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**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)

OMB No 1545-0047

**2012**

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

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

**A** For the 2012 calendar year, or tax year beginning 7/01, 2012, and ending 6/30, 2013

**B** Check if applicable:  
 Address change  
 Name change  
 Initial return  
 Terminated  
 Amended return  
 Application pending

**C** **MERCED HOUSING TEXAS**  
212 WEST LAUREL STREET  
SAN ANTONIO, TX 78212

**D** Employer Identification Number: 74-2740889

**E** Telephone number: 210-281-0234

**G** Gross receipts \$ 5,209,257.

**F** Name and address of principal officer: **SUSAN R. SHEERAN**  
SAME AS C ABOVE

**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)

**I** Tax-exempt status:  501(c)(3)  501(c) ( ) (insert no.)  4947(a)(1) or  527

**J** Website: WWW.MERCEDHOUSINGTEXAS.ORG

**K** Form of organization:  Corporation  Trust  Association  Other

**L** Year of formation: 1995

**M** State of legal domicile: TX

**H(c)** Group exemption number: 0928

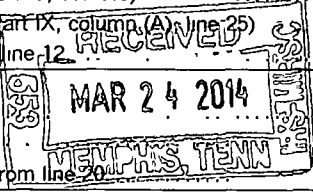
**Part I Summary**

**1** Briefly describe the organization's mission or most significant activities: PROVIDING AFFORDABLE, SERVICE-ENRICHED HOUSING

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

<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	3	12
<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	4	12
<b>5</b> Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	15
<b>6</b> Total number of volunteers (estimate if necessary)	6	150
<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
<b>7b</b> Net unrelated business taxable income from Form 990-T, line 34	7b	0.

	Prior Year	Current Year
<b>8</b> Contributions and grants (Part VIII, line 1h)	192,990.	503,478.
<b>9</b> Program service revenue (Part VIII, line 2g)	4,657,090.	4,598,295.
<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	25,687.	22,484.
<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-580.	-21,130.
<b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	4,875,187.	5,103,127.
<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)		
<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)		
<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	398,297.	435,625.
<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)		
<b>b</b> Total fundraising expenses (Part IX, column (D), line 25)		
<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	4,234,632.	5,827,088.
<b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 35)	4,632,929.	6,262,713.
<b>19</b> Revenue less expenses. Subtract line 18 from line 12	242,258.	-1,159,586.
<b>20</b> Total assets (Part X, line 16)	Beginning of Current Year: 25,161,162.	End of Year: 24,525,597.
<b>21</b> Total liabilities (Part X, line 26)	22,676,319.	23,200,340.
<b>22</b> Net assets or fund balances. Subtract line 21 from line 20	2,484,843.	1,325,257.



**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: Susan R. Sheeran Date: 1/8/14  
 Type or print name and title: SUSAN R. SHEERAN, PRESIDENT

**Paid Preparer Use Only**  
 Print/Type preparer's name: MICHAEL C. MARTIN Preparer's signature: [Signature] Date: 1/6/14 Check  if self-employed PTIN: P01421482  
 Firm's name: M GROUP, L.L.P. Firm's EIN: 26-3548566  
 Firm's address: 515 W SOUTHLAKE BLVD STE 150 Phone no: (817) 865-1360  
SOUTHLAKE, TX 76092-6176

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

SCANNED MAY 06 2014

917

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

X

1 Briefly describe the organization's mission

PROVIDING AFFORDABLE, SERVICE-ENRICHED HOUSING

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

No Yes X

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?

No Yes X

If 'Yes,' describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured 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 \$ 5,709,117. including grants of \$ ) (Revenue \$ 4,432,436.)

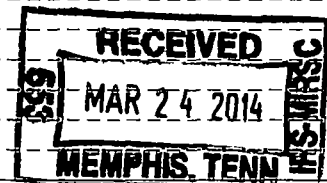
MULTIFAMILY HOUSING PROGRAM: MERCED PROVIDES QUALITY, AFFORDABLE, SERVICE-ENRICHED MULTIFAMILY HOUSING TO LOW INCOME FAMILIES IN TEXAS. THROUGH ITS SUBSIDIARIES, MERCED HOUSING TEXAS OWNS AND OPERATES 4 APARTMENT COMMUNITIES IN SAN ANTONIO, TEXAS AND 1 IN CONROE, TEXAS. THROUGH PARTNERSHIPS WITH PRIVATE DEVELOPERS, MERCED HAS DEVELOPED 7 PROPERTIES OF LIHTC MULTIFAMILY HOUSING IN SAN ANTONIO, GOLIAD, CORPUS CHRISTI, KARNES CITY, AND FORT WORTH.

4b (Code: ) (Expenses \$ 188,046. including grants of \$ ) (Revenue \$ 165,859.)

RESIDENT SERVICES PROGRAM: COORDINATES COMMUNITY SERVICES AND SUPPORTIVE PROGRAMS FOR RESIDENTS AT AFFORDABLE MULTIFAMILY PROPERTIES TO HELP RESIDENTS ACHIEVE SELF-SUFFICIENCY. THE PROGRAM HAS FOUR AREAS: (1) EDUCATION (2) EMPLOYMENT (3) HEALTH AND (4) FINANCIAL LITERACY. DURING THE YEAR ENDED JUNE 30, 2013, 2,270 FAMILIES RECEIVED SOME OR ALL OF THESE SERVICES.

4c (Code: ) (Expenses \$ 142,952. including grants of \$ ) (Revenue \$ )

SERVE OUR SENIORS PROGRAM: AN OWNER OCCUPIED REPAIR PROGRAM THAT PROVIDES ASSISTANCE TO EXTREMELY LOW INCOME SENIORS AND DISABLED HOMEOWNERS IN THE SAN ANTONIO AREA WHO CANNOT AFFORD TO MAINTAIN THEIR HOMES IN A SAFE, SANITARY OR STRUCTURALLY SOUND CONDITION BY PROVIDING EMERGENCY HEALTH AND SAFETY RELATED REPAIRS AT NO COST TO THE HOMEOWNER. DURING THE YEAR ENDED JUNE 30, 2013, MERCED PROVIDED REPAIRS TO 19 HOMES.



