McALISTER INVESTMENT
REAL ESTATE

MCI GRAND PARKWAY, LP

MASON & CLAY

30.8 ACRES

McALISTER INVESTMENT REAL ESTATE

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McALISTER INVESTMENT REAL ESTATE

MCI GRAND PARKWAY, LP

Key Points

- MCI Grand Parkway, LP is a partnership formed by The McAlister Company to acquire 30 acres of commercial property on Clay Road at The Grand Parkway as an investment.
- Targeted gross fund returning 17% plus IRR and a 3 year to 5 year hold period.
- Cash acquisition with no debt.
- Fund sponsor The McAlister Company.
  - Jim McAlister, Sr. and Hydie McAlister
- Minimum capital contribution $250 thousand.

McALISTER INVESTMENT REAL ESTATE

PROPERTY

The McAlister Company is forming a real estate investment partnership to acquire three foreclosed tracts totaling 30.8 acres from NewFirst National Bank. The property is approximately 1,000 feet east of the intersection of The Grand Parkway and Clay Road. This intersection is one of only three intersections with an off/on ramp between Highway 290 and I-10. The tracts have frontage on Clay, Mason, Elrod, Lakes of Bridgewater, and Bridgewater Villa Dr. **See Exhibits 1 and 2 (pages 5 and 6)**

- **Purchase from NewFirst National Bank: $2.75 psf**
- **O'Connor Appraisal 01/2011: $4.73 psf**
- **David L. Pallante Appraisal 10/2011: $4.46 psf**

In total, the tracts have 2,249 feet of frontage on Clay, 547 feet on Mason, 295 feet on Elrod, 900 feet on Lakes of Bridgewater, and 234 feet on Bridgewater Villa Dr. The tracts have 3 corners that will make them more valuable, marketable and user friendly.

Clay Road is a main East / West artery that begins in mid Houston and runs past Katy to the west. It is one of the two primary East / West arteries located between Highway 290 and I-10. Mason Road is a main North / South artery that runs from Rosenberg to the south and goes north to Clay Road. Future plans for Mason Road include being extended past Hwy 290 into the Fairfield Community.

TRACT 1

- **SIZE:** 5.1 acres
- **LOCATION:** Approximately 1,000 feet east of the intersection of The Grand Parkway and Clay Road. And is the Southwest corner of the intersection of Clay Road and Mason Road. The corner of Clay and Mason has a traffic signal. The tract includes the Southeast corner of Clay and Elrod.
- **FRONTAGE:** 670 feet of frontage on Clay, 295 feet on Mason and 295 feet on Elrod

McALISTER INVESTMENT REAL ESTATE

PROPERTY - CONTINUED

TRACT 2

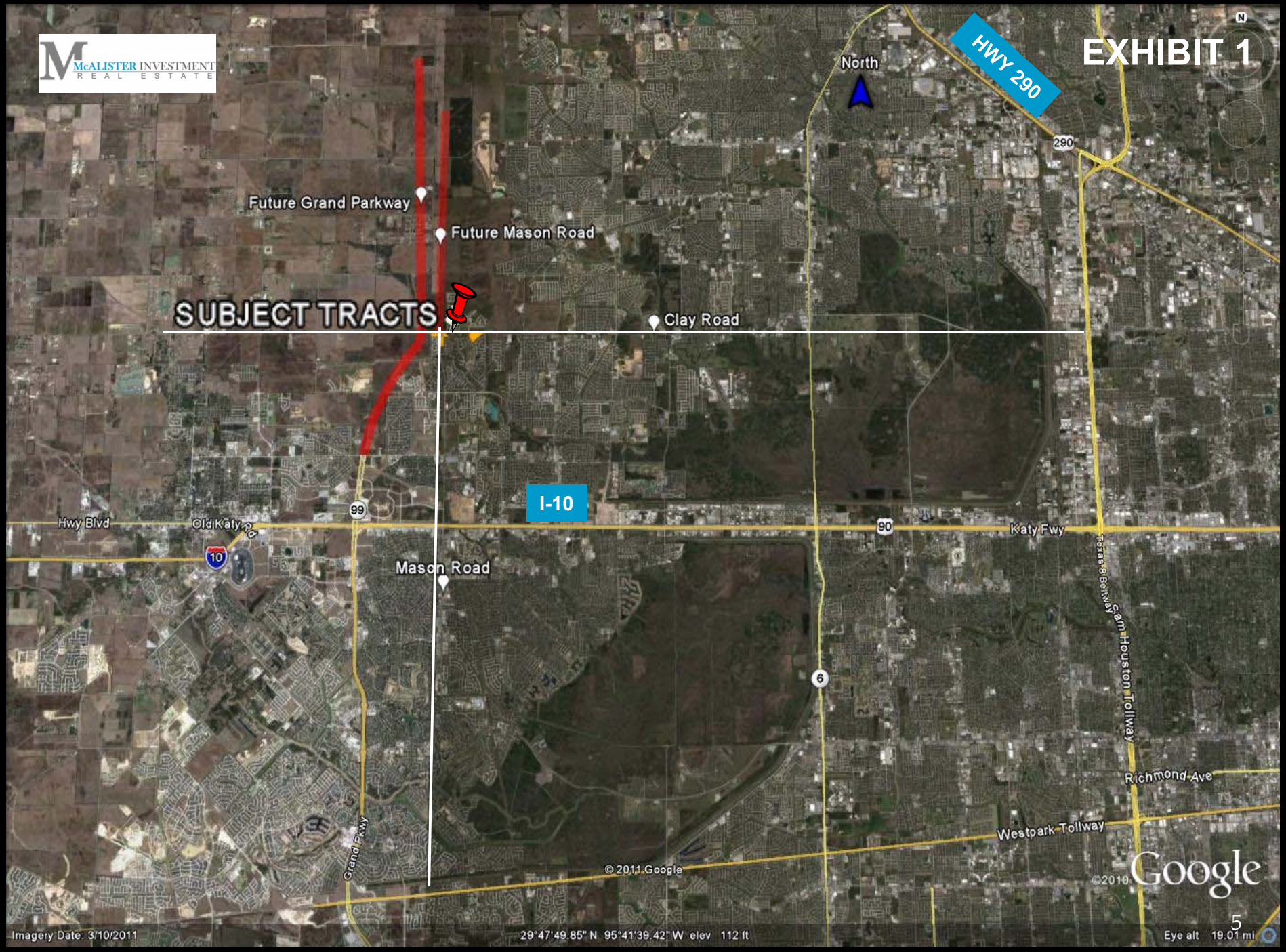
- **SIZE:** 10.4 acres
- **LOCATION:** Off southeast corner of Clay Road and Mason Road
- **FRONTAGE:** 179 feet of frontage on Clay, 547 feet on Mason, and 234 feet on Bridgewater Villa Dr.

