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Form **990**Department of the Treasury
Internal Revenue Service**Return of Organization Exempt From Income Tax**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047

2010Open to Public
Inspection**A** For the 2010 calendar year, or tax year beginning

09/01, 2010, and ending

08/31, 2011

B Check if applicable

☐ Address change

☐ Name change

☐ Initial return

☐ Terminated

☐ Amended return

☐ Application pending

C Name of organization

TEXAS STATE AFFORDABLE HOUSING CORPORATION

Doing Business As

Number and street (or P O box if mail is not delivered to street address)

Room/suite

2200 EAST MLK, JR. BLVD.

City or town, state or country, and ZIP + 4

AUSTIN, TX 78702

F Name and address of principal officer

DAVID LONG

2200 EAST MLK, JR. BLVD AUSTIN, TX 78702

D Employer identification number

74-2746185

E Telephone number

(512) 477-3555

G Gross receipts \$ 38,980,957.**H(a)** Is this a group return for affiliates? ☐ Yes ☒ No**H(b)** Are all affiliates included? ☐ Yes ☐ No

If "No," attach a list (see instructions)

H(c) Group exemption number ▶**I** Tax-exempt status ☒ 501(c)(3) ☐ 501(c)() (insert no) ☐ 4947(a)(1) or ☐ 527**J** Website: ▶ WWW.TSAHC.ORG**K** Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶**L** Year of formation 1994 **M** State of legal domicile TX**Part I** Summary

1 Briefly describe the organization's mission or most significant activities
 PROVIDE LOWER INCOME TEXANS WITH HOUSING FINANCE OPTIONS, AND SERVE
 SPECIFIC WORKFORCE INDIVIDUALS UNDER HOME-LOAN PROGRAMS CREATED BY
 THE TEXAS LEGISLATURE.

2 Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets

3 Number of voting members of the governing body (Part VI, line 1a)	3	5.
4 Number of independent voting members of the governing body (Part VI, line 1b)	4	5.
5 Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5	16.
6 Total number of volunteers (estimate if necessary)	6	
7a Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	
b Net unrelated business taxable income from Form 990-T, line 34	7b	

	Prior Year	Current Year
8 Contributions and grants (Part VIII, line 1h)	1,846,032.	3,549,289.
9 Program service revenue (Part VIII, line 2g)	1,755,380.	2,571,549.
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	11,886,298.	11,518,582.
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-2,199.	5,542.
12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	15,485,511.	17,644,962.

13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	250,000.	300,000.
14 Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	1,020,936.	1,080,250.
16a Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
b Total fundraising expenses (Part IX, column (B), line 25) ▶ 103,892.		
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	16,012,293.	16,588,601.
18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	17,283,229.	17,968,851.
19 Revenue less expenses Subtract line 18 from line 12	-1,797,718.	-323,889.

	Beginning of Current Year	End of Year
20 Total assets (Part X, line 16)	337,650,967.	324,871,363.
21 Total liabilities (Part X, line 26)	308,810,040.	287,532,738.
22 Net assets or fund balances Subtract line 21 from line 20.	28,840,927.	37,338,625.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign
Here

Signature of officer

Date

Type or print name and title

Paid
Preparer
Use Only

Print/Type preparer's name

Preparer's signature

Date

Check if
self-
employed ☐

PTIN

DONALD C. MIKESKA

Donald C. Mikeska CPA

3/12/12

P00000216

Firm's name ▶ MIKESKA MONAHAN & PECKHAM, P.C.

Firm's EIN ▶ 74-2522242

Firm's address ▶ 100 CONGRESS AVENUE, SUITE 990 AUSTIN, TX 78701

Phone no 512-476-1040

May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2010)

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response to any question in this Part III ☒ **X****1** Briefly describe the organization's mission

ATTACHMENT 1

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported**4a** (Code) (Expenses \$ 12,879,861. including grants of \$ 250,000.) (Revenue \$ 12,387,719.)

SINGLE-FAMILY PROGRAM - PROVIDES BELOW MARKET 30-YEAR FIXED RATE
MORTGAGE LOANS TO ELIGIBLE FIRST-TIME HOMEBUYERS IN TEXAS;
PROVIDES DOWN PAYMENT ASSISTANCE TO HOME BUYERS; PROVIDES GRANTS
FOR THE CONSTRUCTION OR IMPROVEMENT OF SINGLE FAMILY HOUSING IN
TEXAS; PROVIDES COUNSELING FOR HOMEOWNERS WHO ARE IN DANGER OF
FORECLOSURE.

4b (Code) (Expenses \$ 3,373,083. including grants of \$) (Revenue \$ 3,360,286.)

THE CORPORATION, PARTICIPATING WITH THE TEXAS DEPARTMENT OF
HOUSING AND COMMUNITY AFFAIRS, WAS AWARDED NEIGHBORHOOD
STABILIZATION (NSP) FUNDS DURING 2009/2010. THE GOAL OF NSP IS TO
HELP STABILIZE COMMUNITIES HARDEST HIT BY FORECLOSURES BY WORKING
WITH LOCALLY BASED NONPROFIT AND GOVERNMENT AGENCIES TO ACQUIRE
AND REHABILITATE FORECLOSED HOMES AND VACANT LAND PROPERTIES.
THESE PROPERTIES WILL THEN BE INHABITED BY LOW-INCOME INDIVIDUALS
AND FAMILIES.

4c (Code) (Expenses \$ 507,790. including grants of \$) (Revenue \$ 217,609.)

THE CORPORATION PROVIDES ASSET OVERSIGHT AND COMPLIANCE SERVICES
TO NUMEROUS MULTI-FAMILY HOUSING PROJECTS ACCROSS THE STATE. THE
CORPORATION CONDUCTS SITE VISITS TO ENSURE THAT PROPERTY OWNERS
COMPLY WITH THE VARIOUS RESTRICTIONS RELATING TO PROVIDING HOUSING
AND SERVICES TO LOW-INCOME INDIVIDUALS IN TEXAS. THE CORPORATION
CURRENTLY CONDUCTS ASSET OVERSIGHT AND COMPLIANCE REVIEWS ON 38
PROPERTIES FINANCED THROUGH TSAHC'S BOND FINANCE PROGRAMS.

4d Other program services. (Describe in Schedule O) ATTACHMENT 2

(Expenses \$ 759,555. including grants of \$ 50,000.) (Revenue \$ 512,987.)

4e Total program service expenses ▶ 17,520,289.

