBE/WBE/VBE programs in coordination with local lenders, state agencies, etc.

See Questionnaire Attachment #3 for the written undertaking described above.

24. Please provide an organizational chart demonstrating the structure and relationship between the Applicant and other participating entities.

See Questionnaire Attachment #4

THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE

PROJECT INFORMATION

PLEASE PROVIDE THE FOLLOWING INFORMATION ON THE PROJECT.

Note that questions in **green** relate to rehabilitation projects only.

1. Provide the following information on the project:

New Construction; or
Rehabilitation

X

Address: 1500 East Parmer Lane
City, Zip Austin 78754

Description of location of the site, and provide a map with the location marked.

Located at the northwest corner of East Parmer Lane and Dessau Road

See Questionnaire Attachment #6

2. Number of acres comprised by the Project site.

15.50

3. Is the Project site currently zoned for multifamily housing?

Yes

X

No

Zoning: MF-2

4. Have all necessary approvals (including zoning, building and special use permits) been obtained from State, federal or local regulatory bodies? If no, please provide information on the status of permits/approvals.

Zoning is in place for the site. The plans have been reviewed and approved by AEGB with a One Star Rating as part of the SMART program approval process. The plans have been submitted to the City of Austin and we have received the first review relating to the architectural plans and are awaiting the first review of the site plans. We anticipate having a permitted project by the first of June.

5. Describe any existing improvements or structures on the site. Please indicate whether structures will be demolished.

There are existing water and wastewater lines adjacent to the site that we will connect to as part of our development. There are not any existing structures on the site.

6. Provide a legal description and the prior year's ad valorem tax statement.

See Questionnaire Attachment #7

7. Describe anticipated traffic impact in terms of vehicles per day, peak traffic hours and anticipated total volume.

Based on Trip Generation, 2003, 7th Edition, Institute of Transportation Engineers, Washington, D.C., the Total Traffic Volume in 24 hours will be 1,665 with an AM peak of 120 and a PM peak of 181

8. Does the Applicant currently own the Project site?

Yes

X

No

9. If the Applicant presently owns the Project site, please provide evidence of ownership and complete the following information.

Purchase Date

Purchase Price

Balance of Existing Mortgage:

Holder of Existing Mortgage:

THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE

10. If the Applicant presently holds an option to purchase the Project or Project site, please provide a copy of the executed Option Agreement. If option has been assigned, provide a detailed written description of the assignment including copies of all contracts and agreements relating to the assignment. Also, please provide the following:

See Questionnaire Attachment #8

11. Present Owner **Dessau 38 Partners, Ltd.**
Purchase Price **\$2,604,000**
Date of Option Agreement **07/03/12**
Expiration Date of Option Agreement **10/03/13**

12. If the Applicant has an executed contract to purchase the Project or Project site, please provide a copy of the executed purchase contract between the Applicant and the Present Owner. If date acquired by the Present Owner is within 1 year of the date of this application, also provide a copy of the purchase contract between the seller and the Present Owner. Also, please provide the following:

Present Owner [Redacted]
Date of Contract [Redacted]
Purchase Price [Redacted]
Settlement Date [Redacted]
Date Present Owner Acquired Project or Project Site [Redacted]

13. If the Applicant does not presently own the Project or Project site, please describe any relationship that exists by virtue of of common control or ownership between the Applicant and the Present Owner of the Project or Project site. Please provide copies of any documents demonstrating such a relationship exists.

N/A

14. Please indicate whether the cost of the Project site is to be included in the financing.

Yes
No

15. What is the present number and general description of residential units on the Project site?

[Redacted]

16. Does the Project consist of additions to and/or renovation and rehabilitation of existing units?

Yes
No

17. If a rehabilitation, what is the age of the units?

[Redacted]

18. If a rehabilitation, generally describe the proposed additions/improvements to be made. Include descriptions of the type of improvements, and amount to be spent per unit and for common areas. Please provide a list of total project improvements by cost and category.

[Redacted]

THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE

19. If a rehabilitation/existing property, please provide financial statements (YE balance sheets and profit and loss statements preferred) for the last three years.

20. Will any tenants require relocation due to the expected renovation and rehabilitation?

Yes

No

If yes, please provide a detailed relocation plan and budget.

21. Describe the overall style of the Project (e.g. garden apartments, midrise, high-rise, etc.), exterior construction materials, energy conservation considerations and landscaping design. Provide a site sketch showing proposed location of the units on the site and an architect's rendering if available.

The project will consist of 3-story garden style buildings plus a clubhouse. Exterior materials will be a combination of cement-board siding and stone. We have received construction design certification from AEGB of a one-star rating which includes a host of energy conservation items. The landscaping design incorporates the use of native plants that can thrive in Austin's environment.

See Questionnaire Attachment #9 for a copy of the site plan

22. Describe any additional facilities included or to be included in the Project, such as parking, WiFi, laundry, office, recreational facilities, computer lab/business center, etc. If any of the facilities are anticipated to generate income, indicate projected amount.

The project will include a number of amenities - the clubhouse will include a fitness center, community room, education center and business center. Additionally, the residents will enjoy a swimming pool with splash pad, covered pavilion with barbecue grills and tables, two childrens playgrounds, a dog park and community area WiFi. None of these facilities or amenities will generate income.

23. Please see tab II.a. to provide information on current and proposed rents and vacancy for the Project.

24. Please see tab II.b. to provide information on amenities planned for the Project as well as utility structure.

25. Describe any restrictions the Applicant intends to impose on project tenants (i.e. family size, no children, no pets, etc.)

Household size is limited to 2 persons/bedroom. All Section 42 restrictions. Also see Questionnaire Attachment #10.

26. Does the Applicant intend to set aside 5% of the units for occupancy by the elderly?

Yes

No

27. Does the Applicant intend to pay the required fee to the Texas Department of Aging and Disability Services at closing in lieu of offering 5% of units to the elderly?

Yes

No

28. Please see tab II.c. to provide estimated costs of developing, constructing and equipping, or acquiring and rehabilitating the Project. Provide additional information as necessary.

29. Has construction or rehabilitation work on the Project begun?

Yes

No

30. Please indicate construction start and completion date, and date units will be available for occupancy.

THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE

Start
Completion
Initial Occupancy

August, 2013
December, 2014
June, 2014

31. Please provide the contact information for the contractor for the Project. Provide any information concerning projects previously completed by this contractor, including location, date of completion, # of units and approximate construction costs for each project.

See Questionnaire Attachment #11

Name: Pedcor Construction Management - Tom Koontz
Address: 770 3rd Ave, SW
City, ST Zip: Carmel, IN 46032
Phone #: 317-587-0342
Email: tomk@pedcor.net

32. Please provide the following information on the architect for the Project.

Name: Kelly Grossman - John Kelly and J. Mike Grossman
Address: 260 Addie Road, Suite 210
City, ST Zip: Austin, TX 78746
Phone #: 512-327-3397
Email: rossmanarchitects.com, jmike@kellygrossmana

33. If work has begun, indicate the type and amount of costs expended or incurred to date with respect to the Project.

N/A

34. Describe briefly the anticipated arrangements for management of the Project. If a professional management company will be employed, provide a resume for the company and an estimate of the management fee either monthly or annually.

Pedcor Management (an affiliate) will be the professional management company for this project. Their management fee will be 4.5%. A resume has been included as Questionnaire Attachment #12.

35. If a professional management company will be employed, please provide the name, address, phone # and email for the company.

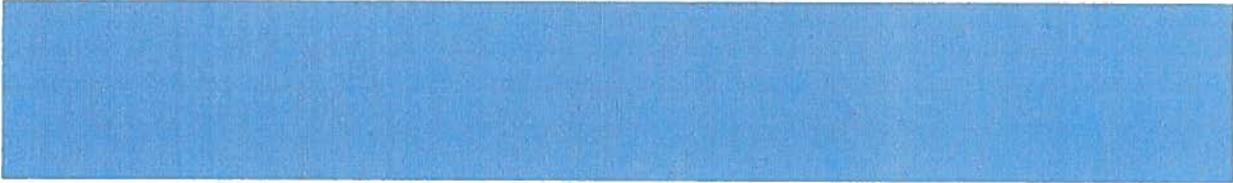
Name: Pedcor Management Corporation - Margie William
Address: 770 3rd Ave, SW
City, ST Zip: Carmel, IN 46032
Phone #: 317-564-5863
Email: margiew@pedcor.net

36. Make a statement regarding the demand and market need for the Project and provide proof, if any (i.e. market survey, feasibility analysis, etc.)

Austin is one of the fastest growing markets in the United States. While the market has seen a fair number of new apartment communities, the vast majority have been at market rate rents. There is a strong demand for additional quality affordable rental housing. Please see Questionnaire Attachment #13 for the Market Study

THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
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37. State the best estimates as to the minimum family income levels of the expected tenants required in order to pay anticipated monthly rental amounts.



THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
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CURRENT AND PROPOSED RENTS

If the Project is a rehab of an existing property, please provide the following information on the current rents and vacancy.

CURRENT RENTS

Unit Type	Sq. Ft.	# of Units	Set-aside*	# Vacant	Current Rent	Rent Per SF
						#DIV/0!
						#DIV/0!
						#DIV/0!
						#DIV/0!
						#DIV/0!
						#DIV/0!
						#DIV/0!
						#DIV/0!
						#DIV/0!
						#DIV/0!
						#DIV/0!
						#DIV/0!
						#DIV/0!
						#DIV/0!
						#DIV/0!
						#DIV/0!
Total/Avg	#DIV/0!	0		0	#DIV/0!	

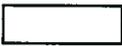
*Or other affordability restriction if applicable

Indicate the unit mix, rents, and affordability restrictions for the Project.

PROPOSED RENTS

Unit Type	Sq. Ft.	# of Units	Set-aside*	Proposed Rent	Rent Per SF
1bed/1bath	723	72	60%	\$692	0.95712
					#DIV/0!
2bed/2bath	995	132	60%	\$824	0.82814
					#DIV/0!
3bed/3bath	1,231	48	60%	\$916	0.74411
					#DIV/0!
Total/Avg	983	252		\$811	

*Or other affordability restriction if applicable



THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE

AMENITIES AND UTILITIES

Please indicate which of the following equipment, if any, will be included in the Project's dwelling units:

<input checked="" type="checkbox"/> Range	<input checked="" type="checkbox"/> Garbage Disposal	<input checked="" type="checkbox"/> Dishwasher
<input checked="" type="checkbox"/> Refrigerator	<input checked="" type="checkbox"/> Carpet	<input type="checkbox"/> Fireplace
<input checked="" type="checkbox"/> Central A/C	<input type="checkbox"/> Ceramic Tile	<input type="checkbox"/> Cable TV
<input checked="" type="checkbox"/> Ceiling Fans	<input checked="" type="checkbox"/> Drapes/Blinds	<input type="checkbox"/> High Speed Internet Access
<input type="checkbox"/> Washer/Dryer	<input checked="" type="checkbox"/> W/D Connections	<input checked="" type="checkbox"/> Other: 9' ceilings and microwave ovens

Please provide whether utilities are gas or electric and if they will be paid by the tenant:

Utility	Gas/Electric	Paid by Tenant or Owner
Heating	Electric	Tenant
A/C	Electric	Tenant
Cooking	Electric	Tenant
Other Electric	Electric	Tenant
Hot Water	Electric	Tenant
Water	N/A	Tenant
Sewer	N/A	Tenant
Trash	N/A	Owner
Basic Cable	N/A	Tenant

THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE

FINANCING INFORMATION

PLEASE PROVIDE THE FOLLOWING INFORMATION ON THE FINANCING FOR THE PROJECT

1. Please provide an appraisal of the Project no less than 30 days prior to anticipated final approval by the Corporation's Board of Directors. The Appraisal should be dated within 120 days of the anticipated final approval date. If the site is vacant, please provide a land appraisal. Please note, multifamily land sales should be utilized to determine value for multifamily land. If the Project is an existing multifamily property, please provide an appraisal that includes a land and "as is" value. If the property is currently market rate and the regulatory agreement will restrict rents/cash flow, please also provide "as proposed" stabilized and unstabilized values, and a value of the favorable financing.

Total Development Costs (will populate from tab II.c.)

See Attached Sources & Uses.

2. Of total development costs, please indicate the percentage of the Project costs for the Applicant desires financing and the amount of equity investment in the Project which the Applicant proposes to make.

Percentage
Equity Investment

Approximately 57%
Approximately \$10.25MM

3. Briefly describe the nature of the equity investment.

The equity investment will be derived from the sale of a 99.99% LP interest in the owner. The structure of the investment will be tailored to the to-be-determined investor but will follow conventional norms for tax credit industry

4. State the maximum principal amount of bonds that the Applicant desires that the Corporation issue to provide financing or refinancing for the Project.

\$ 20,000,000

5. If a refinancing of bonds previously issued by the Corporation, please describe the current financial situation of the Project, the refinancing plans, and the future cash flow expectations in detail. Also describe whether the Project will be sold by the current owner before or after the bonds are issued.

N/A

6. Indicate any other rent supplement, loan guarantee, grant or mortgage insurance for which the Applicant has made, or intends to make, application for with respect to the Project.

We have submitted a pre-application to the San Antonio HUD office for 221d4 financing and anticipate being invited to FIRM in April. Additionally, we will seek 4% tax credits through TDHCA.

7. Has the Applicant made application to HUD for housing assistance payments under Section 8 of the U.S. Housing Act of 1937? If so, on what percentage of the Project's units?

Yes, on 100% of the units
Yes, on 20% of the units
No

THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE

8. Please describe all sources of financing.

Sources of financing will included short term tax exempt bonds, a FHA/GNMA guaranteed taxable loan, and equity from the sale of a 99.99% LP interest.

10. Please provide a detailed statement of sources and uses for funds through completion of the acquisition/rehab and/or construction of the Project. If construction is in progress, please additionally provide a sources and uses for what has been spent to date.

See Sources & Uses of Funds.

11. Please describe the status of obtaining the sources of funds listed in the statements and describe plans for obtaining financing if it is not obtained from the original source of funds:

We have submitted a pre-application to the San Antonio HUD office for FHA 221(d)4 financing and anticipate being invited to FIRM in April. Additionally, we will seek 4% tax credits through TDHCA. The sale of the 99.99% LP interest will marketed shortly.

12. Will any of the funds be used to repay or refinance an existing mortgage or outstanding loan?

Yes

<input type="checkbox"/>
<input checked="" type="checkbox"/>

No

13. What percentage of the requested financing is working capital?

FHA regulations provide for a 2.00% LOC for working capital requirements.

14. Describe any other important aspects of the proposed financing, including the nature of the security and required reserve funds. Include a detailed description of any existing or proposed ground leases relating to the Project site, existing deed restrictions, subordinate debt, taxable financing, sale-leaseback arrangements and rights to repurchase the Project or Project site

A cash operating reserve will be established, funded and released according the partnership agreement to be consummated with the limited partner. In addition, FHA requires an operating deficit reserve letter of credit (in the amount of 6.25% of the FHA mortgage loan amount) to be established upon opening of the loan which will be governed by their regulations.

It is anticipated that tax exempt bonds to be issued by Travis County will be fully collateralized by cash proceeds so as to receive one of the highest credit ratings from a national credit agency and sold publically. Alternatively the bonds mayl be sold to an accredited investor, for example a national bank. In either case, the tax exempt bonds will be fully retired shortly after construction completion.

15. Name and contact information of the financial institution (bank, investment banking firm, etc.), if determined, which may be interested in purchasing the bonds if and when such bonds may be approved for sale. It is the responsibility of the Applicant to arrange for the marketing of the bonds if the financing is approved, with the Corporation's concurrence.

Institution:

To-Be-Determined.

Contact Name:

Address:

City, ST, ZIP

Phone #

Email

THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE

16. If the Applicant has a credit rating, please state the rating and agency:

Agency: N/A Rating:

17. If the Applicant is a limited partnership, indicate whether it is anticipated that there will be a syndicated offering of partnership interests.

There will be a syndicated offering or private placement of 99.99% of the partnership's interest.

18. Explain how the Project will be financed if all or a portion of the amount of the financing applied for herein is denied:

To the extent the Applicant receives less sources than shown in the attached sources and uses statement, it will defer additional related party fees to achieve financial feasibility.

19. Has any member of the identified development team filed/declared bankruptcy or reorganization under bankruptcy law and regulations? If yes, please explain.

No.

20. Will the bonds be sold to the public or sold in a private placement to institutional investors? Additional documentation, including an offering memorandum or other disclosure document, may be required in the future, depending on the nature of the proposed offering.

Likely a public offering however a private placement is possible depending on the relative efficacy of each execution.

21. If the applicant is not a 501 (c) (3), please provide a balance sheet, profit and loss statement, and statement of financial position OR an annual report to stockholders and an annual report and Form 10-K to the Securities and Exchange Commission for the Applicant.

22. Please provide financial statement of the Applicant for the most recent fiscal quarter which ended at least 45 days prior to this Application.

The Applicant is a recently formed limited partnership which will be a single asset entity.

23. Please detail all changes or events known to management subsequent to the date of the most recent audited balance sheet (including, but not limited to, pending or threatened litigation, claims, assessments, commitments, subsequent information regarding uncollectability of receivables, valuation of assets, changes in corporate structure or statements or prior period financial statements) which may have a material effect on the Applicant's financial position (provide data separately if necessary to provide more detailed information):

**THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE**

24. List the face amount of all tax-exempt financing previously arranged by or for the benefit of the principal owner in the County.