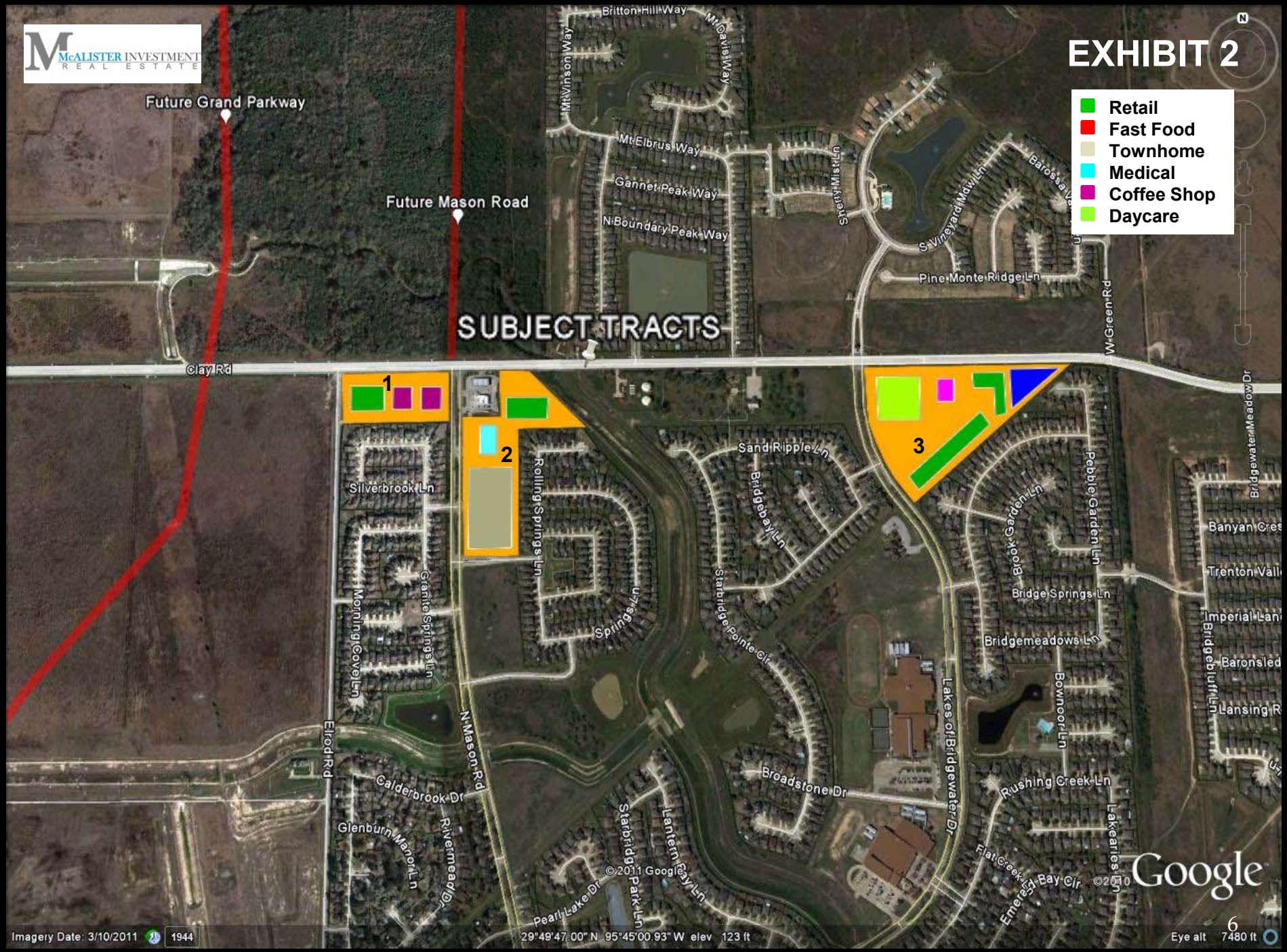
TRACT 3

- **SIZE:** 15.1 ACRES
- **LOCATION:** Southeast corner of Clay Road and Lakes of Bridgewater
- **FRONTAGE:** 1,400 feet of frontage on Clay, and 900 feet on Lakes of Bridgewater