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	☒	☐
2 Is the organization required to complete Schedule B, Schedule of Contributors? (see instructions)	☒	☐
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	☐	☒
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	☐	☒
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	☐	☐
6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	☐	☒
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	☐	☒
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	☐	☒
9 Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	☐	☒
10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V	☐	☒
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	☒	☐
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII	☐	☒
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII	☐	☒
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX	☒	☐
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	☒	☐
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X	☐	☒
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII	☒	☐
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional	☐	☒
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	☐	☒
14a Did the organization maintain an office, employees, or agents outside of the United States?	☐	☒
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Parts I and IV	☐	☒
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV	☐	☒
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV	☐	☒
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	☐	☒
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	☐	☒
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	☐	☒
20a Did the organization operate one or more hospitals? If "Yes," complete Schedule H	☐	☒
b If "Yes" to line 20a, did the organization attach its audited financial statements to this return? Note. Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)	☐	☐

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II.</i>	21 X	
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III.</i>	22	X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J.</i>	23	X
24 a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25.</i>	24a X	
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	X
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	X
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d X	
25 a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I.</i>	25a	X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I.</i>	25b	X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II.</i>	26	X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III.</i>	27	X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i>	28a	X
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i>	28b	X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV.</i>	28c	X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M.</i>	29	X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M.</i>	30	X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I.</i>	31	X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II.</i>	32	X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I.</i>	33	X
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1.</i>	34	X
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)?	35	X
a Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2.</i> ☐ Yes ☒ No		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2.</i>	36	X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI.</i>	37	X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	38 X	

Form 990 (2010)

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response to any question in this Part V. ☒ X

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable. 1a 30		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable. 1b 0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		
1c			
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return. 2a 16		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
3b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
b	If "Yes," enter the name of the foreign country See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
5b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
5c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?		X
6b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
d	If "Yes," indicate the number of Forms 8282 filed during the year 7d		
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?		
b	Did the organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter		
a	Initiation fees and capital contributions included on Part VIII, line 12 10a		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities 10b		
11	Section 501(c)(12) organizations. Enter		
a	Gross income from members or shareholders 11a		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them) 11b		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year 12b		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O		
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans 13b		
c	Enter the amount of reserves on hand 13c		
14a	Did the organization receive any payments for indoor tanning services during the tax year?		X
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O 14b		

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI ☒ X

Section A. Governing Body and Management

	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year 1a 5		
b Enter the number of voting members included in line 1a, above, who are independent 1b 5		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? 2		X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . . . 3		X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? 4		X
5 Did the organization become aware during the year of a significant diversion of the organization's assets? 5		X
6 Does the organization have members or stockholders? 6		X
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? 7a		X
b Are any decisions of the governing body subject to approval by members, stockholders, or other persons? 7b		X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body? 8a	X	
b Each committee with authority to act on behalf of the governing body? 8b	X	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O 9		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a Does the organization have local chapters, branches, or affiliates? 10a		X
b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization? 10b		
11a Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form? 11a	X	
b Describe in Schedule O the process, if any, used by the organization to review this Form 990		
12a Does the organization have a written conflict of interest policy? If "No," go to line 13 12a	X	
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? 12b	X	
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done 12c	X	
13 Does the organization have a written whistleblower policy? 13	X	
14 Does the organization have a written document retention and destruction policy? 14	X	
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official 15a	X	
b Other officers or key employees of the organization 15b	X	
If "Yes" to line 15a or 15b, describe the process in Schedule O (See instructions)		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? 16a		X
b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements? 16b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶ _____

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶ MELINDA SMITH 2200 EAST MLK, JR. BLVD AUSTIN, TX 78702
512-477-3555

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck if Schedule O contains a response to any question in this Part VII. ☐**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) ROBERT JONES CHAIR	1.00	X						0.	0.	0.
(2) JO VAN HOVEL VICE CHAIR	1.00	X						0.	0.	0.
(3) JERAN AKERS DIRECTOR	1.00	X						0.	0.	0.
(4) WILLIAM H. DIETZ, JR. DIRECTOR	1.00	X						0.	0.	0.
(5) JERRY ROMERO DIRECTOR	1.00	X						0.	0.	0.
(6) DAVID LONG PRESIDENT	40.00			X	X	X		137,062.	0.	0.
(7) LIZ BAYLESS EXECUTIVE VICE PRESIDENT	40.00			X	X			38,231.	0.	0.
(8) MELINDA SMITH CFO	40.00			X	X	X		100,515.	0.	0.
(9) LAURA ROSS SECRETARY	40.00			X	X			51,252.	0.	0.
(10) KATHERIN CLOSMANN EXECUTIVE VP	40.00			X	X			46,997.	0.	0.
(11)										
(12)										
(13)										
(14)										
(15)										
(16)										

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(17) -----										
(18) -----										
(19) -----										
(20) -----										
(21) -----										
(22) -----										
(23) -----										
(24) -----										
(25) -----										
(26) -----										
(27) -----										
(28) -----										
1b Sub-total							374,057.	0.	0.	
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)							374,057.	0.	0.	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **2**

- 3** Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual
- 4** For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual
- 5** Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person

	Yes	No
3		X
4		X
5		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization

(A) Name and business address	(B) Description of services	(C) Compensation
ATTACHMENT 3		

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **2**

Part VIII Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e	3,322,597.			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	226,692.			
	g	Noncash contributions included in lines 1a-1f \$		18,500.			
	h	Total. Add lines 1a-1f		3,549,289.			
Program Service Revenue	2a	MULTIFAMILY FEES	Business Code	168,646.	168,646.		
	b	LOAN SERVICING & ISSUER FEES		344,341.	344,341.		
	c	ASSET OVERSIGHT/COMPLIANCE FEES		217,609.	217,609.		
	d	SINGLE FAMILY BOND SERVICING & ISSUER FEES		899,366.	899,366.		
	e	INTEREST INCOME ON PROGRAM LOANS/INVESTMENTS		738,092.	738,092.		
	f	All other program service revenue		203,495.	203,495.		
	g	Total. Add lines 2a-2f		2,571,549.			
	Other Revenue	3	Investment income (including dividends, interest, and other similar amounts). ATTACHMENT 4		30,229.		
4		Income from investment of tax-exempt bond proceeds [5].		10,979,165.	10,979,165.		
5		Royalties		0.			
			(i) Real (ii) Personal				
6a		Gross Rents		10,215.			
b		Less rental expenses		4,673.			
c		Rental income or (loss)		5,542.			
d		Net rental income or (loss)		5,542.			
7a		Gross amount from sales of assets other than inventory	(i) Securities (ii) Other	21,840,510.			
b		Less cost or other basis and sales expenses		21,331,322.			
c		Gain or (loss)		509,188.			
d		Net gain or (loss)		509,188.			
8a		Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18	a				
b		Less direct expenses	b				
c		Net income or (loss) from fundraising events		0.			
9a		Gross income from gaming activities See Part IV, line 19	a				
b		Less direct expenses	b				
c		Net income or (loss) from gaming activities		0.			
10a		Gross sales of inventory, less returns and allowances	a				
b		Less cost of goods sold	b				
c	Net income or (loss) from sales of inventory		0.				
Miscellaneous Revenue		Business Code					
11a							
b							
c							
d	All other revenue						
e	Total. Add lines 11a-11d		0.				
12	Total revenue. See instructions		17,644,962.	13,550,714.		30,229.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D)