4d Other program services (Describe in Schedule O.) SEE SCHEDULE O

(Expenses \$ 15,677. including grants of \$ ) (Revenue \$ )

4e Total program service expenses 6,055,792.

**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	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	X	
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		X
4 <b>Section 501(c)(3) organizations</b> 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		X
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		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which 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		X
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		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If 'Yes,' complete Schedule D, Part III		X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, 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		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If 'Yes,' complete Schedule D, Part V		X
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	X	
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		X
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		X
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	X	
e Did the organization report an amount for other liabilities in Part X, line 25? If 'Yes,' complete Schedule D, Part X	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	X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? If 'Yes,' complete Schedule D, Parts XI, and XII	X	
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 and XII is optional		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E.		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If 'Yes,' complete Schedule F, Parts I and IV		X
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		X
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		X
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)		X
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		X
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		X
20a Did the organization operate one or more hospital facilities? If 'Yes,' complete Schedule H		X
b If 'Yes' to line 20a, did the organization attach a copy of its audited financial statements to this return?		

**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>		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>		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>		X
24a 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, and 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>	X	
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		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?		X
d Did the organization act as an 'on behalf of' issuer for bonds outstanding at any time during the year?		X
25a <b>Section 501(c)(3) and 501(c)(4) organizations.</b> 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>		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>		X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highest 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>		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If 'Yes,' complete Schedule L, Part III</i>		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>		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>		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>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If 'Yes,' complete Schedule M</i>		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>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If 'Yes,' complete Schedule N, Part I</i>		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>		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>	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>		X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
b If 'Yes' to line 35a, 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>		
36 <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If 'Yes,' complete Schedule R, Part V, line 2</i>		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>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O	X	

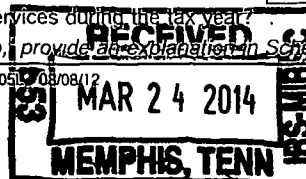
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Form 990 (2012)

**Part V Statements Regarding Other IRS Filings and Tax Compliance**

Check if Schedule O contains a response to any question in this Part V

		Yes	No
1 a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable .		
1 a	23		
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable		
1 b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	
1 c			
2 a	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		
2 a	15		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file. (see instructions)	X	
2 b			
3 a	Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
3 a			
b	If 'Yes,' has it filed a Form 990-T for this year? If 'No,' provide an explanation in Schedule O		
3 b			
4 a	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
4 a			
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		
4 b			
5 a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
5 a			
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
5 b			
c	If 'Yes,' to line 5a or 5b, did the organization file Form 8886-T?		
5 c			
6 a	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 as charitable contributions?		X
6 a			
b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
6 b			
7	<b>Organizations that may receive deductible contributions under section 170(c).</b>		
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
7 a			
b	If 'Yes,' did the organization notify the donor of the value of the goods or services provided?		
7 b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
7 c			
d	If 'Yes,' indicate the number of Forms 8282 filed during the year		
7 d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
7 e			
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
7 f			
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
7 g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
7 h			
8	<b>Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
8			
9	<b>Sponsoring organizations maintaining donor advised funds.</b>		
a	Did the organization make any taxable distributions under section 4966?		
9 a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?		
9 b			
10	<b>Section 501(c)(7) organizations.</b> Enter:		
a	Initiation fees and capital contributions included on Part VIII, line 12		
10 a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
10 b			
11	<b>Section 501(c)(12) organizations.</b> Enter:		
a	Gross income from members or shareholders		
11 a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)		
11 b			
12 a	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?		
12 a			
b	If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year		
12 b			
13	<b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>		
a	Is the organization licensed to issue qualified health plans in more than one state? <b>Note.</b> See the instructions for additional information the organization must report on Schedule O		
13 a			
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		
13 b			
c	Enter the amount of reserves on hand		
13 c			
14 a	Did the organization receive any payments for indoor tanning services during the tax year?		X
14 a			
b	If 'Yes,' has it filed a Form 720 to report these payments? If 'No,' provide an explanation in Schedule O		
14 b			



**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

**Section A. Governing Body and Management**

		Yes	No
1 a	Enter the number of voting members of the governing body at the end of the tax year. If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.		
1 b	Enter the number of voting members included in line 1a, above, who are independent.		
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?		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? SEE SCH O	X	
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Did the organization have members or stockholders?		X
7 a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		X
7 b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or other persons other than the governing body?		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
8 a	a The governing body?	X	
8 b	b Each committee with authority to act on behalf of the governing body?	X	
9	Is there any officer, director or 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		X

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

		Yes	No
10 a	Did the organization have local chapters, branches, or affiliates?		X
10 b	If 'Yes,' did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?		
11 a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	X	
11 b	Describe in Schedule O the process, if any, used by the organization to review this Form 990 SEE SCHEDULE O		
12 a	Did the organization have a written conflict of interest policy? If 'No,' go to line 13	X	
12 b	Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
12 c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If 'Yes,' describe in Schedule O how this is done SEE SCHEDULE O	X	
13	Did the organization have a written whistleblower policy?	X	
14	Did the organization have a written document retention and destruction policy?	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?		
15 a	a The organization's CEO, Executive Director, or top management official SEE SCHEDULE O	X	
15 b	b Other officers of key employees of the organization	X	
	If 'Yes' to line 15a or 15b, describe the process in Schedule O. (See instructions)		
16 a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
16 b	If 'Yes,' did the organization follow 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?		