These subject tracts will be prime Retail and Business locations in a rapidly growing area of Houston that will be further stimulated by the construction of the Grand Parkway. The location of these tracts at the intersection of the two major arteries of Clay Road and Mason Road which is approximately 1,000 feet from the intersection of the Grand Parkway and Clay Road. This is an excellent investment opportunity.

The McAlister Company anticipates the strong population growth in the area to continue and accelerate over the next 5 years, and projects the sale of the tract in the next 3 to 5 year time period. This property is configured in a way that the sales of individual pad sites and shopping center locations could begin to occur as soon as the Grand Parkway nears completion at this intersection, and as new area subdivision announcements take place.


McALISTER INVESTMENT
REAL ESTATE
EXHIBIT 1
North
HWY 290
290
Future Grand Parkway
Future Mason Road
SUBJECT TRACTS
Clay Road
I-10
Hwy Blvd
Old Katy Rd
99
10
90
Katy Fwy
Mason Road
Texas 8 Beltway
Sam Houston Tollway
6
Richmond Ave
Westpark Tollway
Grand Pkwy
© 2011 Google
©2010 Google
Imagery Date: 3/10/2011
29°47'49.85" N 95°41'39.42" W elev 112 ft
Eye alt 19.01 mi


McALISTER INVESTMENT REAL ESTATE
EXHIBIT 2
Retail
Fast Food
Townhome
Medical
Coffee Shop
Daycare
Future Grand Parkway
Future Mason Road
SUBJECT TRACTS
Clay Rd
1
2
3
Britton Hill Way
Mt Vinson Way
Mt Davis Way
Mt Elbrus Way
Gannet Peak Way
N Boundary Peak Way
Sherry Mist Ln
S Vineyard Mdw Ln
Barossa Vw
Pine Monte Ridge Ln
W Green Rd
Bridgewater Meadow Dr
Banyan Cres
Trenton Vall
Imperial Lan
Baronsled
Lansing R
Silverbrook Ln
Morning Cove Ln
Granite Springs Ln
Rolling Springs Ln
Springs Ln
Sand Ripple Ln
Bridgebay Ln
Starbridge Pointe Cir
Pebble Garden Ln
Brook Garden Ln
Bridge Springs Ln
Bridgemeadows Ln
Bridgebluff Ln
Bowmoor Ln
Lakes of Bridgewater Dr
Elrod Rd
N Mason Rd
Calderbrook Dr
Glenburn Manor Ln
Rivermeadow
Broadstone Dr
Rushing Creek Ln
Lakearies Ln
Starbridge Park Ln
Lantern Bay Ln
Pearl Lake Dr
Flat Creek
Emerald Bay Cir
©2011 Google
Google
Imagery Date: 3/10/2011
1944
29°49'47.00" N 95°45'00.93" W elev 123 ft
Eye alt 7480 ft