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.				
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21 . . .	300,000.	300,000.		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	0.			
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	0.			
4 Benefits paid to or for members	0.			
5 Compensation of current officers, directors, trustees, and key employees	424,522.	246,098.	166,321.	12,103.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0.			
7 Other salaries and wages	637,627.	528,430.	58,039.	51,158.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions).	18,101.	14,055.	2,492.	1,554.
9 Other employee benefits	0.			
10 Payroll taxes	0.			
11 Fees for services (non-employees)	0.			
a Management				
b Legal	117,156.	111,789.	3,951.	1,416.
c Accounting	70,151.	57,917.	9,007.	3,227.
d Lobbying	0.			
e Professional fundraising services See Part IV, line 17	0.			
f Investment management fees	18,000.	14,861.	2,311.	828.
g Other	0.			
12 Advertising and promotion	33,812.	29,761.	2,982.	1,069.
13 Office expenses	44,126.	36,430.	5,666.	2,030.
14 Information technology	28,893.	23,854.	3,710.	1,329.
15 Royalties	0.			
16 Occupancy	0.			
17 Travel	54,526.	47,688.	5,035.	1,803.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0.			
19 Conferences, conventions, and meetings	0.			
20 Interest	10,679,166.	10,671,068.	5,962.	2,136.
21 Payments to affiliates	0.			
22 Depreciation, depletion, and amortization	52,778.	43,573.	6,777.	2,428.
23 Insurance	0.			
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24f. If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O.)				
a <u>ADMINISTAFF CONTRACT FEE</u>	315,455.	230,282.	66,246.	18,927.
b <u>NSP PROPERTIES ACQUIRED</u>	3,118,105.	3,118,105.		
c <u>TX FORECLOSURE PREVENTION EX</u>	281,234.	281,234.		
d <u>DOWNPAYMENT ASSISTANCE</u>	520,707.	520,124.	429.	154.
e <u>AMORTIZATION EXPENSE</u>	516,457.	514,607.	1,362.	488.
f All other expenses	738,035.	730,413.	4,380.	3,242.
25 Total functional expenses. Add lines 1 through 24f	17,968,851.	17,520,289.	344,670.	103,892.
26 Joint Costs. Check here ☐ if following SOP 98-2 (ASC 958-720). Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	248,720.	1	1,510,751.
	2 Savings and temporary cash investments	81,707,537.	2	49,879,853.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	963,712.	4	335,130.
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges ATCH. 6	23,666.	9	30,379.
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D 10a	1,796,855.		
	b Less accumulated depreciation 10b	351,076.		
		1,471,497.	10c	1,445,779.
	11 Investments - publicly traded securities ATCH. 7	233,681,720.	11	250,992,209.
	12 Investments - other securities See Part IV, line 11		12	
	13 Investments - program-related See Part IV, line 11	3,916,863.	13	4,412,245.
	14 Intangible assets		14	
15 Other assets See Part IV, line 11	15,637,252.	15	16,265,017.	
16 Total assets. Add lines 1 through 15 (must equal line 34)	337,650,967.	16	324,871,363.	
Liabilities	17 Accounts payable and accrued expenses	370,367.	17	470,976.
	18 Grants payable		18	
	19 Deferred revenue ATCH. 8	11,847,704.	19	9,995,523.
	20 Tax-exempt bond liabilities	216,669,905.	20	226,266,603.
	21 Escrow or custodial account liability Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties ATCH. 9	2,651,874.	23	5,918,953.
	24 Unsecured notes and loans payable to unrelated third parties	1,610,000.	24	1,550,000.
	25 Other liabilities Complete Part X of Schedule D	75,660,190.	25	43,330,683.
	26 Total liabilities. Add lines 17 through 25	308,810,040.	26	287,532,738.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ☒ and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	7,642,882.	27	8,563,658.
	28 Temporarily restricted net assets	21,198,045.	28	28,774,967.
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here ☐ and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	28,840,927.	33	37,338,625.
	34 Total liabilities and net assets/fund balances.	337,650,967.	34	324,871,363.

Form 990 (2010)

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response to any question in this Part XI. ☒ X

1	Total revenue (must equal Part VIII, column (A), line 12)	1	17,644,962.
2	Total expenses (must equal Part IX, column (A), line 25)	2	17,968,851.
3	Revenue less expenses Subtract line 2 from line 1	3	-323,889.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	28,840,927.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	8,821,587.
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	37,338,625.

Part XII Financial Statements and ReportingCheck if Schedule O contains a response to any question in this Part XII. ☐

	Yes	No
1 Accounting method used to prepare the Form 990 ☐ Cash ☒ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a Were the organization's financial statements compiled or reviewed by an independent accountant?		X
b Were the organization's financial statements audited by an independent accountant?	X	
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	X	
d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both: ☒ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis		
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	X	
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	X	

Form **990** (2010)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public
Inspection

Name of the organization

TEXAS STATE AFFORDABLE HOUSING CORPORATION

Employer identification number

74-2746185

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is (For lines 1 through 11, check only one box.)

- 1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 ☐ A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state _____
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 ☐ A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 ☒ An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.
- a ☐ Type I b ☐ Type II c ☐ Type III - Functionally integrated d ☐ Type III - Other
- e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**.
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box. ☐
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

- (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? _____
- (ii) A family member of a person described in (i) above? _____
- (iii) A 35% controlled entity of a person described in (i) or (ii) above? _____

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

h Provide the following information about the supported organization(s)

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
Total									

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2010

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
 (Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3.						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f).						
6 Public support. Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2010 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2009 Schedule A, Part II, line 14	15	%
16a 33 1/3% support test - 2010. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		☐
b 33 1/3% support test - 2009. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		☐
17a 10%-facts-and-circumstances test - 2010. If the organization did not check a box on line 13, 16a or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization.		☐
b 10%-facts-and-circumstances test - 2009. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization.		☐
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		☐

Schedule A (Form 990 or 990-EZ) 2010

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II
If the organization fails to qualify under the tests listed below, please complete Part II)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")		160,000.	347,679.	1,846,032.	3,549,289.	5,903,000.
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose	14,076,437.	20,261,614.	15,125,363.	13,593,062.	13,550,714.	76,607,190.
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5	14,076,437.	20,421,614.	15,473,042.	15,439,094.	17,100,003.	82,510,190.
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b.						
8 Public support (Subtract line 7c from line 6)						82,510,190.

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
9 Amounts from line 6.	14,076,437.	20,421,614.	15,473,042.	15,439,094.	17,100,003.	82,510,190.
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	315,406.	216,392.	101,972.	48,616.	30,229.	712,615.
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b	315,406.	216,392.	101,972.	48,616.	30,229.	712,615.
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on			4,827.			4,827.
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 Total support. (Add lines 9, 10c, 11, and 12)	14,391,843.	20,638,006.	15,579,841.	15,487,710.	17,130,232.	83,227,632.
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ☐						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2010 (line 8, column (f) divided by line 13, column (f))	15	99.14 %
16 Public support percentage from 2009 Schedule A, Part III, line 15	16	98.53 %

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2010 (line 10c, column (f) divided by line 13, column (f))	17	.86 %
18 Investment income percentage from 2009 Schedule A, Part III, line 17	18	1.46 %

- 19a 33 1/3% support tests - 2010.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization. ☒
- b 33 1/3% support tests - 2009.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization. ☐
- 20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions. ☐

Part IV **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Also complete this part for any additional information (See instructions).