**Section C. Disclosure**

- 17 List the states with which a copy of this Form 990 is required to be filed ▶ NONE
- 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  Other (explain in Schedule O)
- 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 during the tax year. SEE SCHEDULE O
- 20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization  
 ▶ MERCED HOUSING TEXAS 212 WEST LAUREL STREET SAN ANTONIO TX 78212 210-281-0234

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response to any question in this Part VII

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

1 a 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 (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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) JENNIFER I Blich, ESQ CHAIRMAN	2 0	X						0.	0.	0.
(2) SR JANE ANN SLATER, CDP DIRECTOR	1 0	X						0.	0.	0.
(3) REBECCA ROWLAND SANCHEZ DIRECTOR	1 0	X						0.	0.	0.
(4) SR MICHAEL BRANDT, OSB DIRECTOR	1 0	X						0.	0.	0.
(5) ARLENE J GAUTHIER DIRECTOR	1 0	X						0.	0.	0.
(6) KIMBERLY D BARNETT GIBBS DIRECTOR	1 0	X						0.	0.	0.
(7) ROGER GARCIA DIRECTOR	1 0	X						0.	0.	0.
(8) BARBARA ALVAREZ DIRECTOR	1 0	X						0.	0.	0.
(9) W. ESTHER NG DIRECTOR	1 0	X						0.	0.	0.
(10) SR JEAN THOMAS DWYER, D DIRECTOR	1 0	X						0.	0.	0.
(11) SR CARMEN SANCHEZ, MCDP DIRECTOR	1 0	X						0.	0.	0.
(12) SR GABRIELLA LOHAN, SHS DIRECTOR	1 0	X						0.	0.	0.
(13) SUSAN FLYNT YIP SECRETARY	1 0			X				0.	0.	0.
(14) SUSAN R. SHEERAN PRESIDENT	40 0			X				78,373.	0.	2,556.

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)					(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			
(15) KRISTIN L. DAVILA VICE PRESIDENT	40 0			X			56,104.	0.	2,809.
(16)									
(17)									
(18)									
(19)									
(20)									
(21)									
(22)									
(23)									
(24)									
(25)									
<b>1 b Sub-total</b>							134,477.	0.	5,365.
<b>c Total from continuation sheets to Part VII, Section A</b>							0.	0.	0.
<b>d Total (add lines 1b and 1c)</b>							134,477.	0.	5,365.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **0**

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

	Yes	No
3		X
4		X
5		X

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

**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 Report compensation for the calendar year ending with or within the organization's tax year.

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

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 **0**

**Part VIII Statement of Revenue**

Check if Schedule O contains a response to any question in this Part VIII

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
<b>CONTRIBUTIONS, GIFTS, GRANTS AND OTHER SIMILAR AMOUNTS</b>	<b>1 a</b> Federated campaigns	1 a			
	<b>b</b> Membership dues	1 b			
	<b>c</b> Fundraising events	1 c			
	<b>d</b> Related organizations	1 d			
	<b>e</b> Government grants (contributions)	1 e	154,640.		
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above	1 f	348,838.		
	<b>g</b> Noncash contributions included in lns 1a-1f \$				
	<b>h Total.</b> Add lines 1a-1f		503,478.		
<b>PROGRAM SERVICE REVENUE</b>	<b>2 a</b> <u>RENTAL INCOME</u>	Business Code 532000	4,279,048.	4,279,048.	
	<b>b</b> <u>RESIDENT SERVICE FEES</u>	531310	165,859.	165,859.	
	<b>c</b> <u>DEVELOPER FEES</u>	531310	145,340.	145,340.	
	<b>d</b> <u>ASSET MANAGEMENT FEES</u>	531310	8,048.	8,048.	
	<b>e</b> -----				
	<b>f</b> All other program service revenue				
	<b>g Total.</b> Add lines 2a-2f		4,598,295.		
<b>3</b> Investment income (including dividends, interest and other similar amounts)		22,484.	22,484.		
<b>4</b> Income from investment of tax-exempt bond proceeds					
<b>5</b> Royalties					
<b>OTHER REVENUE</b>	<b>6 a</b> Gross rents	(i) Real (ii) Personal			
	<b>b</b> Less: rental expenses				
	<b>c</b> Rental income or (loss)				
	<b>d</b> Net rental income or (loss)				
	<b>7 a</b> Gross amount from sales of assets other than inventory	(i) Securities (ii) Other			
	<b>b</b> Less: cost or other basis and sales expenses				
	<b>c</b> Gain or (loss)				
	<b>d</b> Net gain or (loss)				
	<b>8 a</b> Gross income from fundraising events (not including \$ of contributions reported on line 1c) See Part IV, line 18	a			
	<b>b</b> Less: direct expenses	b			
	<b>c</b> Net income or (loss) from fundraising events				
	<b>9 a</b> Gross income from gaming activities. See Part IV, line 19	a			
	<b>b</b> Less: direct expenses	b			
	<b>c</b> Net income or (loss) from gaming activities				
<b>10 a</b> Gross sales of inventory, less returns and allowances	a	85,000.			
<b>b</b> Less: cost of goods sold	b	106,130.			
<b>c</b> Net income or (loss) from sales of inventory		-21,130.	-21,130.		
<b>Miscellaneous Revenue</b>		<b>Business Code</b>			
<b>11 a</b> -----					
<b>b</b> -----					
<b>c</b> -----					
<b>d</b> All other revenue					
<b>e Total.</b> Add lines 11a-11d					
<b>12 Total revenue.</b> See instructions		5,103,127.	4,599,649.	0.	0.

**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)

Check if Schedule O contains a response to any question in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States See Part IV, line 21				
2 Grants and other assistance to individuals in the United States See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	134,477.	6,399.	128,078.	0.
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.	0.	0.	0.
7 Other salaries and wages...	259,069.	259,069.		
8 Pension plan accruals and contributions (include section 401(k) and section 403(b) employer contributions)	6,178.	2,720.	3,458.	
9 Other employee benefits	8,485.	6,578.	1,907.	
10 Payroll taxes	27,416.	21,258.	6,158.	
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting	92,694.	74,155.	18,539.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amt exceeds 10% of line 25, column (A) amt, list line 11g expenses on Sch O)	23,779.	2,334.	21,445.	
12 Advertising and promotion				
13 Office expenses	7,556.	5,774.	1,782.	
14 Information technology	18,337.	7,192.	11,145.	
15 Royalties				
16 Occupancy	36,054.	31,544.	4,510.	
17 Travel	4,985.	4,712.	273.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	130.		130.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	1,298,679.	1,295,707.	2,972.	
23 Insurance	10,526.	8,526.	2,000.	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a <u>MULTIFAMILY SEE SCH O</u>	4,120,754.	4,120,754.		
b <u>PROGRAM ACTIVITY EXPENSE</u>	100,500.	100,500.		
c <u>BAD DEBT</u>	100,000.	100,000.		
d <u>TELEPHONE</u>	5,930.	4,307.	1,623.	
e All other expenses	7,164.	4,263.	2,901.	
25 Total functional expenses. Add lines 1 through 24e	6,262,713.	6,055,792.	206,921.	0.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