McALISTER INVESTMENT REAL ESTATE

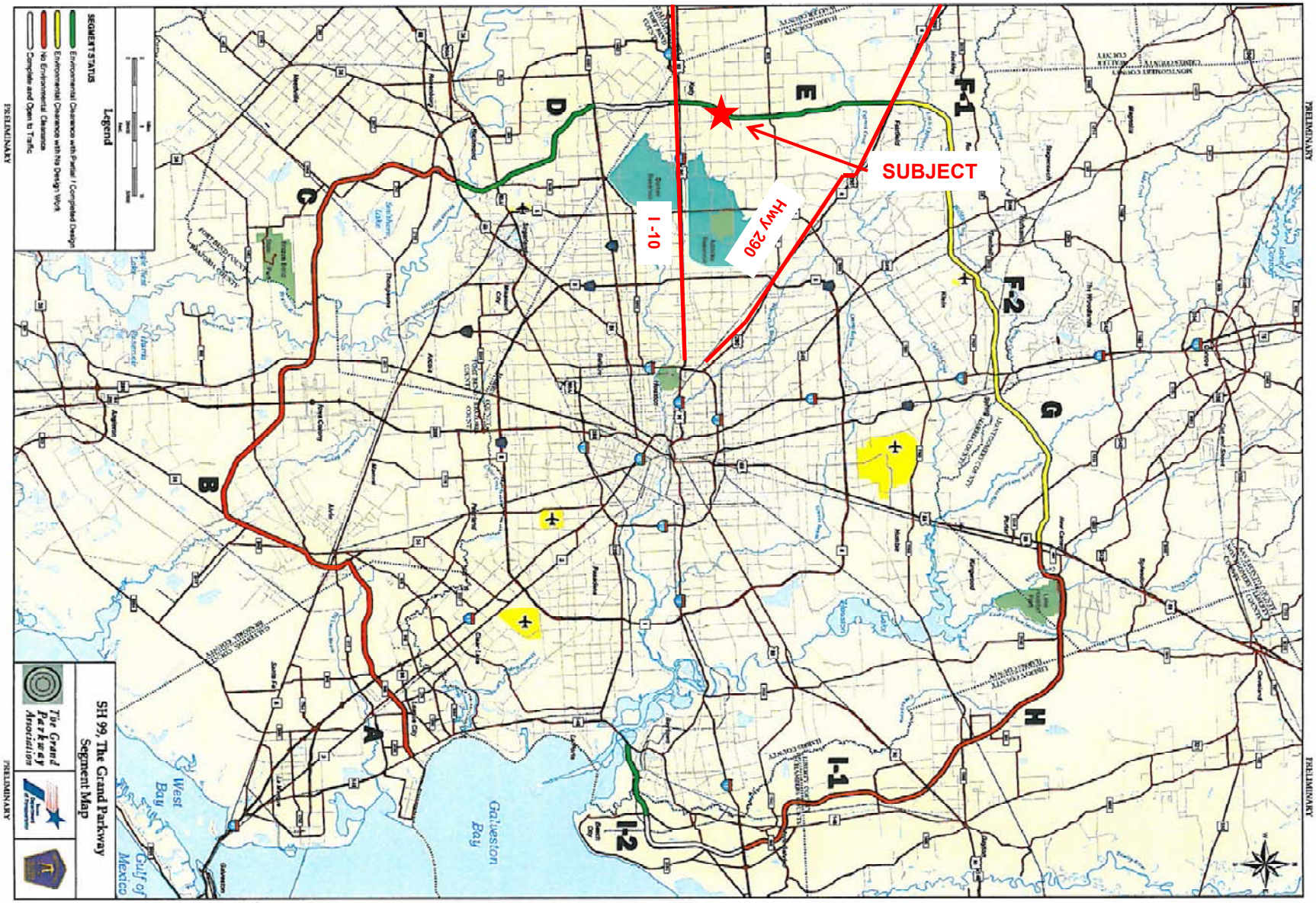
GRAND PARKWAY

The Grand Parkway between I-10 and Hwy 290, section E, is currently under construction. It is scheduled for completion in 2013. The intersection of the Grand Parkway and Clay Road will be a major focal point for retail and business locations. Clay Road will be one of three intersections with The Grand Parkway with off and on ramps between I-10 and Hwy 290. The three intersections are Clay Road, Morton Road, and FM 529. These intersections will be extremely valuable. There will be limited frontage roads along this sector of the Parkway, making these intersections even more valuable.

McALISTER INVESTMENT REAL ESTATE

GRAND PARKWAY

EXHIBIT 3



McALISTER INVESTMENT REAL ESTATE

EXHIBIT 4

The Grand Parkway Association

SH99
Schedule of Activities

Grand Parkway Segments

Revised June 16, 2011	A	B	C	D	E	F1	F2	G	H	I1	I2
Length	6.5 miles	28.2 miles	26.9 miles	18.2 miles	15.2 miles	11.9 miles	12.1 miles	13.6 miles	22.5 miles	14.8 miles	14.5 miles
Begin Study	Feasibility Study completed 2010	**Jun-02**	**Mar-98**	**1983**	**Aug-99**	**Aug-99**	**Aug-99**	**Aug-99**	**Jan-06**	**Jan-06**	**1991**
Publish DEIS		Aug-11	**May-00**	**EA 1986**	**Feb-03**	**Oct-03**	**Jan-04 May-06**	**Jan-07**	**Jun-11**	**Jun-11**	**Dec-94**
Public Hearing		Oct-11	**Jun-00**	**Dec-87**	**Mar-03**	**Nov-03**	**Mar-04 Jul-06**	**Mar-07**	**Aug-11**	**Aug-11**	**Jan-95**
Publish FEIS		Aug-12	Sep-11	**NA**	**Nov-07**	**Jun-08**	**Aug-08**	**Feb-09**	Jun-12	Jun-12	**May-97**
Request Decision		Feb-13	Mar-12	**NA**	**Jun-08**	**Nov-08**	**Mar-09**	**Apr-09**	Dec-12	Dec-12	**Jun-98**
ROD Issued				**NA**	**Jun-08 Jun-09**	**Nov-08 Jun-09**	**Dec-09**	**Dec-10**			**Aug-98**
Begin Design		2015	2014	**1988**	**2009**	2011	2011	2012	2014	2014	**2001**
Begin ROW		2015	2014	**1988**	**2009**	2011	2012	2012	2014	2014	**2001**
Begin Construction		2017	2016	**1989**	2011	2013	2013	2013	2016	2016	**2003**
Open to Traffic		2019	2018	**1994**	2013	2015	2015	2015	2018	2018	**2008**