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

► Complete if the organization answered "Yes," to Form 990,
Part IV, line 6, 7, 8, 9, 10, 11, or 12.

► Attach to Form 990. ► See separate instructions.

OMB No 1545-0047

2010

Open to Public
Inspection

Name of the organization

TEXAS STATE AFFORDABLE HOUSING CORPORATION

Employer identification number

74-2746185

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		☐ Yes ☐ No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		☐ Yes ☐ No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)

☐ Preservation of land for public use (e g , recreation or education)	☐ Preservation of an historically important land area
☐ Protection of natural habitat	☐ Preservation of a certified historic structure
☐ Preservation of open space	

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ► _____

4 Number of states where property subject to conservation easement is located ► _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ► _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ► \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B) (i) and 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ► \$ _____

(ii) Assets included in Form 990, Part X ► \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

a Revenues included in Form 990, Part VIII, line 1 ► \$ _____

b Assets included in Form 990, Part X ► \$ _____

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Schedule D (Form 990) 2010

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Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

- a ☐ Public exhibition d ☐ Loan or exchange programs
 b ☐ Scholarly research e ☐ Other _____
 c ☐ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV

Part V Endowment Funds. Complete if organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as

- a Board designated or quasi-endowment ▶ _____ %
 b Permanent endowment ▶ _____ %
 c Term endowment ▶ _____ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

- (i) unrelated organizations
 (ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIV the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		232,240.		232,240.
b Buildings		1,263,390.	81,876.	1,181,514.
c Leasehold improvements				
d Equipment		243,711.	224,852.	18,859.
e Other		57,514.	44,348.	13,166.
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c)).				1,445,779.

Schedule D (Form 990) 2010

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other _____		
(A) _____		
(B) _____		
(C) _____		
(D) _____		
(E) _____		
(F) _____		
(G) _____		
(H) _____		
(I) _____		
Total. (Column (b) must equal Form 990, Part X, col (B) line 12.) ►		

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Column (b) must equal Form 990, Part X, col (B) line 13.) ►		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) MORTGAGE SERVICING RIGHTS	676,555.
(2) ACCRUED INTEREST	697,696.
(3) BOND ISSUANCE COSTS	3,892,724.
(4) OWNED REAL ESTATE, FED. PROGRAM	3,839,746.
(5) SINGLE FAM DOWNPAYMENT ASSIST	7,158,296.
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 15)	16,265,017.

Part X Other Liabilities. See Form 990, Part X, line 25

1.	(a) Description of liability	(b) Amount
	(1) Federal income taxes	
	(2) BOND INTEREST PAYABLE	2,415,348.
	(3) OTHER CURRENT LIABILITIES	46,871.
	(4) MULTIFAMILY CUSTODIAL RESERVES	228,464.
	(5) SERIES 2009 SF MORTGAGE REVENUE	40,640,000.
	(6)	
	(7)	
	(8)	
	(9)	
	(10)	
	(11)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 25) ►		43,330,683.

2. FIN 48 (ASC 740) Footnote In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740)

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	17,644,962.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	17,968,851.
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	-323,889.
4	Net unrealized gains (losses) on investments	4	10,637,614.
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	-1,816,026.
9	Total adjustments (net) Add lines 4 through 8	9	8,821,588.
10	Excess or (deficit) for the year per audited financial statements Combine lines 3 and 9	10	8,497,699.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	26,311,379.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	10,637,614.
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	22,938.
e	Add lines 2a through 2d	2e	10,660,552.
3	Subtract line 2e from line 1	3	15,650,827.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	1,994,135.
c	Add lines 4a and 4b	4c	1,994,135.
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)	5	17,644,962.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	17,813,680.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV)	2d	22,938.
e	Add lines 2a through 2d	2e	22,938.
3	Subtract line 2e from line 1	3	17,790,742.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	178,109.
c	Add lines 4a and 4b	4c	178,109.
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)	5	17,968,851.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

SEE PAGE 5

Part XIV Supplemental Information (continued)

AMOUNTS NETTED AGAINST INCOME FOR AUDITED FINANCIAL STATEMENTS

PART XII - LINE 4B; PART XIII - LINE 4B;

SERVICING FEES PAID TO SUB-SERVICERS OF MORTGAGES TOTALING \$100,276 ARE NETTED AGAINST SERVICING INCOME FOR AUDIT PURPOSES, BUT REPORTED GROSS FOR TAX RETURN PURPOSES. UNCOLLECTIBLE AMOUNTS OF \$77,833 ARE REPORTED NET OF FEE INCOME FOR AUDIT PURPOSES, BUT NOT FOR TAX RETURN.

EXPENSES NETTED AGAINST INCOME FOR TAX RETURN

PART XII - LINE 2(D); PART XIII - LINE 2(D);

EXPENSES INCURRED IN CONNECTION WITH THE RENTAL PORITON OF THE OFFICE BUILDING OF \$4,673 HAVE BEEN NETTED AGAINST REVENUE FOR TAX RETURN PURPOSES, BUT ARE REPORTED GROSS FOR AUDIT PURPOSES. AMOUNTS REPRESENTING MATCHING FUNDS FROM THE ORGANIZATION ON FEDERAL GRANTS TOTALING \$18,265 HAVE BEEN NETTED AGAINST GRANT INCOME FOR TAX PURPOSES.

CHANGES IN NET ASSETS

PART XI - RECONCILIATION OF CHANGE IN NET ASSETS

AUDIT LOSS ON SALE OF 2004 SERIES GNMA & FNMA CERTIFICATES IS GREATER THAN TAX GAIN BY \$1,816,026. THIS DIFFERENCE IS DUE TO USE OF FAIR MARKET VALUE FOR AUDIT PURPOSES VS. COST BASIS FOR TAX REPORTING PURPOSES.

Part XIV Supplemental Information (continued)

AMOUNTS INCLUDE IN TAX INCOME, NOT INCLUDED IN AUDIT INCOME

PART XII, LINE 4(B)

TAX GAIN ON SALE OF 2004 SERIES FNMA & GNMA CERTIFICATES IS GREATER THAN
AUDITED FINANCIAL STATEMENT LOSS BY \$1,816,026 SINCE TAX BASIS IS BASED
ON COST; AUDIT BASIS IS BASED ON FAIR MARKET VALUE AT THE DATE OF THE
SALE. SERVICING FEES PAID TO SUB-SERVICERS OF MORTGAGES TOTALING
\$100,276 ARE NETTED AGAINST INCOME FOR AUDIT PURPOSES, BUT REPORTED GROSS
FOR TAX RETURN PURPOSES. UNCOLLECTIBLE AMOUNTS OF \$77,833 ARE REPORTED
NET OF FEE INCOME FOR AUDIT PURPOSES, BUT NOT FOR TAX PURPOSES.