Date of Issue	Original Face Amount	Current Outstanding Amount
None		

25. Please provide a 15 year pro forma cash flow statement for the Project. Include line items for administrative, operating and maintenance costs, taxes, insurance, payroll and management at a minimum.

See attached Cash Flow Statement.

AGREEMENT TO ISSUE BONDS

THIS AGREEMENT TO ISSUE BONDS, entered into as of the ____ day of _____, 2013, by and between Travis County Housing Finance Corporation (the "Corporation"), created pursuant to the authority of the Texas Housing Finance Corporations Act, Local Government Code, Chapter 394, Tex. Rev. Civ. Stat. (the "Act"), and Pedcor Investments-2012-CXXX, L.P. (the "User"), for the purpose of carrying out the public purpose set forth in the Act, including the promotion and development of new, expanded or improved residential development to provide decent, safe, and sanitary housing for residents of Travis County, Texas;

WITNESSETH

WHEREAS, Travis County, Texas (the "Unit") has authorized and approved the creation of the Corporation to act on behalf of the Unit for the public purpose of furthering on behalf of the Unit the promotion and development of new, expanded or improved residential development to provide decent, safe, and sanitary housing for residents of the Unit; and

WHEREAS, the Corporation is authorized by the Act to acquire, construct, improve, maintain, equip and furnish and to lease or sell "residential developments", as that term is defined in the Act, or to make loans for the purpose of providing financing for all or part of the costs of a residential development, and the Corporation is further authorized to issue its bonds for the purpose of paying all or part of the costs of a residential development; and

WHEREAS, the User desires to acquire and construct a residential development, more particularly described in Exhibit "A" attached hereto, within the Unit (the "Project"), which Project is suitable for the promotion of new, expanded or improved residential development to provide decent, safe, and sanitary housing for residents of Travis County, Texas; and

WHEREAS, pursuant to the Act, the Corporation is authorized to issue the bonds hereinafter described, which bonds shall never constitute an indebtedness or pledge of the faith and credit of the State of Texas (the "State"), of the Unit, or of any other political corporation, subdivision or agency of the State within the meaning of any State constitutional or statutory provision, shall never be paid in whole or in part out of any funds raised or to be raised by taxation or any other funds of the Unit, and shall never be paid in whole or in part out of any funds of the Corporation except those derived from or in connection with the sale or lease of the Project or the loan of funds to finance the Project; and

WHEREAS, to provide decent, safe, and sanitary housing for residents of Travis County, Texas, the Corporation agrees to issue at the request of the User, one or more series of the Corporation's housing finance revenue bonds (the "Bonds") for the purpose of paying all or part of the costs of constructing and acquiring the Project, or for the purpose of loaning the proceeds to the User in order to provide temporary or permanent financing of all or part of the cost of constructing and acquiring the Project, and the Corporation and the User deem it desirable and proper that this Agreement to Issue Bonds constitutes a formal record of such agreement and understanding in

order that the User may proceed with or provide for the acquisition and construction of the Project; and

WHEREAS, the User has evidenced a desire to cooperate with the Corporation in the acquisition and construction of the Project and for the Corporation to authorize and issue the Bonds in the aggregate principal amount now estimated not to exceed \$20,000,000 to provide the funds to defray all or part of the cost of the acquisition and construction of the Project; and

WHEREAS, the Corporation and the User contemplate that the Project will be sold on an installment payment basis or leased to the User or that proceeds of the Bonds will be loaned to the User in order to provide temporary or permanent financing of all or part of the costs of the Project and that the installment purchase, rental or loan payments therefor will be sufficient to pay the principal of and any premium and interest on the Bonds; and

WHEREAS, it is the desire of the Corporation that the acquisition and construction of the Project occur at the earliest possible time so as to provide decent, safe, and sanitary housing for residents of Travis County, Texas;

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration and of the mutual benefits, covenants and agreements herein expressed, the Corporation and the User agree as follows:

1. The User shall commence with the acquisition and construction of the Project, which Project will be in furtherance of the public purpose of the Corporation and the Unit as aforesaid, and the User will provide, or cause to be provided, at its expense, the necessary interim financing to expedite the commencement of the acquisition and construction of the Project. On or prior to the issuance of the Bonds, the User will enter into a purchase, lease or loan agreement on an installment payment basis (herein called the "Agreement") with the Corporation under which the Corporation will sell or lease the Project to the User or make a loan to the User, or to a financial institution designated by the User for the purpose of providing temporary or permanent financing of all or part of the costs of the Project, and the User will make installment payments sufficient to pay the principal of and any premium and interest on such series of Bonds. The Bonds shall never constitute an indebtedness or pledge of the faith and credit of the State, of the Unit, or of any other political corporation, subdivision or agency of the State within the meaning of any State constitutional or statutory provision, and the Bonds shall never be paid in whole or in part out of any funds raised or to be raised by taxation or any other funds of the Unit, and shall be payable from the funds of the Corporation derived from or in connection with the sale or lease of the Project or the loan of the proceeds of the Bonds.

2. On receipt of a ruling from the Internal Revenue Service (or the opinion of nationally recognized bond counsel) that interest paid on the Bonds is exempt from federal income taxation and subject to the requirements of the Policy Guidelines and the Act, and upon receipt of favorable reports from the Corporation's legal and financial advisors concerning the issuance of the Bonds and from the Corporation's engineering consultant concerning the environmental and traffic

impact of the Residential Development; the Corporation hereby agrees to issue, pursuant to the terms of the Act, the Bonds, or from time to time, the portion thereof as may be the subject of such a ruling or opinion as aforesaid, in an appropriate principal amount not exceeding that which is the subject of a ruling or opinion as aforesaid, maturing in such amount and times, bearing interest at the rate, payable on the dates and having such optional and mandatory redemption features and prices as are approved in writing by the User. The Corporation will deliver the Bonds to the purchaser designated by the User and will cooperate to the fullest extent in facilitating delivery of the Bonds.

3. The Corporation and the User agree that the Bonds may be issued either at one time or in several series from time to time as the User shall request in writing; provided, however, that the parties agree that the Bonds will be issued in an aggregate principal amount as will not exceed the amount that is the subject of a ruling or rulings or opinion or opinions as aforesaid. A request in writing for issuance of one or more series of Bonds shall not affect the obligation hereunder of the Corporation to issue the remaining Bonds as written requests therefor are received. It is further agreed that the proceeds of the Bonds or portions thereof, whether or not issued in a series, shall not be invested so as to constitute the Bonds or a portion thereof as arbitrage bonds under the Internal Revenue Code of 1986, as amended, and applicable regulations promulgated pursuant thereto.

4. The payment of the principal of and any premium and interest on the Bonds shall be made solely from moneys realized from the sale or lease of the Project or from moneys realized from the loan of the proceeds of the Bonds to finance all or part of the costs of the Project.

5. The costs of the Project (the "Project Costs") may include any cost of acquiring, constructing, remodeling, repairing, renovating and improving the Project. Without limiting the generality of the foregoing, the Project Costs shall specifically include the cost of: (i) acquiring any land, rights-of-way, options to purchase land, easements, leasehold estates in land and interests of all kinds in land related to such Project; (ii) acquiring, constructing, repairing, renovating, remodeling or improving all buildings and structures to be used as or in connection with the Project; (iii) site preparation, including the cost of demolishing or removing any buildings or structures the removal of which is necessary or incident to providing the Project; (iv) machinery, equipment, furnishings and facilities necessary or incident to the equipping of the Project so that it may be placed in operation; (v) financing charges, start-up costs and interest prior to and during construction and for two years after completion of construction, whether or not capitalized; and (vi) architectural, engineering, legal and related services (including fees for legal counsel and the financial advisor to the Issuer), plans, specifications, surveys, studies, estimates of cost and of revenue, other expenses necessary or incident to planning, providing or determining the feasibility and practicability of acquiring, constructing, reconstructing, improving and expanding the Project, administrative expenses and such other expenses as may be necessary or incident to the acquisition, construction, remodeling, repair, renovation or improvement of the Project, the placing of the Project in operation and all incidental expenses, costs and charges relating to the Project not enumerated above. The parties agree, upon request, to provide or cause to be provided to each other any data or information that may be reasonably required to verify any of the Project Costs enumerated in this paragraph. The User agrees that it will be responsible for and pay any Project

Costs incurred whether before or after the date of this Agreement prior to issuance of the Bonds and will pay all Project Costs that are not or cannot be paid or reimbursed from the proceeds of the Bonds.