SH99 Schedule of Activities 2011-06-16.xls

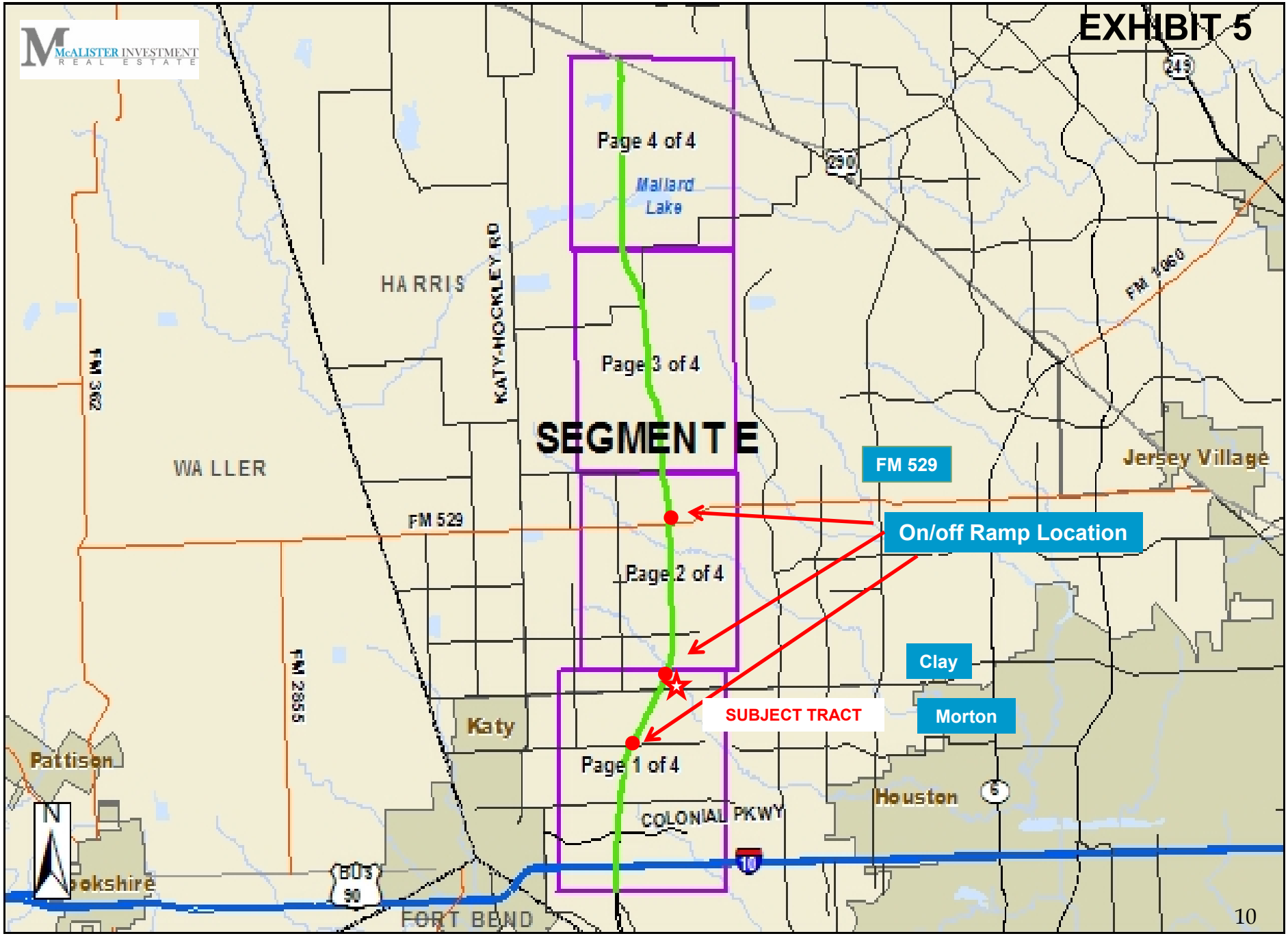


EXHIBIT 5
McALISTER INVESTMENT
REAL ESTATE
Page 4 of 4
Mallard Lake
Page 3 of 4
SEGMENT E
Page 2 of 4
Page 1 of 4
HARRIS
WALLER
FORT BEND
KATY-HOCKLEY RD
FM 362
FM 529
FM 2855
FM 1960
COLONIAL PKWY
290
249
10
6
BUS 90
Katy
Pattison
Houston
Jersey Village
FM 529
On/off Ramp Location
Clay
Morton
SUBJECT TRACT
N

McALISTER INVESTMENT REAL ESTATE

PARTNER DISTRIBUTION, G.P. FEES & PROFIT PARTICIPATION

First: The first $2 million of funds received as capital contributions from Limited Partners will attract a preferential return of 10% per annum, based on the unreturned capital balance.

Second: The remaining funds received as capital contributions from Limited Partners will attract a preferential return of 8% per annum, based on the unreturned capital balance.