SCHEDULE I
(Form 990)

Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

Department of the Treasury
Internal Revenue Service

Name of the organization

TEXAS STATE AFFORDABLE HOUSING CORPORATION

Employer identification number

74-2746185

OMB No 1545-0047

2010

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Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☒ Yes ☐ No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Part II can be duplicated if additional space is needed

1	(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1)	NEW HOPE HOUSING, INC. 1117 TEXAS AVE HOUSTON, TX 77002	73-1419279	501(C)3	50,000.				MULTI-FAMILY SUPPORT HOUSING
(2)	ACCESSIBLE HOUSING AUSTIN 1016 LA POSADA SUITE 160 AUSTIN, TX 78752	74-3156314	501(C)3	50,000.				SINGLE FAMILY HOUSING REHAB/CONST
(3)	COASTAL BEND CENTER FOR INDEPENDENT LIVING 1537 SEVENTH ST CORPUS CHRISTI, TX 78404	74-2878070	501(C)3	50,000.				SINGLE FAMILY HOUSING REHAB/CONST
(4)	COMMUNITY PARTNERSHIPS FOR HOMELESS DBA GRE P.O. BOX 685065 AUSTIN, TX 78768	74-2582369	501(C)3	50,000.				MULTI-FAMILY SUPPORT HOUSING
(5)	EL PASO COLLABORATIVE FOR COMMUNITY & ECONO 1959 LOMALAND DRIVE ROOM 538	74-2796160	501(C)3	50,000.				SINGLE FAMILY HOUSING REHAB/CONST
(6)	MOTIVATION EDUCATION & TRAINING P.O. BOX 1838 NEW CANEY, TX 77357	74-1604560	501(C)3	50,000.				SINGLE FAMILY HOUSING REHAB/CONST
(7)								
(8)								
(9)								
(10)								
(11)								
(12)								

- 2 Enter total number of section 501(c)(3) and government organizations 6.
- 3 Enter total number of other organizations
- For Paperwork Reduction Act Notice, see the Instructions for Form 990.
- Schedule I (Form 990) (2010)

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22.
Part III can be duplicated if additional space is needed.

	(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1						
2						
3						
4						
5						
6						
7						
Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information						

PROCEDURES FOR MONITORING USE OF GRANT FUNDS.

SCHEDULE I, PART I, ITEM 2.

TAXPAYER REQUIRES INTERIM AND FINAL REPORTS DESCRIBING THE USE OF GRANT

FUNDS AND ACCOMPLISHMENTS REALIZED TOWARD PROVIDING HOUSING TO DESIGNATED

UNDERSERVED GROUPS. GRANTEES ARE REQUIRED TO OBTAIN INCOME CERTIFICATION

TO DOCUMENT THAT THE FAMILY OR INDIVIDUAL MEETS THE REQUIRED INCOME

TESTS.

**SCHEDULE K
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information on Schedule O (Form 990).

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2010

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Inspection

Name of the organization

TEXAS STATE AFFORDABLE HOUSING CORPORATION

Employer identification number

74-2746185

Part I Bond Issues

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled Financing	
						Yes	No	Yes	No	Yes	No
A TEXAS STATE AFFORDABLE HOUSING CORPORATION	74-2746185	88271HB23	07/27/2005	24,999,936.	(2005-A) QUALIFIED MORTGAGE BO		X		X		X
B TEXAS STATE AFFORDABLE HOUSING CORPORATION	74-2746185	88271HCL1	10/25/2005	20,970,475.	(2005-B) QUALIFIED MORTGAGE BO		X		X		X
C TEXAS STATE AFFORDABLE HOUSING CORPORATION	74-2746185	88271HCN7	02/28/2005	24,999,450.	(2006-A) QUALIFIED MORTGAGE BO		X		X		X
D TEXAS STATE AFFORDABLE HOUSING CORPORATION	74-2746185	88271HCS6	06/15/2006	24,999,300.	(2006-B) QUALIFIED MORTGAGE BO		X		X		X

Part II Proceeds

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Amount of bonds retired								
2 Amount of bonds legally defeased								
3 Total proceeds of issue		24,999,936.		20,970,475.		24,999,450.		24,999,930.
4 Gross proceeds in reserve funds								
5 Capitalized interest from proceeds								
6 Proceeds in refunding escrows				8,165,862.				383,280.
7 Issuance costs from proceeds								
8 Credit enhancement from proceeds								
9 Working capital expenditures from proceeds								
10 Capital expenditures from proceeds		24,999,936.		20,970,475.		24,999,450.		24,616,020.
11 Other spent proceeds								
12 Other unspent proceeds								
13 Year of substantial completion	2006		2006		2007		2007	
	Yes	No	Yes	No	Yes	No	Yes	No
14 Were the bonds issued as part of a current refunding issue?		X	X			X		X
15 Were the bonds issued as part of an advance refunding issue?		X		X		X		X
16 Has the final allocation of proceeds been made?	X		X		X		X	
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X		X	

Part III Private Business Use

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X		X		X		X
2 Are there any lease arrangements that may result in private business use of bond-financed property.		X		X		X		X

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Schedule K (Form 990) 2010

**SCHEDULE K
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information on Schedule O (Form 990).

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public
Inspection

Name of the organization

TEXAS STATE AFFORDABLE HOUSING CORPORATION

Employer identification number

74-2746185

Part I Bond Issues

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled Financing	
						Yes	No	Yes	No	Yes	No
A TEXAS STATE AFFORDABLE HOUSING CORPORATION	74-2746185	88271HCT4	10/17/2006	24,998,050.	(2006-C) QUALIFIED MORTGAGE BO		X		X		X
B TEXAS STATE AFFORDABLE HOUSING CORPORATION	74-2746185	88271HCV9	02/22/2007	37,187,500.	(2007A-1) QUALIFIED MORTGAGE B		X		X		X
C TEXAS STATE AFFORDABLE HOUSING CORPORATION	74-2746185	88271HCX5	06/20/2007	39,562,188.	(2007A-3) QUALIFIED MORTGAGE B		X		X		X
D TEXAS STATE AFFORDABLE HOUSING CORPORATION	74-2746185	88271HCU1	05/02/2007	24,999,563.	(2007C) QUALIFIED MORTGAGE BON		X		X		X

Part II Proceeds

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Amount of bonds retired								
2 Amount of bonds legally defeased								
3 Total proceeds of issue		24,998,050.		37,187,500.		39,562,188.		24,999,563.
4 Gross proceeds in reserve funds								
5 Capitalized interest from proceeds								
6 Proceeds in refunding escrows								
7 Issuance costs from proceeds				262,500.		39,562,188.		176,468.
8 Credit enhancement from proceeds								
9 Working capital expenditures from proceeds								
10 Capital expenditures from proceeds		24,998,050.		36,925,000.		39,562,188.		24,823,095.
11 Other spent proceeds								
12 Other unspent proceeds								
13 Year of substantial completion	2007		2008		2008		2008	
14 Were the bonds issued as part of a current refunding issue?		X		X		X		X
15 Were the bonds issued as part of an advance refunding issue?		X		X		X		X
16 Has the final allocation of proceeds been made?	X		X		X		X	
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X		X	

Part III Private Business Use

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X		X		X		X
2 Are there any lease arrangements that may result in private business use of bond-financed property.		X		X		X		X

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Schedule K (Form 990) 2010

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**SCHEDULE K
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information on Schedule O (Form 990).