**Part X Balance Sheet**

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

		(A) Beginning of year		(B) End of year	
ASSETS	1	Cash — non-interest-bearing . . . . .	564,510.	1	886,872.
	2	Savings and temporary cash investments . . . . .	1,129,704.	2	1,241,244.
	3	Pledges and grants receivable, net . . . . .		3	166,612.
	4	Accounts receivable, net . . . . .	47,764.	4	114,387.
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L . . . . .		5	
	6	Loans and other 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) Complete Part II of Schedule L . . . . .		6	
	7	Notes and loans receivable, net . . . . .	424,033.	7	424,033.
	8	Inventories for sale or use . . . . .	102,444.	8	3,221.
	9	Prepaid expenses and deferred charges . . . . .	113,468.	9	126,274.
	10a	Land, buildings, and equipment: cost or other basis Complete Part VI of Schedule D . . . . .	10a 25,590,638.		
	10b	Less accumulated depreciation . . . . .	10b 6,216,625.		
	10c		19,915,199.	10c	19,374,013.
	11	Investments — publicly traded securities . . . . .		11	
	12	Investments — other securities See Part IV, line 11 . . . . .		12	
	13	Investments — program-related See Part IV, line 11 . . . . .		13	
	14	Intangible assets . . . . .		14	
15	Other assets See Part IV, line 11 . . . . .	2,864,040.	15	2,188,941.	
16	<b>Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	25,161,162.	16	24,525,597.	
LIABILITIES	17	Accounts payable and accrued expenses . . . . .	201,179.	17	323,944.
	18	Grants payable . . . . .		18	
	19	Deferred revenue . . . . .	21,094.	19	9,225.
	20	Tax-exempt bond liabilities . . . . .	7,153,000.	20	6,928,015.
	21	Escrow or custodial account liability Complete Part IV of Schedule D . . . . .		21	
	22	Loans and other 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 . . . . .	15,202,609.	23	15,836,253.
	24	Unsecured notes and loans payable to unrelated third parties . . . . .		24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D . . . . .	98,437.	25	102,903.
	26	<b>Total liabilities.</b> Add lines 17 through 25 . . . . .	22,676,319.	26	23,200,340.
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34. . . . .				
	27	Unrestricted net assets . . . . .	2,467,531.	27	1,173,132.
	28	Temporarily restricted net assets . . . . .	17,312.	28	152,125.
	29	Permanently restricted net assets . . . . .		29	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> 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	<b>Total net assets or fund balances</b> . . . . .	2,484,843.	33	1,325,257.	
34	<b>Total liabilities and net assets/fund balances</b> . . . . .	25,161,162.	34	24,525,597.	

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Form 990 (2012)

**Part XI Reconciliation of Net Assets**

Check if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	5,103,127.
2	Total expenses (must equal Part IX, column (A), line 25)	2	6,262,713.
3	Revenue less expenses Subtract line 2 from line 1	3	-1,159,586.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	2,484,843.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0.
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	1,325,257.

**Part XII Financial Statements and Reporting**

Check if Schedule O contains a response to any question in this Part XII

	Yes	No
1 Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> 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
If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:		
<input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
2b Were the organization's financial statements audited by an independent accountant?	X	
If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:		
<input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
2c 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?	X	
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.		
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	
3b 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	

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Form 990 (2012)

**SCHEDULE A**  
(Form 990 or 990-EZ)

**Public Charity Status and Public Support**

OMB No 1545-0047

**2012**

Department of the Treasury  
Internal Revenue Service

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.

**Open to Public Inspection**

Name of the organization

MERCED HOUSING TEXAS

Employer identification number

74-2740889

**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 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 – Non-functionally integrated
- 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 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?
 

	Yes	No
(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?	11 g (i)	
(ii) A family member of a person described in (i) above?	11 g (ii)	
(iii) A 35% controlled entity of a person described in (i) or (ii) above?	11 g (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 column (i) listed in your governing document?		(v) Did you notify the organization in column (i) of your support?		(vi) Is the organization in column (i) organized in the U.S.?		(vii) Amount of monetary support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
<b>Total</b>									

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

Schedule A (Form 990 or 990-EZ) 2012

**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) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(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 <b>Total.</b> 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 <b>Public support.</b> Subtract line 5 from line 4						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(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 <b>Total support.</b> Add lines 7 through 10						
12 Gross receipts from related activities, etc (see instructions)					12	
13 <b>First five years.</b> 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 <b>stop here</b> ▶ <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

14 Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2011 Schedule A, Part II, line 14 . . . . .	15	%
16a <b>33-1/3% support test – 2012.</b> If the organization did not check the box on line 13, and the line 14 is 33-1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization. ▶ <input type="checkbox"/>		
b <b>33-1/3% support test – 2011.</b> 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 <b>stop here.</b> The organization qualifies as a publicly supported organization. ▶ <input type="checkbox"/>		
17a <b>10%-facts-and-circumstances test – 2012.</b> 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 <b>stop here.</b> Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization. ▶ <input type="checkbox"/>		
b <b>10%-facts-and-circumstances test – 2011.</b> 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 <b>stop here.</b> Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization. ▶ <input type="checkbox"/>		
18 <b>Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ <input type="checkbox"/>		

**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 yr beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions and membership fees received (Do not include any 'unusual grants').	604,559.	709,525.	283,810.	192,990.	503,478.	2,294,362.
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.	7,073,761.	6,609,084.	5,123,885.	4,802,090.	4,683,295.	28,292,115.
3 Gross receipts from activities that are not an unrelated trade or business under section 513.						0.
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf.						0.
5 The value of services or facilities furnished by a governmental unit to the organization without charge.						0.
6 Total. Add lines 1 through 5.	7,678,320.	7,318,609.	5,407,695.	4,995,080.	5,186,773.	30,586,477.
7a Amounts included on lines 1, 2, and 3 received from disqualified persons.	0.	0.	0.	0.	0.	0.
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.	0.	0.	0.	0.	0.	0.
c Add lines 7a and 7b.	0.	0.	0.	0.	0.	0.
8 Public support (Subtract line 7c from line 6.)						30,586,477.