6. The User agrees that it will at all times indemnify and hold harmless the Corporation, the directors of the Corporation, the Unit, the Commissioners' Court of the Unit (both individually and as a group) and any officers, directors, employees, agents, consultants, servants and any other party acting for or on behalf of the Corporation or the Unit (such parties being hereinafter referred to as the "Indemnified Parties") against all losses, costs, damages, expenses and liabilities (collectively referred to hereinafter as "Losses") of whatsoever nature (including, but not limited to, attorney's fees, litigation and court costs, amounts paid in settlement and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of or relating to one or more Claims, as hereinafter defined, even if such Losses or Claims, or both, directly or indirectly result from, arise out of or relate to, or are asserted to have resulted from, arisen out of or related to, in whole or in part, one or more negligent acts or omissions of any one or more of the Indemnified Parties in connection with the issuance of the Bonds or that in any way pertain to the duties or activities or lack thereof, whether real or alleged, of any such Indemnified Party incidental to the issuance of the Bonds. The term "Claims" as used herein shall mean all claims, lawsuits, causes of action and other legal actions and proceedings of whatever nature, including, but not limited to, claims, lawsuits, causes of action and other legal actions and proceedings involving bodily or personal injury or death of any person or damage to any property (including, but not limited to, persons employed by the Corporation, the Unit, the User or any other person and all property owned or claimed by the Corporation, the Unit, the User, any affiliate of the User or any other person) or involving damages relating to the issuance, offering, sale or delivery of the Bonds brought against the Corporation or the Unit or to which the Corporation or the Unit is party, even if groundless, false or fraudulent, that directly or indirectly result from, arise out of or relate to the issuance, offering, sale or delivery of the Bonds or the design, construction, installation, operation, use, occupancy, maintenance or ownership of the Project or any part thereof. The obligations of the User shall apply to all Losses or Claims, or both, that result from, arise out of or are related to any event, occurrence, condition or relationship prior to termination of this Agreement to Issue Bonds, whether such Losses or Claims, or both, are asserted prior to termination of this Agreement to Issue Bonds or thereafter. None of the Indemnified Parties shall be liable to the User for, and the User hereby releases each of them from all liability to the User for any injuries, damages or destruction to all or any part or parts of any property owned or claimed by the User that directly or indirectly result from, arise out of or relate to the issuance, offering, sale or delivery of the Bonds or the design, construction, installation, operation, use, occupancy, maintenance or ownership of the Project or any part thereof, even if such injuries, damages or destruction directly or indirectly result from, arise out of or relate to, in whole or in part, one or more negligent acts or omissions of any one or more of the Indemnified Parties in connection with the issuance of the Bonds or in connection with the Project. Each Indemnified Party, as appropriate, shall reimburse the User for payments made by the User to the extent of any proceeds, net of all expenses of collection, actually received by them from any insurance with respect to the Loss sustained. At the request and expense of the User, each of the Indemnified Parties, as appropriate, shall have the duty to claim any such insurance proceeds and such Indemnified Party, as appropriate, shall assign their respective rights to such proceeds, to

the extent of such required reimbursement, to the User. In case any action shall be brought against any one or more of the Indemnified Parties, such Indemnified Party shall promptly notify the User in writing and the User shall have the right to assume the investigation and defense thereof, including the employment of counsel and the payment of all expenses. The Indemnified Party shall have the right to employ separate counsel in any such action and participate in the investigation and defense thereof, but the fees and expenses of such counsel shall be paid by the Indemnified Party unless the employment of such counsel has been authorized by the User. The User shall not be liable for any settlement of any such action without its consent, but, if any such action is settled with the consent of the User or if there be final judgment for the plaintiff of any such action, the User agrees to indemnify and hold harmless the Indemnified Parties from and against any Loss by reason of such settlement or judgment.

7. If within three (3) years from the date hereof (or such later date as shall be mutually satisfactory to the Corporation and the User) the Corporation and the User shall not have agreed to mutually acceptable terms for the Bonds and for the sale and delivery thereof and mutually acceptable terms and conditions of the Agreement, the User agrees that it will pay the Corporation for all unpaid Project Costs which the Corporation shall have incurred and this Agreement to Issue Bonds (other than the obligations of the parties under paragraph 6 hereof) shall thereupon terminate. In the event that the User elects, prior to any such termination, not to proceed with the issuance of the Bonds for any reason, it shall so notify the Corporation in writing and shall promptly pay to the Corporation all Project Costs incurred by the Corporation prior to such notification, and if payment is so made, the User's obligations under paragraph 5 above shall terminate from and after the date of such notification.

8. The User may, without the consent of the Corporation, transfer or assign this Agreement to Issue Bonds or transfer or assign any or all of its rights and delegate any or all of its duties hereunder to any of its subsidiaries or affiliates currently existing or hereafter created, but no such transfer, assignment or delegation shall, without the written consent and approval of the Corporation, relieve the User of its liability for payment of Project Costs under paragraphs 5 and 7 hereof or indemnification under paragraph 6 hereof.

9. The provisions of paragraphs 5 and 6 of this agreement shall survive the expiration or termination of this Agreement to Issue Bonds and the closing of the transactions contemplated by the Agreement.

IN WITNESS WHEREOF, the Travis County Housing Finance Corporation, acting pursuant to a resolution of its Board of Directors, and USER have caused this Agreement to Issue Bonds to be executed by their duly authorized officers as of the year and date first above written.

TRAVIS COUNTY HOUSING FINANCE CORPORATION

By: _____
Samuel T. Biscoe, President

USER

Pedcor Investments-2012-CXXX, L.P.,

By: Parmer Place Housing Company, LLC,
Its General Partner

By: Pedcor Investments, A Limited Liability Company, Its Manager

By: _____
Thomas G. Crowe,
Executive Vice President

Application Number _____

TRAVIS COUNTY HOUSING FINANCE CORPORATION
700 Lavaca, Suite 1560
Austin, Texas 78701
Attention: Samuel T. Biscoe, President

**APPLICATION FOR FINANCIAL PARTICIPATION
AND INDEMNIFICATION AGREEMENT**

TO: The Board of Directors of the Travis County Housing Finance Corporation:

The undersigned, on behalf of the entity named as Applicant, hereby applies to the Travis County Housing Finance Corporation (the "Corporation") for Residential Development Financing, pursuant to the Texas Housing Finance Corporations Act, and pursuant to the Policy Guidelines for Receiving and Approving Applications for Financial Participation in Residential Developments of the Corporation.

We have reviewed the Corporation's Policy Guidelines presented to us and in effect on the date hereof, and we agree to and accept the terms hereof.

The Residential Development Financing Questionnaire has been completed to the best of our ability, and submitted to the Corporation's staff, and the information contained therein and on any attachments thereto, represent a reasonable comprehensive outline of the Residential Development and the financing requested in connection therewith.

We submit herewith the Processing Fees required by subparagraph III(A)(1) of your Policy Guidelines, together with two copies of the executed Agreement to Issue Bonds required by Subparagraph II(A)(2) of the Policy Guidelines.

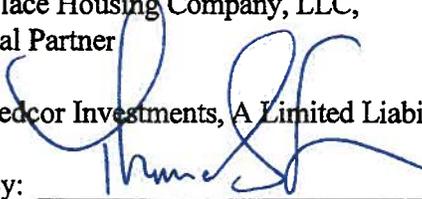
Preliminary Official Action, pursuant to paragraph II(B) of the Policy Guidelines is requested. (If such action is requested, attach separate statement of facts related to the request.)

The undersigned warrants that he is authorized to submit this application on behalf of the Applicant.

Pedcor Investements-2012-CXXX, L.P.,

By: Parmer Place Housing Company, LLC,
Its General Partner

By: Pedcor Investments, A Limited Liability Company, Its Manager

By: 
Thomas G. Crowe,
Executive Vice President

Presently Estimated Amount of
Project Financing Requested:

\$20,000,000

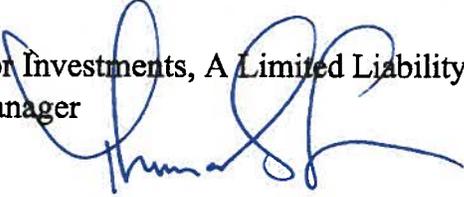
As an inducement to the Corporation and the Commissioners' Court of Travis County, Texas, to accept, review and favorably consider and approve said application and to issue the obligations therein contemplated, and whether or not all or any part thereof are ever actually approved or issued, Applicant agrees to (a) pay all facility costs which are not or cannot be paid or reimbursed from the proceeds of obligations issued by the Corporation, and (b) at all times indemnify and hold harmless the Corporation, the Commissioners' Court, their members, directors, officers, agents, contractors, and employees against all losses, costs, damages, expenses and liabilities of whatsoever nature or kind (including, but not limited to, attorney's fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgment) direct or indirectly resulting from, arising out of or related to the acceptance, consideration and approval or disapproval of such Application or the issuance, offering, sale, delivery or payment of any such obligations and interest thereon, or the design, construction, installation, operation, use, occupancy, maintenance or ownership of the Facility.