Third: The Partnership's distributable funds received as a result of sales of property will be allocated as follows:

1. To the Limited Partners 99% until such time as they have received their total capital contributions.
2. To the Limited Partners 99% until such time as they have received their total accumulated Preferential Return.
3. Then, the Limited Partners and the General Partner will share 50/50 of all distributions until such time as the General Partner has received 20% of all distributions made in the Partnership (save and except the return of the Limited Partners' Capital Contributions).
4. Then, all remaining distributions will be paid 80% to the Limited Partners and 20% to the General Partner.

General Partner Annual Management Fee: 2% based on the total capital raised for the first three years and thereafter 2% of the appraised value of the Partnership's assets.

Acquisition Fee: 6% of the purchase price of the property acquired in the Partnership. McAlister Company does not participate in brokerage commissions on property acquisitions.

McALISTER INVESTMENT REAL ESTATE

INTIAL OFFERING
SOURCES & USES OF FUNDS

SOURCES OF FUNDS:

General Partner Initial Capital Contribution	$	40,616	1.00%
Gross Offering Proceeds from Units	$	4,021,000	99.00%
TOTAL SOURCES OF FUNDS	$	4,061,616	100.00%

USES OF FUNDS:

A. Organizational Cost & Fees (See Notes below)

Offering Memorandum, Printing Photographs, Delivery, Postage, Telephone	$	5,000	0.12%
Organizational Filing Fees	$	2,000	0.05%
Legal Fees	$	7,500	0.18%
TOTAL ORGANIZATIONAL COSTS & FEES	$	14,500	0.36%

B. Taxes, Fees, Due Diligence, & Operating Costs

Fees and expenses related to the acquisition of the Property, anticipated expenses for administration of the Partnership during the first year, General Partner's Fees and reserves:

Appraisal	$	5,000
Engineering Study	$	5,000

Taxes, Fees, Due Diligence, & Operating Costs (Cont.)

Environmental Study	$	5,000	
Accounting, Tax Returns	$	5,200	
Partnership/Property Management Fee	$	73,963	
Insurance	$	1,000	
Title Fees, Legal and other Closing costs	$	7,500	
Acquisition Fee	$	221,889	
Working Capital	$	24,407	
TOTAL TAXES, FEES, DUE DILIGENCE, OPERATING COSTS	$	348,959	8.59%
C. Purchase Price of Property	$	3,698,157	91.05%
TOTAL USESOF FUNDS (Inclusive of Organizational Costs & Fees, General Partner Fees & Administration and Purchase Price of Property)	$	4,061,616	100%

McALISTER INVESTMENT REAL ESTATE

RE-OCCURRING ANNUAL CAPITAL CONTRIBUTIONS

Re-occurring annual costs such as real estate taxes, Management Fees, Insurance, Tax Return Preparation, Accounting and Working Capital are estimated to be $230,500 for 2012. For 2013 and thereafter costs will be more or less than this amount depending, primarily, on the total amount of real estate taxes for each year.

A call for capital contributions from Limited Partners will be made on the 15th November of each year. However, income from sales may be held back to provide working capital to meet annual expenses for up to two years thus reducing or eliminating the need to make a capital call from limited partners.

McALISTER INVESTMENT REAL ESTATE

TIMING

It is time to pursue the purchase of investment grade real estate property from lenders and developers with problem loans. The overall delinquency rate for commercial real estate loans is in excess of 9%. The level of commercial real estate loans appears to be nearing its peak and the market is in the process of stabilizing. This is the time to take positions in distressed real estate and delinquent notes. New delinquencies in 2011 are estimated to exceed $42 billion. Financial institutions and developers are under pressure to sell properties with problem loans.

We believe we are at the tipping point towards a more normalized market where new loan originations will begin to commence in 2012 reflecting more normal lending patterns. Through 2012 will see more distressed opportunities, we see an overall recovery occurring which will begin to impact the real estate market in a positive way.

HOUSTON

Jobs are growing faster in Texas than in other states. Over 20% of the new jobs in the U.S. are occurring in Texas. Job growth in Texas in 2011 currently is approximately 800 new jobs each day. Texas leads the nation in population growth.

Houston's job growth in 2010 was over 46,000 new jobs and was exceeded only by Dallas with 50,000 jobs. Washington D.C. with new federal hiring was third with only 25,000 jobs.

Houston leads the nation in 2010 with the sale of 22,000 new homes which is over 2X the sales for the leading city outside of Texas. It is anticipated that Houston will build approximately 25,000 new homes in 2011. This will absorb over 10,000 acres of land. Projections suggest that Houston population will grow over 900 thousand from 2010 to 2020 and over 1.8 million by 2030.

McALISTER INVESTMENT REAL ESTATE

THE McALISTER COMPANY

The McAlister Company, is a real estate investment firm focused primarily on undeveloped land parcels in the Houston, Austin, and San Antonio markets. The company was formed in Houston in 1973 by Jim McAlister, Sr. to acquire and develop land parcels in the path of growth in the greater Houston area as investments. **The value of the land transactions associated with the McAlister Company partnerships over the past 37+ years total over $1 billion.** The strong investment results of the Company's partnership acquisitions and sales, provide a greater understanding of the positive financial results from utilizing land as a real estate investment vehicle.