**Section B. Total Support**

Calendar year (or fiscal yr beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
9 Amounts from line 6.	7,678,320.	7,318,609.	5,407,695.	4,995,080.	5,186,773.	30,586,477.
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources.	47,998.	44,798.	51,857.	25,687.	22,484.	192,824.
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975.						0.
c Add lines 10a and 10b.	47,998.	44,798.	51,857.	25,687.	22,484.	192,824.
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on.						0.
12 Other income. Do not include gain or loss from the sale of capital assets. (Explain in Part IV.) SEE PART IV		2,126.	23,138.			25,264.
13 Total support. (Add lines 9, 10c, 11, and 12.)	7,726,318.	7,365,533.	5,482,690.	5,020,767.	5,209,257.	30,804,565.

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 2012 (line 8, column (f) divided by line 13, column (f)).	15	99.29 %
16 Public support percentage from 2011 Schedule A, Part III, line 15.	16	98.92 %

**Section D. Computation of Investment Income Percentage**

17 Investment income percentage for 2012 (line 10c, column (f) divided by line 13, column (f)).	17	0.63 %
18 Investment income percentage from 2011 Schedule A, Part III, line 17.	18	1.01 %

19a 33-1/3% support tests - 2012. 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 - 2011. 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.



**SCHEDULE D  
(Form 990)**

**Supplemental Financial Statements**

OMB No 1545 0047

**2012**

Department of the Treasury  
Internal Revenue Service

▶ **Complete if the organization answered 'Yes,' to Form 990, Part IV, lines 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**  
▶ **Attach to Form 990.** ▶ **See separate instructions.**

**Open to Public Inspection**

Name of the organization

Employer identification number

MERCED HOUSING TEXAS

74-2740889

**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? . . .	<input type="checkbox"/> Yes <input type="checkbox"/> 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?	<input type="checkbox"/> Yes <input type="checkbox"/> 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)

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> 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 . . . . .	2 a
b Total acreage restricted by conservation easements	2 b
c Number of conservation easements on a certified historic structure included in (a)	2 c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2 d

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 section 170(h)(4)(B)(ii)?  Yes  No

9 In Part XIII, 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.

1 a 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 XIII, 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 . . . . . ▶ \$ \_\_\_\_\_

**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
- b  Scholarly research
- c  Preservation for future generations
- d  Loan or exchange programs
- e  Other \_\_\_\_\_

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

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.

1 a 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 XIII and complete the following table:

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

	Amount
1 c	
1 d	
1 e	
1 f	

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

b If 'Yes,' explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

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

	(a) Current	(b) Prior year	(c) Two years	(d) Three years	(e) Four years
1 a 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 current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment  %
  - b Permanent endowment  %
  - c Temporarily restricted endowment  %
- The percentages in lines 2a, 2b, and 2c should equal 100%

3 a 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 XIII the intended uses of the organization's endowment funds.

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1 a Land		3,554,756.		3,554,756.
b Buildings		21,826,492.	6,040,724.	15,785,768.
c Leasehold improvements		5,125.	3,725.	1,400.
d Equipment		204,265.	172,176.	32,089.
e Other				
<b>Total.</b> Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c))				19,374,013.

BAA

**Part VII Investments – Other Securities.** See Form 990, Part X, line 12. N/A

(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) -----		
<b>Total.</b> (Column (b) must equal Form 990, Part X, column (B) line 12)		

**Part VIII Investments – Program Related.** See Form 990, Part X, line 13. N/A

(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)		
<b>Total.</b> (Column (b) must equal Form 990, Part X, column (B) line 13)		

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

(a) Description	(b) Book value
(1) ACCRUED INTEREST RECEIVABLE	26,204.
(2) DEFERRED FINANCING COSTS - NET	817,414.
(3) DEPOSITS	10,620.
(4) DEVELOPER FEE RECEIVABLE	131,200.
(5) FUNDED RESERVES - BONDS	1,022,192.
(6) PREDEVELOPMENT COSTS	71,907.
(7) RELATED PARTY RECEIVABLE	
(8) TENANT SECURITY DEPOSITS	109,404.
(9)	
(10)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, column (B), line 15.)	2,188,941.

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

(a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) SECURITY DEPOSIT LIABILITY	102,903.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, column (B) line 25)	102,903.

2. FIN 48 (ASC 740) Footnote In Part XIII, 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) Check here if the text of the footnote has been provided in Part XIII SEE PART XIII

**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return**

1	Total revenue, gains, and other support per audited financial statements		1	5,103,127.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
	a Net unrealized gains on investments	2a		
	b Donated services and use of facilities	2b		
	c Recoveries of prior year grants	2c		
	d Other (Describe in Part XIII)	2d		
	e Add lines 2a through 2d		2e	
3	Subtract line 2e from line 1		3	5,103,127.
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 XIII.)	4b		
	c Add lines 4a and 4b		4c	
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)		5	5,103,127.

**Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

1	Total expenses and losses per audited financial statements		1	6,262,713.
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 XIII.)	2d		
	e Add lines 2a through 2d		2e	
3	Subtract line 2e from line 1		3	6,262,713.
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 XIII.)	4b		
	c Add lines 4a and 4b		4c	
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)		5	6,262,713.