It is understood and agreed that this undertaking shall be continuing and shall survive and continue to be effective after any approval or disapproval of this Application and the issuance or failure to issue any such obligations and the construction and operation of the Facility. It is also understood that additional indemnity agreements may be required by the Corporation from the applicant or others, such as guarantors, prior to the final approval of such Application.

The undersigned officer of Applicant hereby certifies that he or she is duly authorized to submit the foregoing Application on behalf of the Applicant and that the foregoing information is true and correct to the best of his or her knowledge and belief submitted on the 11TH day of MARCH.

Pedcor Investments-2012-CXXX, L.P.

By: Parmer Place Housing Company, LLC,
its General Partner

By:  Pedcor Investments, A Limited Liability Company
its Manager

By: _____
Thomas G. Crowe, Executive Vice President

SOURCES AND USES THRU BREAKEVEN OPERATIONS

PARMER PLACE APARTMENTS
AUSTIN, TEXAS

Page 3

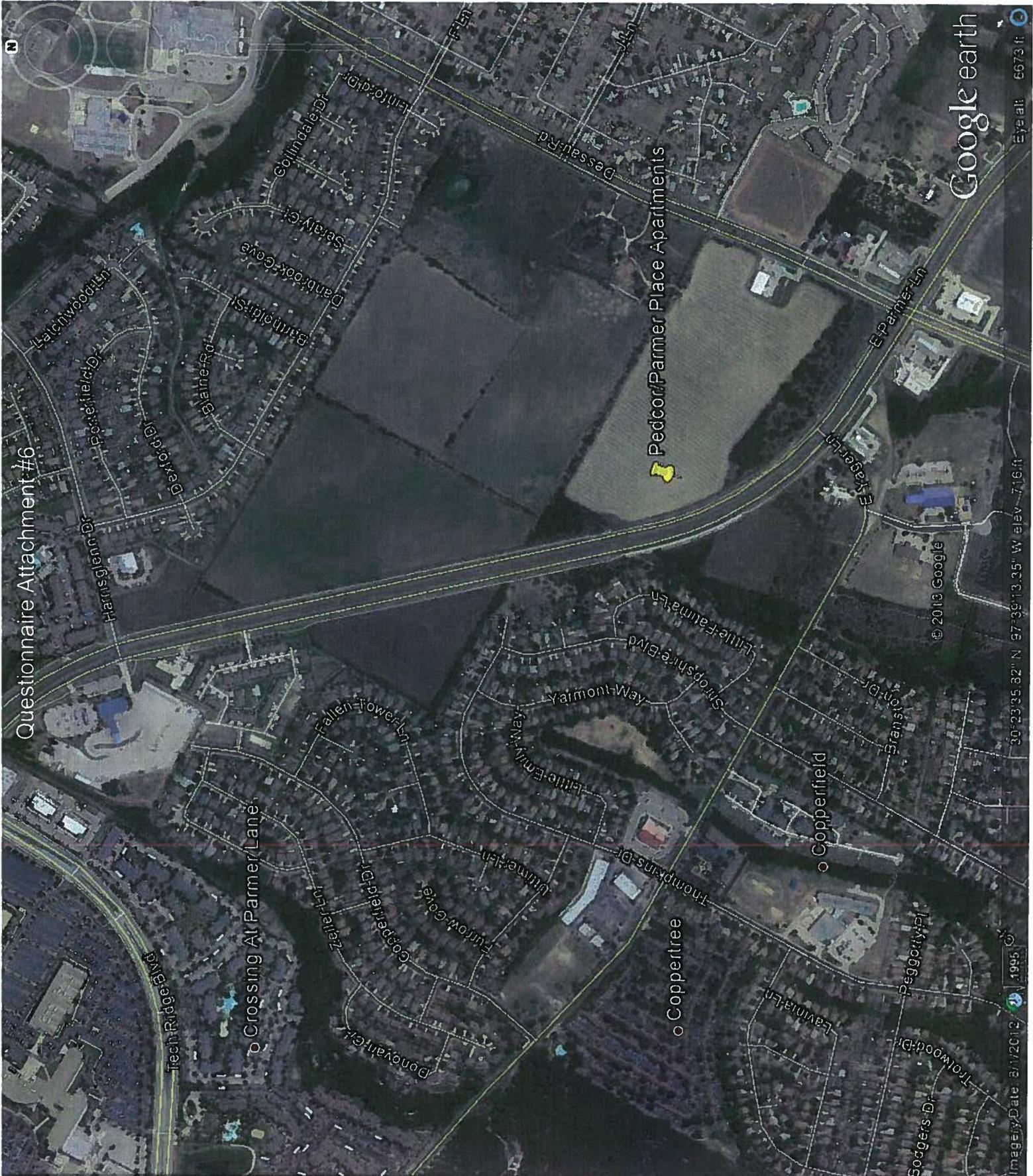
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		Total Development Costs
USES OF FUNDS		
To Purchase Land		2,049,873
Reserved		-
Hard Construction Costs		
1. Site Work	4,102,339	
2. Buildings	15,755,070	
3. Clubhouse, Pool & Cable Equipment	229,606	
4. Carports & Garages	242,614	
5. General Requirements	262,000	
6. Signature Fees	1,093,481	
7. Pedcor Construction Fees	1,669,587	
8. Permits & Travel	228,000	
9. Contingency	5.04% 1,050,000	24,632,697
Architectural and Engineering Fees		485,220
Architectural Services Fee (Pedcor)		200,000
Other Construction Period Costs		
1. Real Estate Attorney (Pedcor)	40,000	
2. Construction Loan Legal (Zoning Attny)	20,000	
3. Title & Recording	129,961	
4. Construction Interest (thru Breakeven)	1,045,223	
5. Loan Origination Fees (Pedcor)	244,000	
6. Furnishings and Equipment	247,574	
7. Taxes & Insurance	220,522	
8. Operating Expenses (thru Breakeven)	476,387	
9. Interest on DDF	450,000	
10. Construction Guaranty Fee (Pedcor)	492,654	3,366,321
Permanent Financing Costs/Soft Costs		
1. Bond Placement/Origination Fee	100,000	
2. Bond Financing Fees	-	
-Underwriter's Counsel	40,000	
-Bond Counsel	-	
-Issuer Counsel	-	
-Capitalized Bond Interest	252,000	
-Rating Agency	8,000	
-Trustee Fees	10,000	
-Printing Fees	5,000	
-Issuer Fees	294,020	
-Pedcor Bond Counsel Fees	40,000	749,020
3. FHA/GNMA Origination Fee (P/R Mtg.)	488,000	
- FHA/GNMA Lender Counsel (P/R Mtg.)	15,000	
- FHA/GNMA Pedcor Counsel	15,000	
- 221(d)4 Application Fee	73,200	
- 221(d)4 Inspection Fee	122,000	
- 221(d)4 MIP	219,600	
- Performance/Latent Defect Bond	223,270	
- Other FHA LOC Fees	150,300	1,306,370
Syndication Costs		
1. Organizational (e.g. Partnership)	-	
2. LIHTC Fees	64,550	
3. Investor Legal	-	
4. Cost Certification	7,500	72,050
Developer Fee		4,370,322
Operating Reserve		500,000
Misc. Soft Cost		40,000
TOTAL		37,771,873
SOURCES OF FUNDS		
Rental Income (thru Breakeven)		669,654
Limited Partner Equity		10,250,000
First Mortgage Proceeds		24,400,000
Reserved		-
Reserved		-
Deferred Fees		2,452,219
Reserved		-
Reserved		-
TOTAL		37,771,873