Jim McAlister, Sr. was Vice President of Real Estate Investments for Mitchell Energy for 10 years, until 1972. During that time he was responsible for numerous real estate projects including the planning and implementation of The Woodlands, a master planned community north of Houston Texas. The project is a 25,000 acre development. When completed, it will house more than 150 thousand people and have 90,000 jobs on site. Jim has a Masters degree in Engineering and a Master's degree in Finance.

In 2003, the McAlister Company transitioned from forming individual partnerships for each investment and began forming discretionary real estate investment funds which acquired multiple investment properties. To date, the company has formed six discretionary real estate funds, the investors are high net worth individuals as well as institutions.

Hydie McAlister was with The McAlister Company for eight years prior to co-founding McAlister Investments in 2008. Among other responsibilities, she was a member of the property investment committee, and during this time the Company completed over $250 million in land acquisitions. She was personally responsible for closing over $50 million in land transactions. She also handled due diligence matters, investor sourcing / relations, and organized and operated the property management division for the McAlister Company. Prior to The McAlister Company, she was with Stewart Title Company for six years in the Commercial Real Estate Division. Hydie graduated from Texas Tech University in 1991 with a BS in Arts & Science.

McALISTER INVESTMENT REAL ESTATE

McALISTER TEAM

The McAlister Company Team outsources legal, engineering, environmental, appraisal, and government relationships to specialists having superior expertise on the issues the Company determines are necessary. The outsourcing brings to the partnerships the firms or individuals with the greatest possible input to assist in due diligence and property enhancement.

- Engineering:
  - Dannenbaum Engineering Corp.
  - Jones & Carter, Inc.
- Appraisal and Demographics :
  - David L. Pallante & Associates, LLC
  - MetroStudy
- Legal:
  - Andrews Kurth LLP
  - Allen Boone Humphries Robinson LLP
  - Jeb Brown & David Montgomery
- Environmental:
  - Phase Engineering, Inc.
  - Jones & Carter, Inc.
- Property Sourcing and Marketing Assistance:
  - Local Brokers
  - Banks
  - Developers
  - McAlister Company Principals and Staff.

McALISTER INVESTMENT REAL ESTATE

DUE DILIGENCE ENHANCEMENT : PROPERTY

Every investment acquisition goes through a thorough due diligence program before purchase. The McAlister Team consists of lawyers, engineers, appraisers, environmental experts, and market analysts that have worked together for many years to assure sound investment purchases.

A property is purchased only after identifying its potential use, the timing of sale and value to a user. The IRR and Cash Multiple estimated for this investment must yield a target return from 17% to 25% IRR and a Cash Multiple greater than 2.5X.

Upon acquisition of an investment property, The McAlister Team moves forward to improve its value and marketability. Our Team secures government entitlements, utilities, road commitments and drainage permits. We also mitigate wet lands and flood plain impact on future land development.

Our objective is to deliver the investment property with its greatest use potential for the developer with minimum holding period and maximum price for the investors.

McALISTER INVESTMENT REAL ESTATE

STRATEGY: INVESTMENT CRITERIA

McAlister Land Investments are in areas of active growth, directly in the path of development activity and mature enough for development within a three to five year time frame. Land investments primarily focus on high quality residential and retail tracts in need of capital infusion. Following acquisitions of undeveloped parcels and development projects the partnership will strive to enhance the value of the tracts.

The partnership targets notes, JV opportunities, GP sponsor equity positions and other structures on a case by case basis.

PREFERRED PROFILE

- Well-located value-added opportunities which may include components of new development, redevelopment and/or releasing.

GEOGRAPHY

- Texas and Southwestern states are the major focus.

TRANSACTION SIZE

- Land acquisition will range between $1 million to $10 million.

CAPITAL STRUCTURE

- All land acquisitions will be cash purchases. No leverage.

McALISTER INVESTMENT REAL ESTATE

McALISTER TRACK RECORD

The McAlister Company has formed Real Estate Investment Partnerships since 1973. In 2003 The McAlister Company transitioned from forming individual partnerships for each investment and began forming discretionary Real Estate Investment Funds. The McAlister Company has completed more than $1.0 billion of partnership fund transactions over the last 37 years.

The following presents the track records of the first six McAlister discretionary funds. The annual appraisals show the value of the remaining properties in the portfolios have held strong. The properties are located to respond to the developer needs as the market recovers. Over $80 million dollars of the properties were under contract to sell in 2008 when the banking crisis impacted the Real Estate Market. Due to the market downturn and lack of lendable funds, these properties did not close. These properties will be on the top of the list for consideration for development sites as soon as the current economic crisis begin to recede.