**Part XIII 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, lines 2d and 4b, and Part XII, lines 2d and 4b. Also complete this part to provide any additional information

**PART X - FIN 48 FOOTNOTE**

MERCED IS A NOT-FOR-PROFIT CORPORATION UNDER THE PROVISIONS OF SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE AND IS EXEMPT FROM FEDERAL INCOMES TAXES. MERCED DID NOT HAVE ANY UNRELATED BUSINESS INCOME DURING 2013 OR 2012. CURRENT ACCOUNTING STANDARDS REQUIRE THAT ENTITIES RECOGNIZE ANY UNCERTAIN TAX POSITION THAT IS MORE-LIKELY-THAN-NOT TO BE SUSTAINED UPON EXAMINATION. MANAGEMENT OF MERCED BELIEVES IT HAS NO MATERIAL UNCERTAIN TAX POSITIONS. ACCORDINGLY, NO PROVISION OR BENEFIT FOR INCOME TAXES HAVE BEEN RECORDED IN THE FINANCIAL STATEMENTS. ACCOUNTING

**Part XIII** Supplemental Information (continued)

**PART X - FIN 48 FOOTNOTE (CONTINUED)**

STANDARDS REQUIRE ADDITIONAL DISCLOSURES FOR SITUATIONS, IF ANY, WHERE MERCED'S TAX POSITIONS ARE CONSIDERED UNCERTAIN. THIS DID NOT HAVE A MATERIAL EFFECT ON MERCED'S RESULTS OF OPERATIONS OR FINANCIAL POSITION.

**SCHEDULE K**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

MERCED HOUSING TEXAS

**Part III** Bond Issues

**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 in Part VI.  
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

**2012**



Employer identification number

74-2740889

(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 MONTGOMERY COUNTY HFC	76-0338693	613907B07	6/01/2011	6,605,000.	REMARKETING OF ORIGINAL BONDS		X		X		X
B											
C											
D											

**Part III** Proceeds

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Amount of bonds retired								
2 Amount of bonds legally defeased		415,000.						
3 Total proceeds of issue								
4 Gross proceeds in reserve funds		6,605,000.						
5 Capitalized interest from proceeds		256,782.						
6 Proceeds in refunding escrows								
7 Issuance costs from proceeds		209,368.						
8 Credit enhancement from proceeds								
9 Working capital expenditures from proceeds								
10 Capital expenditures from proceeds		58,169.						
11 Other spent proceeds								
12 Other unspent proceeds								
13 Year of substantial completion		2011						

- 14 Were the bonds issued as part of a current refunding issue?
- 15 Were the bonds issued as part of an advance refunding issue?
- 16 Has the final allocation of proceeds been made?
- 17 Does the organization maintain adequate books and records to support the final allocation of proceeds?

**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?								
2 Are there any lease arrangements that may result in private business use of bond-financed property?	X							

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

**Part III Private Business Use (Continued)**

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
<b>3 a</b> Are there any management or service contracts that may result in private business use of bond-financed property?		X						
<b>b</b> If 'Yes' to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
<b>c</b> Are there any research agreements that may result in private business use of bond-financed property?		X						
<b>d</b> If 'Yes' to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
<b>4</b> 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.		%		%		%		%
<b>5</b> 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.		%		%		%		%
<b>6</b> Total of lines 4 and 5		%		%		%		%
<b>7</b> Does the bond issue meet the private security or payment test?								
<b>8 a</b> Has there been a sale or disposition of any of the bond-financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X						
<b>b</b> If 'Yes' to line 8a, enter the percentage of bond-financed property sold or disposed of		%		%		%		%
<b>c</b> If 'Yes' to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?								
<b>9</b> Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?	X							

**Part IV Arbitrage**

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
<b>1</b> Has the issuer filed Form 8038-T?		X						
<b>2</b> If 'No' to line 1, did the following apply?								
<b>a</b> Rebate not due yet?								
<b>b</b> Exception to rebate?								
<b>c</b> No rebate due?								
If you checked 'No rebate due' in line 2c, provide in Part VI the date the rebate computation was performed								
<b>3</b> Is the bond issue a variable rate issue?		X						
<b>4 a</b> Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X						
<b>b</b> Name of provider								
<b>c</b> Term of hedge								
<b>d</b> Was the hedge superintegrated?								
<b>e</b> Was the hedge terminated?								



**SCHEDULE O**  
(Form 990 or 990-EZ)

**Supplemental Information to Form 990 or 990-EZ**

OMB No 1545-0047

**2012**

Department of the Treasury  
Internal Revenue Service

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.

Open to Public  
Inspection

Name of the organization

MERCED HOUSING TEXAS

Employer identification number

74-2740889

**FORM 990, PART IX, LINE 24A**

**MULTIFAMILY PROGRAM EXPENSES:**

PROPERTY STAFF 634,413

PROPERTY STAFF BENEFITS 82,442

ADVERTISING & MARKETING 54,342

LEASING OFFICE EXPENSES 126,293

PROPERTY MANAGEMENT FEES 187,654

UTILITIES 416,739

OPERATING & MAINTENANCE 659,168

AUDIT FEES 27,800

LEGAL & PROFESSIONAL FEES 2,449

BOND/TRUST FEES 16,956

PROPERTY TAXES 4,957

PROPERTY INSURANCE 250,132

INTEREST 1,639,409

TOTAL MULTIFAMILY EXPENSES 4,120,754

**FORM 990, PART III, LINE 4D - OTHER PROGRAM SERVICES DESCRIPTION**

SINGLE-FAMILY PROGRAM: ACQUIRES AND RENOVATES DILAPIDATED HOUSES OR CONSTRUCTS NEW HOMES IN THE SAN ANTONIO, TX AREA FOR RESALE TO INDIVIDUALS WHOSE INCOME IS LESS THAN 80% OF THE MEDIAN INCOME. IN 2012-2013 ONE LOT WAS SOLD.