CASH FLOW FROM OPERATIONS

	CONSTRUCTION AND LEASE UP PERIOD												Year 17				
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12		Year 13	Year 14	Year 15	Year 16
PARMER PLACE APARTMENTS AUSTIN, TEXAS																	
Page 6	03/11/13 04:26 PM																
Income increases @:	2.00%																
Expenses increases @:	3.00%																
Vacancy @:	5.00%																
EFFECTIVE INCOME		337,600	1,948,048	2,474,528	2,524,018	2,574,499	2,678,509	2,732,079	2,786,720	2,842,455	2,899,304	2,957,290	3,016,436	3,076,764	3,138,300	3,201,066	
Operating Costs (except taxes)	-	(65,727)	(498,271)	(669,402)	(689,484)	(710,169)	(731,474)	(753,418)	(776,021)	(823,280)	(847,979)	(873,418)	(899,621)	(926,609)	(954,408)	(983,040)	
RE Taxes-No abatement	-	-	(127,628)	(328,641)	(338,501)	(348,656)	(359,115)	(369,889)	(380,985)	(404,187)	(416,313)	(428,802)	(441,667)	(454,917)	(468,564)	(482,621)	
INCOME FROM OPERATIONS	-	271,873	1,322,150	1,476,484	1,496,034	1,515,674	1,535,400	1,555,202	1,575,073	1,595,004	1,614,987	1,635,012	1,655,069	1,675,149	1,695,239	1,715,328	
Reserve for Replacement	-	-	(105,149)	(105,149)	(105,149)	(105,149)	(105,149)	(105,149)	(105,149)	(105,149)	(105,149)	(105,149)	(105,149)	(105,149)	(105,149)	(105,149)	
NET OPERATING INCOME	-	271,873	1,217,001	1,371,335	1,390,884	1,410,525	1,430,250	1,450,053	1,469,924	1,489,855	1,509,838	1,529,863	1,549,920	1,569,999	1,590,090	1,610,179	
DEBT SERVICE																	
First Mortgage	-	-	1,157,379	1,156,040	1,154,538	1,152,991	1,151,397	1,149,754	1,148,062	1,146,317	1,144,520	1,142,668	1,140,760	1,138,794	1,136,768	1,134,680	
Interest	-	-	781,712	719,511	709,515	699,214	688,600	677,663	666,393	654,781	642,815	630,486	617,781	604,690	591,201	577,302	
Principal	-	-	266,466	328,667	338,664	348,965	359,579	370,516	381,785	393,398	405,363	417,693	430,397	443,488	456,977	470,877	
MIP	-	-	109,200	107,861	106,360	104,813	103,219	101,576	99,883	98,139	96,342	94,490	92,582	90,615	88,589	86,502	
2nd Mortgage Taxable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Deferred Pdcort/Affiliate Fees/Interest \$	-	-	2,452,219	201,101	221,726	242,476	263,344	284,323	305,407	326,589	347,861	369,231	390,704	412,281	433,962	455,747	
Land Lease Payment/Released reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
EXCESS CASH FLOW	-	271,873	59,622	14,194	14,620	15,058	15,510	15,975	16,455	16,948	17,457	17,984	18,526	19,081	19,649	20,229	
SUBORDINATABLE MGMT FEES	-	-	87,662	111,354	113,581	115,852	118,169	120,533	122,944	125,402	127,910	130,469	133,078	135,740	138,454	141,223	
DEBT SERVICE COVERAGE RATIOS																	
1st Mgtg Tx Exempt & Taxable	NA	NA	1.05	1.19	1.20	1.22	1.24	1.26	1.28	1.30	1.32	1.34	1.36	1.38	1.40	1.42	
1st Mgtg Tx Exempt with Subordn. Mgmt Fees	NA	NA	1.13	1.28	1.30	1.32	1.34	1.37	1.39	1.41	1.43	1.45	1.48	1.50	1.52	1.54	
All Debt Tx Exempt & Txble	NA	NA	1.05	1.19	1.20	1.22	1.24	1.26	1.28	1.30	1.32	1.34	1.36	1.38	1.40	1.42	
All Debt w/ Subordn. Mgmt Fees	NA	NA	1.24	1.41	1.44	1.46	1.48	1.50	1.52	1.54	1.56	1.58	1.61	1.63	1.65	1.67	
AVERAGE TOTAL RATE	3.450%	3.450%	3.450%	3.450%	3.450%	3.450%	3.450%	3.450%	3.450%	3.450%	3.450%	3.450%	3.450%	3.450%	3.450%	3.450%	
Components:																	
-One Year CMT	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	
-Spread and/or MIP	0.450%	0.450%	0.450%	0.450%	0.450%	0.450%	0.450%	0.450%	0.450%	0.450%	0.450%	0.450%	0.450%	0.450%	0.450%	0.450%	
-Base/Ceiling Adjustment	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	
-Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
-Permanent FHA 223(f) Rate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
CUM. CASH DEFICIT (after deferrals)	-	10,303,655	24,400,000	24,133,334	23,804,867	23,466,203	23,117,238	22,757,660	22,387,144	22,005,359	21,611,961	21,206,598	20,788,996	20,358,908	19,915,020	19,458,043	
BEGINNING MORTGAGE BAL	-	-	500,000	505,000	510,050	515,151	520,302	525,505	530,760	536,068	541,428	546,643	552,311	557,834	563,413	569,047	
ENDING TOTAL RESERVES BALANCE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