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public
Inspection

Name of the organization

TEXAS STATE AFFORDABLE HOUSING CORPORATION

Employer identification number
74-2746185

Part I Bond Issues

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled Financing	
						Yes	No	Yes	No	Yes	No
A TEXAS STATE AFFORDABLE HOUSING CORPORATION	74-2746185	88271HDA4	09/19/2007	24,998,183.	(2007B) QUALIFIED MORTGAGE BON				X		X
B TEXAS STATE AFFORDABLE HOUSING CORPORATION	74-2746185	88271HDG1	10/30/2007	24,998,877.	(2007D) QUALIFIED MORTGAGE BON				X		X
C TEXAS STATE AFFORDABLE HOUSING CORPORATION	74-2746185	88271HEK1	02/24/2011	55,560,711.	(2011A) QUALIFIED MORTGAGE BONDS				X		X

D

Part II Proceeds

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Amount of bonds retired								
2 Amount of bonds legally defeased								
3 Total proceeds of issue		24,998,183.		24,998,877.		55,560,711.		
4 Gross proceeds in reserve funds								
5 Capitalized interest from proceeds								
6 Proceeds in refunding escrows								
7 Issuance costs from proceeds		213,373.		192,987.				
8 Credit enhancement from proceeds								
9 Working capital expenditures from proceeds								
10 Capital expenditures from proceeds		24,784,810.		24,805,890.		55,560,711.		
11 Other spent proceeds								
12 Other unspent proceeds								
13 Year of substantial completion	2010		2008		2011			
	Yes	No	Yes	No	Yes	No	Yes	No
14 Were the bonds issued as part of a current refunding issue?		X		X		X		
15 Were the bonds issued as part of an advance refunding issue?		X		X		X		
16 Has the final allocation of proceeds been made?	X		X		X		X	
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X		X	

Part III Private Business Use

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X		X		X		
2 Are there any lease arrangements that may result in private business use of bond-financed property.		X		X		X		

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule K (Form 990) 2010

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Part III Private Business Use (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts that may result in private business use of bond-financed property?		X		X		X		X
b Are there any research agreements that may result in private business use of bond-financed property?		X		X		X		X
c Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?		X		X		X		X
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government.	0.0000 %		0.0000 %		0.0000 %		0.0000 %	
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government.	0.0000 %		0.0000 %		0.0000 %		0.0000 %	
6 Total of lines 4 and 5	0.0000 %		0.0000 %		0.0000 %		0.0000 %	
7 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X		X		X		X	

Part IV Arbitrage

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X		X		X		X
2 Is the bond issue a variable rate issue?		X		X		X		X
3a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		X		X		X
b Name of provider								
c Term of hedge								
d Was the hedge superintegrated?								
e Was the hedge terminated?								
4a Were gross proceeds invested in a GIC?	X		X		X		X	
b Name of provider								
c Term of GIC								
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?	X		X		X		X	
5 Were any gross proceeds invested beyond an available temporary period?		X		X		X		X
6 Did the bond issue qualify for an exception to rebate?		X		X		X		X

Part V Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K (see instructions).

Part III Private Business Use (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts that may result in private business use of bond-financed property?		X		X		X		X
b Are there any research agreements that may result in private business use of bond-financed property?		X		X		X		X
c Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?		X		X		X		X
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government.	0.0000 %		0.0000 %		0.0000 %		0.0000 %	
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government.	0.0000 %		0.0000 %		0.0000 %		0.0000 %	
6 Total of lines 4 and 5	0.0000 %		0.0000 %		0.0000 %		0.0000 %	
7 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X		X		X		X	

Part IV Arbitrage

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X		X	X			X
2 Is the bond issue a variable rate issue?		X		X		X		X
3a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		X		X		X
b Name of provider								
c Term of hedge								
d Was the hedge superintegrated?								
e Was the hedge terminated?								
4a Were gross proceeds invested in a GIC?	X		X		X		X	
b Name of provider	TRANSAMERICA		TRANAMERICA		PALLAS CAPITAL		ROYAL BK OF CANADA	
c Term of GIC	1.390		1.800		1.640		1.600	
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?	X		X		X		X	
5 Were any gross proceeds invested beyond an available temporary period?		X		X		X		X
6 Did the bond issue qualify for an exception to rebate?	X		X		X		X	

Part V Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K (see instructions).

Part III Private Business Use (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts that may result in private business use of bond-financed property?		X		X		X		
b Are there any research agreements that may result in private business use of bond-financed property?		X		X		X		
c Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?		X		X		X		
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government.		0.0000 %		0.0000 %		0.0000 %		%
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government.		0.0000 %		0.0000 %		0.0000 %		%
6 Total of lines 4 and 5		0.0000 %		0.0000 %		0.0000 %		%
7 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X		X		X			

Part IV Arbitrage

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X		X		X		
2 Is the bond issue a variable rate issue?		X		X		X		
3a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		X		X		
b Name of provider								
c Term of hedge								
d Was the hedge superintegrated?								
e Was the hedge terminated?								
4a Were gross proceeds invested in a GIC?	X		X			X		
b Name of provider		PALLAS CAPITAL		DEPPA				
c Term of GIC		1.470		1.610				
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?	X		X					
5 Were any gross proceeds invested beyond an available temporary period?		X		X		X		
6 Did the bond issue qualify for an exception to rebate?		X		X		X		

Part V Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K (see instructions).

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

2010

**Open to Public
Inspection**

Name of the organization

TEXAS STATE AFFORDABLE HOUSING CORPORATION

Employer identification number

74-2746185

REVIEW OF FORM 990

PART VI, SECTION A, ITEM 10

A DRAFT COPY OF FORM 990 IS PROVIDED TO EACH MEMBER OF THE BOARD OF
DIRECTORS FOR THIER REVIEW BEFORE THE RETURN IS FILED WITH THE INTERNAL
REVENUE SERVICE.

CONFLICT OF INTEREST POLICY

PART VI, SECTION B, LINE 12

THE CORPORATION REQUIRES EACH BOARD MEMBER, KEY EMPLOYEE AND MEMBER OF
MANAGEMENT TO SIGN A CONFLICT OF INTEREST STATEMENT. MANAGEMENT REVIEWS
THESE POLICIES EACH YEAR AND REPORTS THE RESULTS TO THE BOARD FOR THEIR
CONSIDERATION.

REVIEW OF EXECUTIVE COMPENSATION

PART VI, SECTION B, LINE 15

THE BOARD REVIEWS COMPENSATION FOR THE PRESIDENT ANNUALLY. COMPARABLE
DATA IS ACQUIRED FROM LIKE AGENCIES. ANY SALARY ADJUSTMENT IS APPROVED
BY THE BOARD.