**FORM 990, PART VI, LINE 3 - DESCRIPTION OF DELEGATED DUTIES TO MANAGEMENT COMPANY**

PROPERTY MANAGEMENT IS DELEGATED TO A THIRD PARTY PROFESSIONAL PROPERTY MANAGEMENT COMPANY. ALL THIRD PARTY PROPERTY MANAGEMENT EMPLOYEE SALARIES AND BENEFITS ARE

Name of the organization

Employer identification number

MERCED HOUSING TEXAS

74-2740889

**FORM 990, PART VI, LINE 3 - DESCRIPTION OF DELEGATED DUTIES TO MANAGEMENT COMPANY**

PAID BY THE PROPERTY MANAGEMENT COMPANY DIRECTLY TO PROPERTY MANAGEMENT COMPANY EMPLOYEES.

**FORM 990, PART VI, LINE 11B - FORM 990 REVIEW PROCESS**

THE FINANCE COMMITTEE REVIEWS THE FORM 990 PRIOR TO FILING

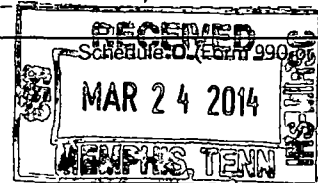
**FORM 990, PART VI, LINE 12C - EXPLANATION OF MONITORING AND ENFORCEMENT OF CONFLICTS**

AN INTERESTED PERSON MUST DISCLOSE THE EXISTENCE OF A FINANCIAL INTEREST AND BE GIVEN THE OPPORTUNITY TO DISCLOSE ALL MATERIAL FACTS TO THE DIRECTORS AND MEMBERS OF THE COMMITTEES WITH THE GOVERNING BOARD DELEGATED POWERS CONSIDERING THE PROPOSED TRANSACTION OR ARRANGEMENT. A DISCUSSION AND VOTE IS PERFORMED BY THE REMAINING GOVERNING BOARD OR COMMITTEE MEMBERS.

IF APPROPRIATE, A DISINTERESTED PERSON OR COMMITTEE IS APPOINTED TO INVESTIGATE ALTERNATIVES TO THE PROPOSED TRANSACTION OR ARRANGEMENT. AFTER EXERCISING DUE DILIGENCE, THE GOVERNING BOARD OR COMMITTEE SHALL DETERMINE WHETHER A MORE ADVANTAGEOUS TRANSACTION OR ARRANGEMENT EXISTS FROM A PERSON OR ENTITY THAT WOULD NOT GIVE RISE TO A CONFLICT OR INTEREST. IF ONE IS NOT REASONABLY POSSIBLE, THE GOVERNING BOARD OR COMMITTEE SHALL DETERMINE BY MAJORITY VOTE IF THE TRANSACTION OR ARRANGEMENT IS IN MERCED'S BEST INTEREST, FOR ITS OWN BENEFIT, AND WHETHER IT IS FAIR AND REASONABLE.

**FORM 990, PART VI, LINE 15A - COMPENSATION REVIEW & APPROVAL PROCESS - CEO, TOP MANAGEMENT**

THE NOMINATION AND EVALUATION COMMITTEE OF THE BOARD OF DIRECTORS OF MERCED HOUSING TEXAS REVIEW, ON AN ANNUAL BASIS, THE RESPONSIBILITIES, PERFORMANCE, AND COMPENSATION OF THE ORGANIZATION'S PRESIDENT. THIS REVIEW PROCESS HAPPENS IN CONJUNCTION WITH THE FINANCE COMMITTEE'S REVIEW AND APPROVAL OF THE ORGANIZATION'S ANNUAL BUDGET AND IS DOCUMENTED BY THE CHAIR OF THE NOMINATION AND EVALUATION COMMITTEE. MERCED HOUSING TEXAS PARTICIPATES, ON AN ONGOING BASIS, IN



Name of the organization

Employer identification number

MERCED HOUSING TEXAS

74-2740889

**FORM 990, PART VI, LINE 15A - COMPENSATION REVIEW & APPROVAL PROCESS - CEO, TOP MANAGEMENT (CONTIN**

NOT-FOR-PROFIT ORGANIZATION WAGE AND BENEFITS SURVEYS TO COMPARE THE ORGANIZATION'S  
PAY STRUCTURE WITH THAT OF OTHER SIMILAR NOT-FOR-PROFIT ORGANIZATIONS.

**FORM 990, PART VI, LINE 19 - OTHER ORGANIZATION DOCUMENTS PUBLICLY AVAILABLE**

THE GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, FINANCIAL STATEMENTS, AND FORM  
990 ARE AVAILABLE UPON REQUEST. THE FORM 990 IS ALSO AVAILABLE ON  
WWW.GUIDESTAR.ORG.

**SCHEDULE R**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

OMB No. 1545-0047

**2012**

**Related Organizations and Unrelated Partnerships**

Complete if the organization answered 'Yes' to Form 990, Part IV, line 33, 34, 35, 36, or 37.  
Attach to Form 990. See separate instructions.

Name of the organization

MERCED HOUSING TEXAS

Employer identification number

74-2740889

**Part I Identification of Disregarded Entities** (Complete if the organization answered 'Yes' to Form 990, Part IV, line 33.)

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) MERCED-ELMHURST, LLC 130 ELMHURST SAN ANTONIO, TX 78209 20-0478546	LOW-INCOME HOUSING	TX	147,527.	691,264.	MERCED HOUSING TEXAS
(2) MERCED-BELLSHIRE, LLC 800 BELLSHIRE DRIVE CONROE, TX 77301 74-2990196	LOW-INCOME HOUSING	TX	1,941,075.	7,991,383.	MERCED HOUSING TEXAS
(3) MERCED-STABLEWOOD, LLC 8301 LAKE VISTA DRIVE SAN ANTONIO, TX 78227 74-3019365	LOW-INCOME HOUSING	TX	2,089,869.	12,828,448.	MERCED HOUSING TEXAS

**Part II Identification of Related Tax-Exempt Organizations** (Complete if the organization answered 'Yes' to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Sec 512(b)(13) controlled entity?	
						Yes	No
(1) -----							
(2) -----							
(3) -----							
(4) -----							

**Part III Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered 'Yes' to Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) -----												
-----												
-----												
(2) -----												
-----												
-----												
(3) -----												
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**Part IV Identification of Related Organizations Taxable as a Corporation or Trust** (Complete if the organization answered 'Yes' to Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Sec 512(b)(13) controlled entity?	
								Yes	No
(1) -----									
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(2) -----									
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(3) -----									
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**Part IV Transactions With Related Organizations** (Complete if the organization answered 'Yes' to Form 990, Part IV, line 34, 35b, or 36.)