Questionnaire Attachment #6



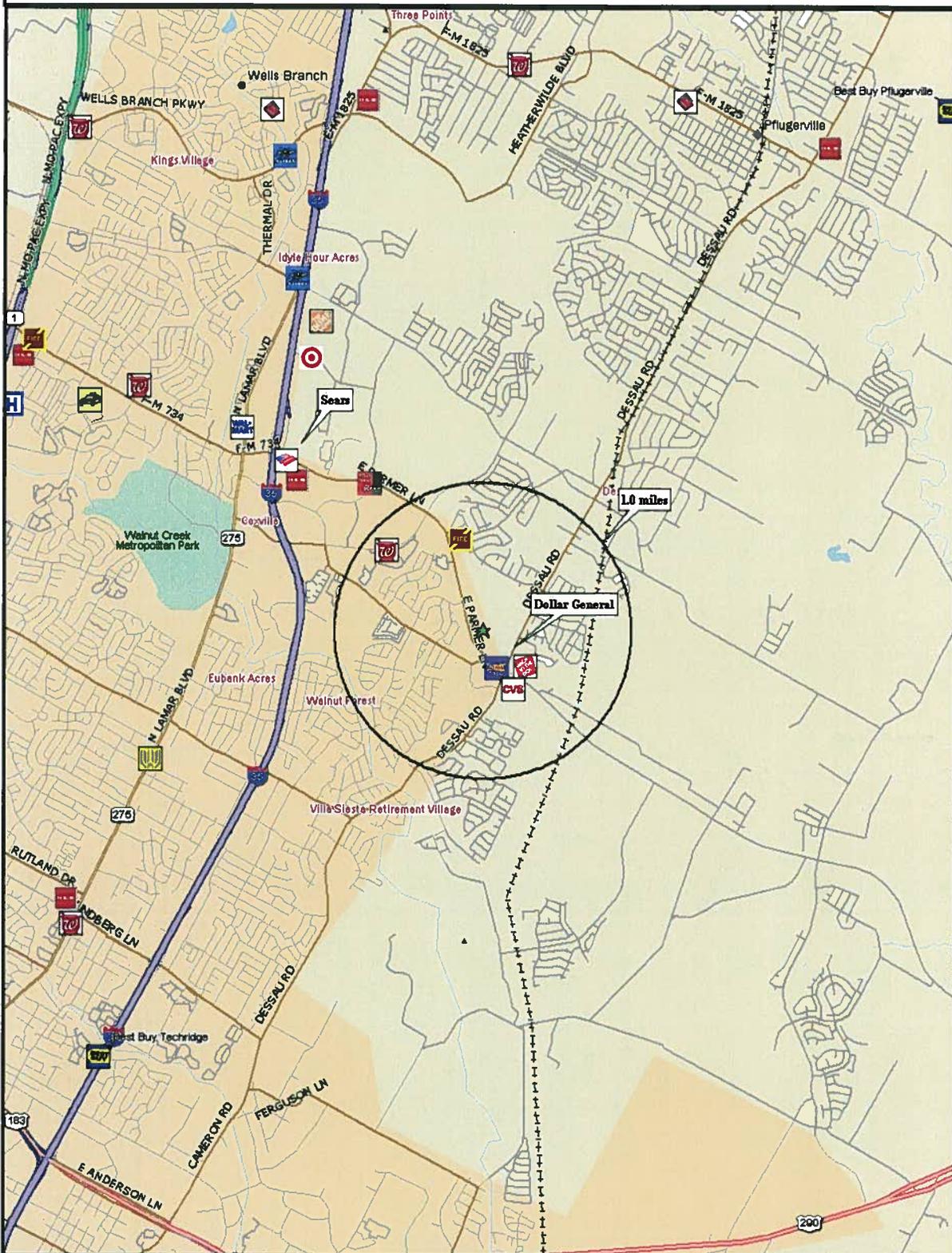
Google earth

Elev: alt 6673 ft

30° 23' 35.82" N 97° 36' 13.95" W elev: 716 ft

Imagery Date: 8/1/2012 1995

Parmer Place Apartments – Area Amenities



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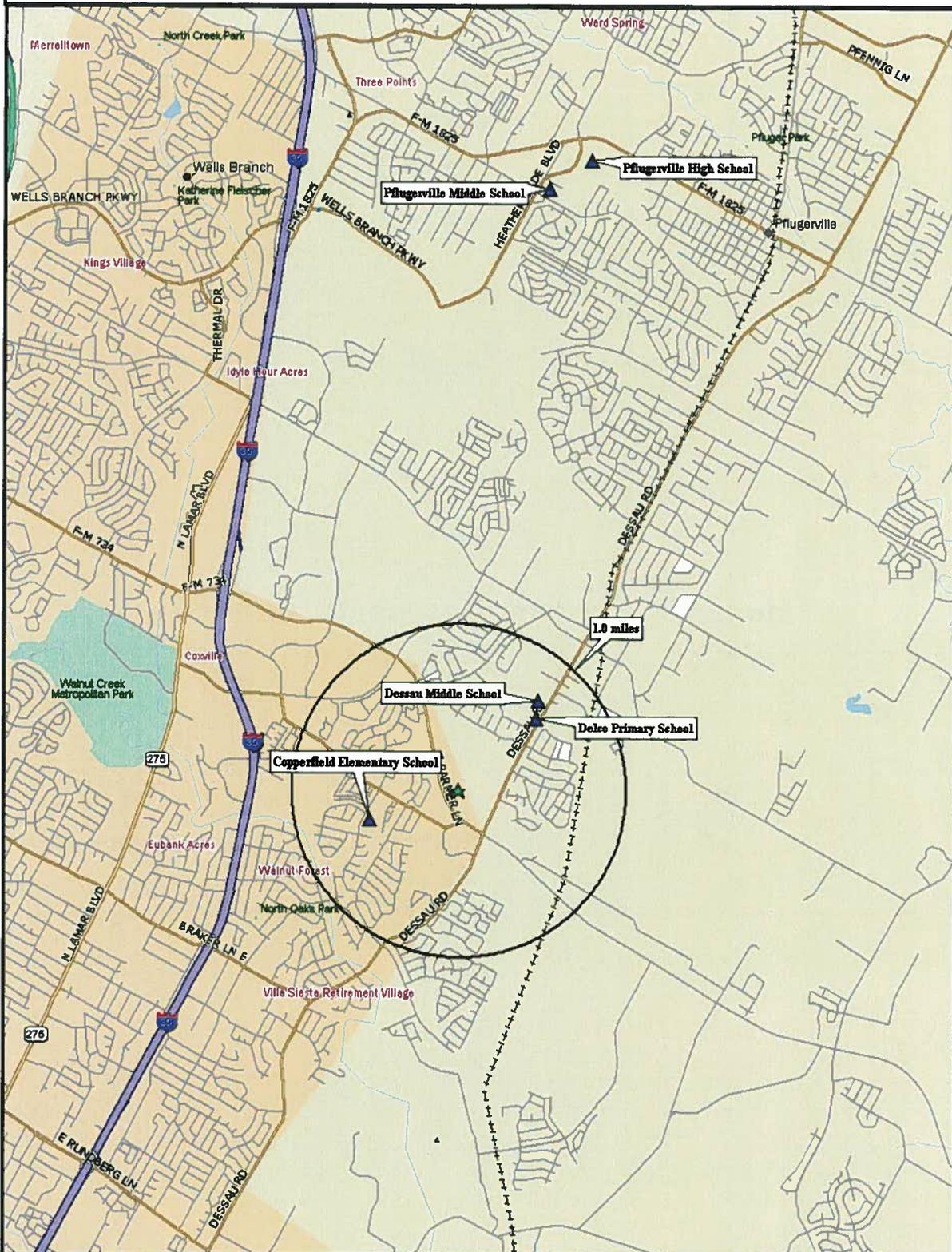


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Parmer Place Apartments – Schools

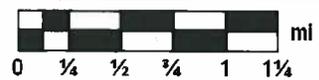


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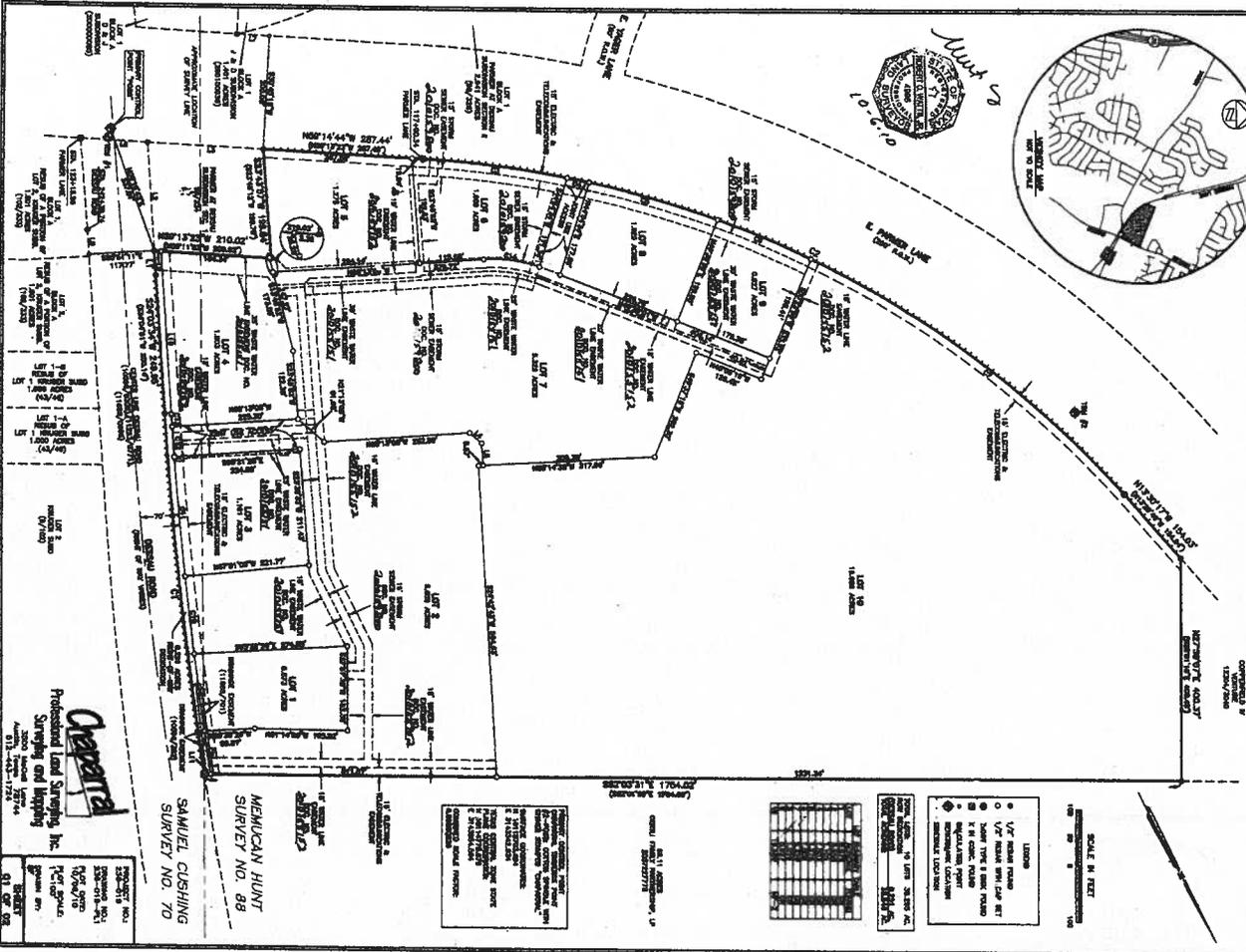
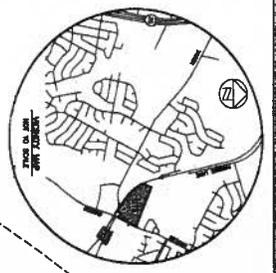
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PARMER PLACE SUBDIVISION



