

Fund No. 1 Portfolio Summary June 2003 - June 2012



LAND FUND No. 1

Total Contributions	\$19,642,356	100%	Projected Distributions from Expected Closing*	\$2,542,798	13%
Total Distributions	\$23,142,804	118%	Estimated Distributions from Remaining Properties*	\$4,782,132	24%
			Cash Balance	\$4,226	0%

Sales to Date	Acres	Purchase	Date	Sell	Purchase	Price	Sell	Hold Period/Mo.	Gross IRR	Cash Multiple
Beltway 8 & Antoine	63	Jun-03	Jan-06		(\$2,300,000)	\$3,333,731		31	15%	1.45
Atascocita	37.93	Nov-03	Mar-05		(\$3,664,149)	\$7,600,479		16	71%	2.07
Atascocita	6.9	Nov-03	Jul-05		(\$673,305)	\$1,396,587		20	55%	2.07
League City	2	Nov-03	Nov-06		(\$553,077)	\$1,400,000		36	36%	2.53
Westheimer Lakes Sugarland	84.3	Oct-03	Feb-07		(\$2,300,000)	\$5,439,716		40	29%	2.37
League City	24	Nov-03	Apr-07		(\$1,882,864)	\$4,766,084		41	31%	2.53
I-45 South of FM 1960 (JV 86%) (30.1 ac.)	21.35	Jan-04	Nov-07		(\$1,789,562)	\$2,161,055		46	5%	1.21
Clay Road & Wood Pine	1.31	Dec-03	May-08		(\$109,112)	\$256,786		53	21%	2.35
I-45 South of FM 1960 (JV 86%) (30.1 ac.)	1.377	Jan-04	Dec-09		(\$115,447)	\$302,414		71	18%	2.62
Subtotal					(\$13,387,516)	\$26,656,852				

Contract/Option/LOI	Acres	Purchase	Date	Contract	Purchase	Price	Contract	Hold Period/Mo.	Gross IRR	Cash Multiple
Wilson & Will Clayton - Contract	1.00	Dec-03	Sep-12		(87,286)	\$566,280		106	24%	6.49
Wilson & Will Clayton - LOI	5.28	Dec-03	Oct-12		(460,871)	\$574,992		107	3%	1.25
I-45 South of FM 1960 (JV 86%) - Contract	7.38	Jan-12	Oct-12		(618,487)	\$1,684,059		105	12%	2.72
Subtotal					(\$1,166,644)	\$2,825,331				

Remaining Properties	Acres	Purchase	Date	Projected Sale	Purchase	Price	Appraisal	Hold Period/Mo.	Gross IRR	Cash Multiple
Wilson & Will Clayton	1	Dec-03	Dec-12		(\$87,286)	\$348,480		109	17%	3.99
Clay Road & Wood Pine	4.77	Dec-03	Dec-12		(\$397,112)	\$625,000		108	5%	1.57
Clay Road & Wood Pine	1.84	Dec-03	Dec-12		(\$152,911)	\$240,000		108	5%	1.57
League City	18.83	Sep-03	Dec-12		(\$1,558,446)	\$4,100,000		112	11%	2.63
*Net of Estimated Fees and Expenses										
Subtotal					(\$2,195,755)	\$5,313,480				

June 30, 2012

Jim McAlister, Sr oversaw underwriting and acquisition of all investments in this fund. In November 2008, Jim transferred his management responsibilities for disposition of the investments but remains a limited partner in the fund.

Past Performance Not a Predictor of Future Results. The track record of senior management is provided for informational purposes only, and it does not predict any level of future performance of the General Partner or the Partnership. Management's performance and the performance of the Partnership is dependent on future events is inherently uncertain. The Partnership's Offering Memorandum discusses in further detail the reasons why past performance should not be relied upon as an indication of the Partnership's or the General Partner's future performance.