**Note.** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

**1** During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

- a** Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity . . . . .
- b** Gift, grant, or capital contribution to related organization(s) . . . . .
- c** Gift, grant, or capital contribution from related organization(s) . . . . .
- d** Loans or loan guarantees to or for related organization(s) . . . . .
- e** Loans or loan guarantees by related organization(s) . . . . .
- f** Dividends from related organization(s) . . . . .
- g** Sale of assets to related organization(s) . . . . .
- h** Purchase of assets from related organization(s) . . . . .
- i** Exchange of assets with related organization(s) . . . . .
- j** Lease of facilities, equipment, or other assets to related organization(s) . . . . .
- k** Lease of facilities, equipment, or other assets from related organization(s) . . . . .
- l** Performance of services or membership or fundraising solicitations for related organization(s) . . . . .
- m** Performance of services or membership or fundraising solicitations by related organization(s) . . . . .
- n** Sharing of facilities, equipment, mailing lists, or other assets with related organization(s) . . . . .
- o** Sharing of paid employees with related organization(s) . . . . .
- p** Reimbursement paid to related organization(s) for expenses . . . . .
- q** Reimbursement paid by related organization(s) for expenses . . . . .
- r** Other transfer of cash or property to related organization(s) . . . . .
- s** Other transfer of cash or property from related organization(s) . . . . .

**2** If the answer to any of the above is 'Yes,' see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

	(a) Name of other organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

**Part VIII Unrelated Organizations Taxable as a Partnership** (Complete if the organization answered 'Yes' to Form 990, Part IV, line 37.)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under section 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 Form (1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1) -----													
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(2) -----													
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(3) -----													
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(5) -----													
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(7) -----													
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(8) -----													
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# Continuation Sheet for Schedule R

2012

Continuation Page 1 of 1

Name of filing organization

MERCED HOUSING TEXAS

Employer identification number

74-2740889

**Part III** Continuation of Identification of Disregarded Entities

(A) Name, address, and EIN (if applicable) of disregarded entity	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Total income	(E) End-of-year assets	(F) Direct controlling entity
MERCED-RIVERSQUARE, LLC 212 WEST LAUREL STREET SAN ANTONIO, TX 78212 20-0335980	LOW-INCOME HOUSING	TX	-78.	-364.	MERCED HOUSING TEXAS
250 FDC GEMBLER, LLC 212 WEST LAUREL STREET SAN ANTONIO, TX 78212 56-2476338	LOW-INCOME HOUSING	TX	-70.	-1,114.	MERCED HOUSING TEXAS
MERCED-FENNER SQUARE, LLC 212 WEST LAUREL STREET SAN ANTONIO, TX 78212 65-1253386	LOW-INCOME HOUSING	TX	-2.	61,082.	MERCED HOUSING TEXAS
MERCED-NAVIGATION, LLC 212 WEST LAUREL STREET SAN ANTONIO, TX 78212 20-3907891	LOW-INCOME HOUSING	TX	-31.	-163.	MERCED HOUSING TEXAS
MERCED-FOUR SEASONS AT CLEAR CREEK, LLC 212 WEST LAUREL STREET SAN ANTONIO, TX 78212 20-3928017	LOW-INCOME HOUSING	TX	-32.	-52.	MERCED HOUSING TEXAS
MERCED-TIERRA POINTE, LLC 212 WEST LAUREL STREET SAN ANTONIO, TX 78212 27-1168021	LOW-INCOME HOUSING	TX	-128.	-28.	MERCED HOUSING TEXAS
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**PART III, LINE 12 - OTHER INCOME**

NATURE AND SOURCE	2012	2011	2010	2009	2008
INSUR LIAB REIMB				\$ 2,126.	
GAIN-DECONSOL SUNSET			\$ 23,138.		
TOTAL	\$ 0.	\$ 0.	\$ 23,138.	\$ 2,126.	\$ 0.

## Application for Extension of Time To File an Exempt Organization Return

Department of the Treasury  
Internal Revenue Service

▶ **File a separate application for each return.**

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box  ▶
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form)

**Do not complete Part II unless** you have already been granted an automatic 3-month extension on a previously filed Form 8868

**Electronic filing (e-file).** You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions) For more details on the electronic filing of this form, visit [www.irs.gov/efile](http://www.irs.gov/efile) and click on *e-file for Charities & Nonprofits*.

**Part I Automatic 3-Month Extension of Time.** Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension – check this box and complete Part I only  ▶

*All other corporations (including 1120-C-filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns*

Enter filer's identifying number, see instructions

Type or print  File by the due date for filing your return See instructions	Name of exempt organization or other filer, see instructions	Employer identification number (EIN) or
	MERCED HOUSING TEXAS	74-2740889
	Number, street, and room or suite number. If a P O box, see instructions	Social security number (SSN)
	212 WEST LAUREL STREET	
	City, town or post office, state, and ZIP code For a foreign address, see instructions	
	SAN ANTONIO, TX 78212	

Enter the Return code for the return that this application is for (file a separate application for each return) 01

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (section 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

● The books are in the care of ▶ MERCED HOUSING TEXAS

Telephone No ▶ 210-281-0234 FAX No. ▶ \_\_\_\_\_

- If the organization does not have an office or place of business in the United States, check this box  ▶
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_ If this is for the whole group, check this box . If it is for part of the group, check this box  and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 2/15, 2014, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

- ▶  calendar year 20\_\_\_\_ or
- ▶  tax year beginning 7/01, 2012, and ending 6/30, 2013.

2 If the tax year entered in line 1 is for less than 12 months, check reason  Initial return  Final return  Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions.	3a	\$	0.
3b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	0.
3c <b>Balance due.</b> Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions.	3c	\$	0.

**Caution.** If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

**BAA For Privacy Act and Paperwork Reduction Act Notice, see instructions.**