Professional Land Surveying, Inc. Surveying and Mapping, Inc. 2000... 20190/135

PARMER PLACE SUBDIVISION

STATE OF TEXAS COUNTY OF TARRANT... PARMER PLACE SUBDIVISION... 20190/135



SECTION 1. THE PROPERTY... SECTION 2. THE PROPERTY... SECTION 3. THE PROPERTY... SECTION 4. THE PROPERTY... SECTION 5. THE PROPERTY... SECTION 6. THE PROPERTY... SECTION 7. THE PROPERTY... SECTION 8. THE PROPERTY... SECTION 9. THE PROPERTY... SECTION 10. THE PROPERTY... SECTION 11. THE PROPERTY... SECTION 12. THE PROPERTY... SECTION 13. THE PROPERTY... SECTION 14. THE PROPERTY... SECTION 15. THE PROPERTY... SECTION 16. THE PROPERTY... SECTION 17. THE PROPERTY... SECTION 18. THE PROPERTY... SECTION 19. THE PROPERTY... SECTION 20. THE PROPERTY... SECTION 21. THE PROPERTY... SECTION 22. THE PROPERTY... SECTION 23. THE PROPERTY... SECTION 24. THE PROPERTY... SECTION 25. THE PROPERTY... SECTION 26. THE PROPERTY... SECTION 27. THE PROPERTY... SECTION 28. THE PROPERTY... SECTION 29. THE PROPERTY... SECTION 30. THE PROPERTY... SECTION 31. THE PROPERTY... SECTION 32. THE PROPERTY... SECTION 33. THE PROPERTY... SECTION 34. THE PROPERTY... SECTION 35. THE PROPERTY... SECTION 36. THE PROPERTY... SECTION 37. THE PROPERTY... SECTION 38. THE PROPERTY... SECTION 39. THE PROPERTY... SECTION 40. THE PROPERTY... SECTION 41. THE PROPERTY... SECTION 42. THE PROPERTY... SECTION 43. THE PROPERTY... SECTION 44. THE PROPERTY... SECTION 45. THE PROPERTY... SECTION 46. THE PROPERTY... SECTION 47. THE PROPERTY... SECTION 48. THE PROPERTY... SECTION 49. THE PROPERTY... SECTION 50. THE PROPERTY... SECTION 51. THE PROPERTY... SECTION 52. THE PROPERTY... SECTION 53. THE PROPERTY... SECTION 54. THE PROPERTY... SECTION 55. THE PROPERTY... SECTION 56. THE PROPERTY... SECTION 57. THE PROPERTY... SECTION 58. THE PROPERTY... SECTION 59. THE PROPERTY... SECTION 60. THE PROPERTY... SECTION 61. THE PROPERTY... SECTION 62. THE PROPERTY... SECTION 63. THE PROPERTY... SECTION 64. THE PROPERTY... SECTION 65. THE PROPERTY... SECTION 66. THE PROPERTY... SECTION 67. THE PROPERTY... SECTION 68. THE PROPERTY... SECTION 69. THE PROPERTY... SECTION 70. THE PROPERTY... SECTION 71. THE PROPERTY... SECTION 72. THE PROPERTY... SECTION 73. THE PROPERTY... SECTION 74. THE PROPERTY... SECTION 75. THE PROPERTY... SECTION 76. THE PROPERTY... SECTION 77. THE PROPERTY... SECTION 78. THE PROPERTY... SECTION 79. THE PROPERTY... SECTION 80. THE PROPERTY... SECTION 81. THE PROPERTY... SECTION 82. THE PROPERTY... SECTION 83. THE PROPERTY... SECTION 84. THE PROPERTY... SECTION 85. THE PROPERTY... SECTION 86. THE PROPERTY... SECTION 87. THE PROPERTY... SECTION 88. THE PROPERTY... SECTION 89. THE PROPERTY... SECTION 90. THE PROPERTY... SECTION 91. THE PROPERTY... SECTION 92. THE PROPERTY... SECTION 93. THE PROPERTY... SECTION 94. THE PROPERTY... SECTION 95. THE PROPERTY... SECTION 96. THE PROPERTY... SECTION 97. THE PROPERTY... SECTION 98. THE PROPERTY... SECTION 99. THE PROPERTY... SECTION 100. THE PROPERTY...

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Parmer Place Green Building Characteristics

William Cannon Apartments has been designed to meet the requirements of the Austin Energy Green Building (AEGB) 1 Star Rating. To meet these requirements, fourteen measures were designed into our project. The following is a summary of those items.

1. **Current Regulations** - Must comply with all current codes and laws associated with the built environment. Specific interests were those regulations relating to water quality and energy efficiency.
2. **Transportation Alternatives** - Reduce pollution and development impact from automobile use and improve public health by encouraging bicycle use. Ensure safety of tenants and their property. This will be achieved by providing bicycle parking for 50% of residents and permanent building occupants and providing a safe path from property entrance to bike parking.
3. **Building Energy Performance** – The Energy Code establishes minimum regulations for energy-efficient buildings. Exceeding these standards further reduces building energy consumption and load and contributes to the reduction of conventional power plant construction, greenhouse gas emissions, and utility costs. This will be achieved by providing windows that meet specific glazing requirements, exterior walls designed with increased insulation, lighting that is Energy Star compliant, mechanical systems with minimum 14 SEER systems and appliances that include Energy Star refrigerator and dishwashers.
4. **Residential Mechanical Systems** – An efficient and correctly sized air conditioner is an important part of an energy-efficient residence. Air conditioners are sized correctly to match the cooling needs of the dwelling unit for tenant comfort, improved indoor air quality and energy savings.
5. **Tenant Education** – Increase awareness of building's green features and encourage conservation by building occupants through education to extend the life of the landfill, save energy, water and other resources. This will be achieved by educating building tenants on recycling and green practices through a formal and ongoing educational program.
6. **Testing/Building Systems Commissioning** – Intent is to ensure a comfortable and healthy environment for building occupants and minimize energy use; to reduce building operating costs by keeping mechanical and electrical building systems compliant with warranties and operating as designed; and to reduce potential for mold or other damage that can be caused by poor indoor air quality. This was achieved by bringing in a Commissioning Agent as a team member during the design and construction process to ensure all standards are met.
7. **Building Water Use Reduction Through Metering** – Give residents the ability to monitor their own consumption of utilities and be rewarded for conserving behaviors on an individual basis. This will be achieved by individually metering each dwelling unit.
8. **Building Water Use Reduction** – High efficiency plumbing fixtures reduce consumption of water for indoor use thus lessening the impact on the water supply and treatment facilities as well as reducing building operating costs by saving water and associated energy use. This will be achieved by providing low-flow fixtures, showerheads and toilets in each dwelling unit.

9. **Irrigation Water Reduction** – Minimize potable water use for landscape irrigation by designing water-wise landscapes to reduce the treatment and energy used by municipal water systems, saving water and energy and lower building operating costs.
10. **Low Volatile Organic Compound (VOC) Interior Paints and Coatings** – The requirement of Low VOC materials will reduce toxic pollution and contribute to good indoor air quality for the benefit of the health and productivity of building occupants and those applying the paints and coatings.
11. **Filtration for Indoor Air Quality** – Proper air filtration plays an important role in keeping the coils and heat exchangers clean, which helps the HVAC system to work most efficiently, as well as prolong the life of the system. Air filters also help maintain good indoor quality resulting in improved occupant health.
12. **Moisture Prevention** – Protect against building moisture infiltration through direct rainwater intrusion, water vapor transmission, and negative pressurization. Avoid potentially damaging results of condensation that may occur within an exterior wall system. Proper moisture prevention affects the health of the occupants, air conditioning costs, and building integrity and durability.
13. **Storage and Collection of Recyclables** – Collection of recyclables reduces waste generated by building occupants and building operations that is directed to the landfill, extending the life of the landfill and saving energy and resources through the recycling process. This will be achieved by providing easily-accessible, clearly-marked areas dedicated to the separation, collection, and storage of materials for recycling.
14. **Construction Waste Management** – This includes recycling construction and land clearing waste to reduce the amount of waste destined for the landfill or incineration. This will be achieved by recycling at least 50% (by weight) of non-hazardous construction waste.

Parmer Place Tenant Service and Programming

Tenant Services

- After studying the market, we determined that the existing apartment communities that were the most vibrant offered substantial programming for children. With that in mind, we carefully planned our clubhouse to include a separate Learning Center wing.
- We saw first-hand how the YMCA operates in the Austin market and chose to seek them out for this important tenant service. We are in ongoing discussions with Andrew Wiggins, who is the Executive Director of the YMCA of Austin, to finalize the services the YMCA will provide in our Learning Centers. To date, we have outlined the plan below:
 - After-school programming from 2:30-6:30pm. YMCA will provide 1 Site Director and 2 Counselors.
 - Summer hours of 9:30-5:30pm. YMCA will provide 2 Site Directors and 2 Counselors.
 - YMCA will supply snacks, craft supplies, sports equipment, books, etc.
 - YMCA will provide specialist in computers and English as a Second Language training.
- For our seniors, disabled and those that cannot or should not go out in bad weather, we will pick up their rent and take out their trash.

Community Programming

- Community wide yard sales - we set up advertising, signs, balloons for the residents to have the individual sale in front of their apartment.
- Ice cream social - typically done in the summer time by the pool or picnic area for the kids
- Video night - G rated movie in the clubhouse. We supply the popcorn and lemonade for kids and parents.
- Card Night - we supply cards, lemonade.
- Game Night - everyone brings in a game of their choice Yahtzee, Trivial Pursuit, etc.
- Pet Fair – done in conjunction with the Humane Society who brings pets that meet our specific pet criteria to the site. They agree to reduce their adoption fee and we reduce the pet deposit for any adoption conducted that day.
- Mobile Library
- Holiday Parties
 - Manager typically does a Holiday party around Christmas time for all residents.
 - Easter Egg hunt - Maintenance hides eggs, toys, etc. around the property for the children to enjoy.
 - Halloween parade followed by a party in the clubhouse. Instead of a door to door set up, we prefer the children dress up, meet at our clubhouse we parade around the property so all the residents can see their costumes and then bring them back to the office for a safe party where the candy that was donated has been inspected and sorted. We also have games like bobbing for apples and other themed games.
- Barbeque at the pool - hot dog/hamburger cook out for the residents.
- Pool Parties - residents can bring an extra guest and we will have snacks set up outside the pool area. Often done in conjunction with the ice cream social.
- Picnic in the park area - We invite the residents to join us for a picnic lunch.