DISCLOSURE OF INFORMATION TO THE PUBLIC

PART VI, SECTION C, LINE 19

THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST
POLICY AND FINANCIAL STATEMENTS AVAILABLE AT ITS CORPORATE OFFICES UPON
REQUEST.

Name of the organization

TEXAS STATE AFFORDABLE HOUSING CORPORATION

Employer identification number

74-2746185

RENT INCOME EXCLUDED FROM UNRELATED BUSINESS INCOME

PART V, LINE 3A

THE ORGAIZATION RENTS APPROXIMATELY 10.6% OF ITS DEBT-FINANCED OFFICE BUILDING TO ANOTHER NONPROFIT ORGANIZATION. RENTS RECEIVED ARE NOT REPORTABLE AS UNRELATED BUSINESS INCOME SINCE THE ORGANIZATION USES MORE THAN 85% OF THE BUILDING FOR ITS NONPROFIT PURPOSES.

ATTACHMENT 1FORM 990, PART III, LINE 1 - ORGANIZATION'S MISSION

THE ORGANIZATION'S PRIMARY EXEMPT PURPOSE IS TO SERVE THE NEEDS OF LOWER INCOME TEXANS NOT AFFORDED HOUSING FINANCE OPTIONS THROUGH CONVENTINAL LENDING SOURCES, AND TO SERVE CERTAIN TEACHERS, PROFESSIONAL EDUCATORS, POLICE OFFICERS, AND FIRE FIGHTERS UNDER HOME-LOAN PROGRAMS CREATED BY THE TEXAS LEGISLATURE.

ATTACHMENT 2FORM 990, PART III, LINE 4D - OTHER PROGRAM SERVICES

<u>DESCRIPTION</u>	<u>GRANTS</u>	<u>EXPENSES</u>	<u>REVENUE</u>
MULTI-FAMILY HOUSING SUPPORT & FINANCING	50,000.	455,479.	168,646.
LOAN SERVICING PROGRAM		304,076.	344,341.
TOTALS	50,000.	759,555.	512,987.

ATTACHMENT 3990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
JAMAIL SMITH CONSTRUCTION 16875 DIAND LANE HOUSTON, TX 77058	CONSTRUCTION	144,582.

Name of the organization

TEXAS STATE AFFORDABLE HOUSING CORPORATION

Employer identification number

74-2746185

ATTACHMENT 3 (CONT'D)

990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
GREENBERG TRAUIG 2101 L STREET, NW SUITE 1000 WASHINGTON, DC 20037	LEGAL	107,781.
TOTAL COMPENSATION		<u>252,363.</u>

ATTACHMENT 4FORM 990, PART VIII - INVESTMENT INCOME

<u>DESCRIPTION</u>	(A) <u>TOTAL REVENUE</u>	(B) <u>RELATED OR EXEMPT REVENUE</u>	(C) <u>UNRELATED BUSINESS REV.</u>	(D) <u>EXCLUDED REVENUE</u>
INTEREST INCOME ON INVESTMENTS	30,229.			30,229.
TOTALS	<u>30,229.</u>			<u>30,229.</u>

ATTACHMENT 5FORM 990, PART VIII - INCOME FROM INVESTMENT OF THE BOND PROCEEDS

<u>DESCRIPTION</u>	(A) <u>TOTAL REVENUE</u>	(B) <u>RELATED OR EXEMPT REVENUE</u>	(C) <u>UNRELATED BUSINESS REV.</u>	(D) <u>EXCLUDED REVENUE</u>
INVESTMENT INCOME - SINGLE FAMILY BOND PROGRAM	10,979,165.	10,979,165.		
TOTALS	<u>10,979,165.</u>	<u>10,979,165.</u>		

ATTACHMENT 6FORM 990, PART X - PREPAID EXPENSES AND DEFERRED CHARGES

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>
PREPAID INS. & OTHER EXP'S	23,666.	30,379.
TOTALS	<u>23,666.</u>	<u>30,379.</u>

Name of the organization

Employer identification number

TEXAS STATE AFFORDABLE HOUSING CORPORATION

74-2746185

ATTACHMENT 7

FORM 990, PART X - INVESTMENTS - PUBLICLY TRADED SECURITIES

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE	COST OR FMV
ASSETS HELD BY BOND TRUSTEE:			
GUARANTEED INVEST. CONTRACT	2,467,328.	418,728.	COST
GNMA/FNMA CERTIFICATES	231,214,392.	249,049,032.	FMV
FEDERAL HOME LOAN BANK COUPON	0.	502,055.	COST
GNMA - 10/20/2034	0.	22,394.	FMV
FEDERAL HOME LOAN BANK COUPON	0.	500,000.	COST
FEDERAL HOME LOAN BANK COUPON	0.	500,000.	COST
TOTALS	<u>233,681,720.</u>	<u>250,992,209.</u>	

ATTACHMENT 8

FORM 990, PART X - DEFERRED REVENUE

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE
D-DPAP DEFERRED REVENUE	355,087.	313,793.
RAINBOW HOUSING - DEFERRED FEE	24,714.	24,901.
MARSHALL MEADOWS	8,570.	8,669.
HDSA	0.	45,465.
UNAMORTIZED PREMIUM ON BONDS	11,459,333.	9,602,695.
TOTALS	<u>11,847,704.</u>	<u>9,995,523.</u>

ATTACHMENT 9

FORM 990, PART X - SECURED MORTGAGES AND NOTES PAYABLE

LENDER: FHLB - BUNKER SENIOR
 ORIGINAL AMOUNT: 412,500.
 INTEREST RATE: 6.345000
 DATE OF NOTE: 08/31/2004

Name of the organization	Employer identification number
TEXAS STATE AFFORDABLE HOUSING CORPORATION	74-2746185

ATTACHMENT 9 (CONT'D)

MATURITY DATE: 08/31/2024
 REPAYMENT TERMS: MONTHLY PRIN & INT ON 30YR AMORT; BALLOON @ 20YR
 SECURITY PROVIDED: NOTE RECEIVABLE
 PURPOSE OF LOAN: MULTI-FAMILY CONSTRUCTION ASSISTANCE

BEGINNING BALANCE DUE 374,246.
 ENDING BALANCE DUE 366,959.

LENDER: FHLB - SAGEBRUSH
 ORIGINAL AMOUNT: 656,250.
 INTEREST RATE: 6.345000
 DATE OF NOTE: 08/31/2004
 MATURITY DATE: 08/31/2024
 REPAYMENT TERMS: MONTHLY PRIN & INT ON 30YR AMORT; BALLOON @ 20YR
 SECURITY PROVIDED: NOTE RECEIVABLE
 PURPOSE OF LOAN: MULTI-FAMILY CONSTRUCTION ASSISTANCE

BEGINNING BALANCE DUE 595,394.
 ENDING BALANCE DUE 583,801.

