A decorative vertical bar on the left side of the page. It consists of a thin grey line, a wider grey band with a fine grid pattern, and a thin grey line. To the right of this band are several overlapping circles of varying sizes in a dark red color.

RETIREMENT HOUSING FOUNDATION

Preserving
Financing
Rehabilitating



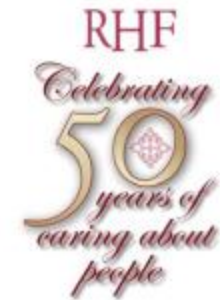
RHF PORTFOLIO

○ Objective

- Accomplish Significant Rehabilitation
 - \$25,000 to \$40,000 per unit
- Generate Developer Fees
 - Maximum allowable – Up to \$2,500,000
- Annual Cashflow
 - Seller Notes – Need to be careful that the Seller Notes will qualify as unrelated party debt if investor limited partner needs the Seller Note for minimum gain.
 - Cashflow fees – Partnership Management Fee, Incentive Management Fee and Distributions



RHF PORTFOLIO RECAPITALIZATIONS



- Syndicated HUD 236 Properties
 - Negotiate the exit of the current investor limited partner

 - New Financing
 - Tax-exempt Bonds with Low Income Housing Tax Credits

 - Seller Financing

 - HUD
 - Approve HUD 236 Decoupling

 - Approve a 20 Year HAP Contract



PILGRIM TOWER NORTH — 254 UNITS

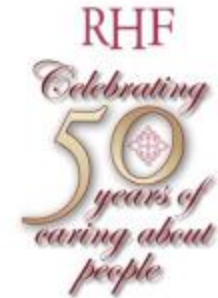


○ Recapitalization Details

- Rehabilitation - \$23,400 per unit
- Developer Fee - \$2,100,000
- Seller Proceeds - \$5,400,000
 - Restricted by a Trust Agreement with HUD
- Seller Note - \$4,000,000
 - Payable from annual limited distribution



MACARTHUR PARK TOWERS - 183 U



○ Recapitalization Details

- Rehabilitation - \$49,300 per unit
- Developer Fee - \$2,225,000
- Seller Note - \$10,300,000
 - Payable from annual limited distribution





HARBOR TOWER - 180 UNITS

○ Recapitalization Details

- Rehabilitation - \$47,300 per unit
- Developer Fee - \$2,250,000
- Seller Note - \$11,043,000
 - Payable from annual limited distribution





ANGELUS PLAZA – 1,093 UNITS

○ Recapitalization Details

- Rehabilitation - \$39,900 per unit
- Developer Fee - \$2,350,000 Per Phase I & II
- Seller Proceeds - \$52,000,000
 - Restricted by a Trust Agreement with CRA
- Seller Note - \$55,175,000 – Phase I
\$20,100,000 – Phase II
 - Payable from annual limited distribution



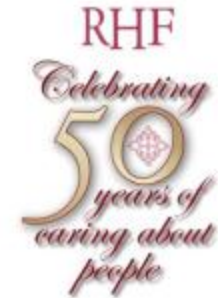


PRESERVATION - ACQUISITIONS

- New England Portfolio
 - Rehabilitation - \$5,000 to \$15,000 unit
 - HUD – 20 Year Mark-to Market HAP Contract
- Syndicated Preservations
 - Symphony East
 - Symphony West
 - Stearns
 - Mason Place
 - Seabury
- Non-syndicated Preservations
 - King James
 - Binnall House
 - Pine Crest
 - Hamilton Wade
 - Douglas House



RHF PORTFOLIO – FUTURE RECAPITALIZATIONS



- HUD 202s
 - Syndication – California
 - Continue Property Tax Exemption
 - Investor interest
 - Large Unit Counts
 - Located in CRA need areas
 - Non-syndication – Indiana, Illinois, Nebraska and Wisconsin
 - Loss of Property Tax Exemption
 - Limited Investor Interest
 - Small Unit Counts
 - Limited CRA need





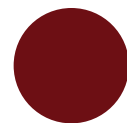
FUTURE PRESERVATION

○ Riverside Village

- The budget based HAP rents under the ELIHPA Plan of Action are within market allowing the property to be sold at a market rent valuation.
- HUD
 - Need to resolve the Plan of Action
 - Approval the HUD 236 Decoupling
 - Approval of a 20 Year HAP Contract

○ Shepherd Park

- The HAP contracts are set to expire in 2011 allowing HUD to issue 20 year extensions without any waiver.
- HUD
 - Approval of the Mark-to Market Rents
 - Approval of a 20 Year HAP Contract





FUTURE RE-SYNDICATION

○ Rio Vista Village

- The property is currently in year 13 of the 15 year compliance period.
- The elimination of the bonding requirement by a withdrawing partner has provided for an earlier opportunity to have the investor limited partner withdraw.
- Negotiating the withdrawal of the investor limited at the end of 2010.
 - Reasons for the investor limited partner to withdraw now.
 - All of the LIHTCs have been delivered.
 - Limited partner is only receiving losses.
 - The capital account continuing to go negative and create a larger exit tax.