Name of the organization

Employer identification number

TEXAS STATE AFFORDABLE HOUSING CORPORATION

74-2746185

ATTACHMENT 9 (CONT'D)

LENDER: PLAINS CAPITAL BANK
 ORIGINAL AMOUNT: 825,000.
 INTEREST RATE: 5.900000
 DATE OF NOTE: 12/31/2008
 MATURITY DATE: 12/31/2018
 REPAYMENT TERMS: 119 MO PMTS @ \$5903 PLUS FINAL BAL DUE 12-31-18
 SECURITY PROVIDED: REAL ESTATE - 2200 E. MLK BLVD, AUSTIN, TX
 PURPOSE OF LOAN: PURCHASE OF OFFICE FACILITY

BEGINNING BALANCE DUE 789,519.
 ENDING BALANCE DUE 765,112.

LENDER: TX DEPT OF HOUSING & COMM AFFAIRS-NSP
 ORIGINAL AMOUNT: 892,715.
 DATE OF NOTE: 08/31/2009
 MATURITY DATE: 08/31/2019
 REPAYMENT TERMS: PAYABLE UPON SALE OF PROPERTIES
 SECURITY PROVIDED: REAL ESTATE
 PURPOSE OF LOAN: FEDERAL NEIGHBORHOOD STABILIZATION PROJECT

BEGINNING BALANCE DUE 892,715.
 ENDING BALANCE DUE 3,765,595.

Name of the organization

Employer identification number

TEXAS STATE AFFORDABLE HOUSING CORPORATION

74-2746185

ATTACHMENT 9 (CONT'D)

LENDER: FHLB NSP 1715 HANSON
 ORIGINAL AMOUNT: 81,819.
 INTEREST RATE: 0.130000
 DATE OF NOTE: 06/14/2011
 MATURITY DATE: 09/14/2011
 REPAYMENT TERMS: DUE AT MATURITY
 SECURITY PROVIDED: REAL ESTATE
 PURPOSE OF LOAN: ACQUISITION OF REAL ESTATE
 ENDING BALANCE DUE 81,819.

LENDER: FHLB THE WILLOWS
 ORIGINAL AMOUNT: 355,667.
 INTEREST RATE: 0.100000
 DATE OF NOTE: 07/18/2011
 MATURITY DATE: 09/19/2011
 REPAYMENT TERMS: DUE AT MATURITY
 SECURITY PROVIDED: REAL ESTATE
 PURPOSE OF LOAN: ACQUISITION OF REAL ESTATE
 ENDING BALANCE DUE 355,667.

TOTAL BEGINNING MORTGAGES AND OTHER NOTES PAYABLE 2,651,874.

TOTAL ENDING MORTGAGES AND OTHER NOTES PAYABLE 5,918,953.

SCHEDULE D
(Form 1041)

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

► Attach to Form 1041, Form 5227, or Form 990-T. See the Instructions for
Schedule D (Form 1041) (also for Form 5227 or Form 990-T, if applicable).

OMB No 1545-0092

2010

Name of estate or trust

TEXAS STATE AFFORDABLE HOUSING CORPORATION

Employer identification number

74-2746185

Note: Form 5227 filers need to complete *only* Parts I and II

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a					

b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b	1b	737,310.
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824	2	
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts	3	
4 Short-term capital loss carryover Enter the amount, if any, from line 9 of the 2009 Capital Loss Carryover Worksheet	4	()
5 Net short-term gain or (loss). Combine lines 1a through 4 in column (f) Enter here and on line 13, column (3) on the back ►	5	737,310.

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a					

b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b	6b	-228,122.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824	7	
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts	8	
9 Capital gain distributions	9	
10 Gain from Form 4797, Part I	10	
11 Long-term capital loss carryover Enter the amount, if any, from line 14 of the 2009 Capital Loss Carryover Worksheet	11	()
12 Net long-term gain or (loss). Combine lines 6a through 11 in column (f) Enter here and on line 14a, column (3) on the back ►	12	-228,122.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D (Form 1041) 2010

Part III Summary of Parts I and II**Caution: Read the instructions before completing this part.**

	(1) Beneficiaries' (see instr)	(2) Estate's or trust's	(3) Total
13 Net short-term gain or (loss)	13		737,310.
14 Net long-term gain or (loss):			
a Total for year	14a		-228,122.
b Unrecaptured section 1250 gain (see line 18 of the wrksht)	14b		
c 28% rate gain	14c		
15 Total net gain or (loss). Combine lines 13 and 14a ▶	15		509,188.

Note: If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a). If lines 14a and 15, column (2), are net gains, go to Part V, and **do not** complete Part IV. If line 15, column (3), is a net loss, complete Part IV and the **Capital Loss Carryover Worksheet**, as necessary.

Part IV Capital Loss Limitation

16 Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of	16	()
a The loss on line 15, column (3) or b \$3,000		

Note: If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the **Capital Loss Carryover Worksheet** on page 7 of the instructions to figure your capital loss carryover.

Part V Tax Computation Using Maximum Capital Gains Rates

Form 1041 filers. Complete this part **only** if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22, is more than zero.

Caution: Skip this part and complete the worksheet on page 8 of the instructions if

- Either line 14b, col (2) or line 14c, col (2) is more than zero, or
- Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero

Form 990-T trusts. Complete this part **only** if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, and Form 990-T, line 34, is more than zero. Skip this part and complete the worksheet on page 8 of the instructions if either line 14b, col (2) or line 14c, col (2) is more than zero.

17 Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)	17		
18 Enter the smaller of line 14a or 15 in column (2) but not less than zero	18		
19 Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T)	19		
20 Add lines 18 and 19	20		
21 If the estate or trust is filing Form 4952, enter the amount from line 4g, otherwise, enter -0- ▶	21		
22 Subtract line 21 from line 20. If zero or less, enter -0-	22		
23 Subtract line 22 from line 17. If zero or less, enter -0-	23		
24 Enter the smaller of the amount on line 17 or \$2,300	24		
25 Is the amount on line 23 equal to or more than the amount on line 24? ☐ Yes. Skip lines 25 and 26, go to line 27 and check the "No" box ☐ No. Enter the amount from line 23.	25		
26 Subtract line 25 from line 24.	26		
27 Are the amounts on lines 22 and 26 the same? ☐ Yes. Skip lines 27 thru 30, go to line 31 ☐ No. Enter the smaller of line 17 or line 22	27		
28 Enter the amount from line 26 (If line 26 is blank, enter -0-)	28		
29 Subtract line 28 from line 27	29		
30 Multiply line 29 by 15% (15)		30	
31 Figure the tax on the amount on line 23. Use the 2010 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)		31	
32 Add lines 30 and 31		32	
33 Figure the tax on the amount on line 17. Use the 2010 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)		33	
34 Tax on all taxable income. Enter the smaller of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36)		34	

Schedule D (Form 1041) 2010

Employer identification number

[illegible]

6b Total. Combine the amounts in column (f) Enter here and on Schedule D, line 6b	-228,122.
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2010

Description of Property

[illegible]

AMORTIZATION

Asset description	Date placed in service	Cost or basis		Accumulated amortization	Ending Accumulated amortization	Code	Life		Current-year amortization
TOTALS									

*Assets Retired

JSA
0X9024 1 000