McALISTER INVESTMENT REAL ESTATE

TRACK RECORD 1

LAND FUND No. 1

Total Contributions	$19,642,356	100%	Projected Distributions from Expected Closings *	$0	0%
Total Distributions	$23,142,804	118%	Estimated Distributions from Remaining Properties *	$6,047,190	31%
			Cash Balance	$59,325	0%

Sales to Date	Acres	Date Purchase	Date Sell	Price 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	($13,387,517)	$26,656,853			

Contract/Option/LOI	Acres	Date Purchase	Date Contract	Price Purchase	Price Contract	Hold Period/Mo.	Gross IRR	Cash Multiple
			Subtotal	$0	$0			

Remaining Properties	Acres	Date Purchase	Date Projected Sale	Price Purchase	Price Appraisal	Hold Period/Mo.	Gross IRR	Cash Multiple
Wilson & Will Clayton	7.28	Dec-03	Dec-11	($635,444)	$1,270,000	97	9%	2.00
I-45 South of FM 1960 (JV 86%) (30.1 ac.)	7.377	Jan-04	Dec-11	($618,487)	$1,449,100	95	11%	2.34
League City	18.83	Sep-03	Dec-11	($1,558,446)	$3,280,000	100	9%	2.10
Clay Road & Wood Pine	1.84	Dec-03	Dec-11	($152,911)	$200,000	96	3%	1.31
Clay Road & Wood Pine	4.77	Dec-03	Dec-11	($397,112)	$520,000	96	3%	1.31
			Subtotal	($3,362,399)	$6,719,100			

* Net of Estimated Fees and Expenses

June 30, 2011

***Net of Estimated Fees and Expenses; all estimates provided by current management of the Prior Land Funds' general partner.**

McALISTER INVESTMENT REAL ESTATE

TRACK RECORD 2

LAND FUND No. 2

Total Contributions	$31,331,642	100%	Projected Distributions from Expected Closings *	$0	0%
Total Distributions	$11,071,980	35%	Estimated Distributions from Remaining Properties *	$23,476,230	75%
			Cash Balance	$343,548	1%

Sales to Date	Acres	Date Purchase	Date Sell	Price Purchase	Price Sell	Hold Period/Mo.	Gross IRR	Cash Multiple
Beltway 8	8.27	Aug-04	Jan-06	($259,595)	$376,269	18	29%	1.45
US 290 & Hempstead Hwy. (JV 50%)	62.8	Sep-04	Oct-05	($3,809,719)	$6,735,040	13	71%	1.77
West Lake Houston Pkwy.	91	Oct-04	Apr-06	($1,232,606)	$2,222,550	17	50%	1.80
Will Clayton and Wilson	6.99	Sep-04	Aug-07	($525,856)	$1,000,000	35	25%	1.90
I-45 South of FM 1960 (JV 14%) (30.1 ac.)	21.35	Jan-04	Nov-07	($293,426)	$354,338	46	5%	1.21
US 290 & Hempstead Hwy. (JV 50%)	19.37	Oct-04	Nov-07	($1,154,339)	$1,687,558	37	13%	1.46
US 59 and Rankin (40.82ac)	1.23	May-04	Dec-07	($165,912)	$361,530	42	25%	2.18
I-45 South of FM 1960 (JV 14%) (30.1 ac.)	1.377	Jan-04	Dec-09	($18,929)	$49,586	71	18%	2.62
			Subtotal	($7,460,383)	$12,786,871			

Contract/Option/LOI	Acres	Date Purchase	Date Contract	Price Purchase	Price Contract	Hold Period/Mo.	Gross IRR	Cash Multiple
			Subtotal	$0	$0			

Remaining Properties	Acres	Date Purchase	Date Projected Sale	Price Purchase	Price Appraisal	Hold Period/Mo.	Gross IRR	Cash Multiple
I-45 South of FM 1960 (JV 14%) (30.1 ac.)	7.377	Jan-04	Dec-11	($101,410)	$235,900	95	11%	2.33
League City	17.97	Oct-04	Dec-11	($1,668,049)	$2,740,000	87	7%	1.64
US 59 and Rankin	94.20	Mar-04	Dec-11	($5,062,522)	$6,150,000	93	3%	1.21
US 59 and Rankin (40.82)	39.59	May-04	Dec-11	($1,076,902)	$3,550,000	91	17%	3.30
US 59 and Rankin	21.59	Mar-04	Dec-11	($1,910,359)	$2,350,000	93	3%	1.23
West Lake Houston Pkwy. (JV 37.6%)	760.25	Nov-04	Dec-11	($4,549,644)	$5,658,800	85	3%	1.24
FM 517 League City (JV 50%) (838ac)	800.39	Aug-04	Dec-11	($3,386,813)	$5,400,000	88	7%	1.59
			Subtotal	($17,755,699)	$26,084,700			

* Net of Estimated Fees and Expenses

June 30, 2011

***Net of Estimated Fees and Expenses; all estimates provided by current management of the Prior Land Funds' general partner.**

McALISTER INVESTMENT REAL ESTATE

TRACK RECORD 3

LAND FUND No. 3

Total Contributions	$25,625,000	100%	Projected Distributions from Expected Closings *	$0	0%
Total Distributions	$6,051,325	24%	Estimated Distributions from Remaining Properties *	$20,266,770	79%
			Cash Balance	$217,741	1%

Sales to Date	Acres	Date Purchase	Date Sell	Price Purchase	Price Sell	Hold Period/Mo.	Gross IRR	Cash Multiple
US 290 & Hempstead Hwy. (JV 50%)	62.8	Sep-04	Oct-05	($3,809,719)	$6,735,040	13	71%	1.77
US 290 & Hempstead Hwy. (JV 50%)	19.37	Oct-04	Nov-07	($1,154,339)	$1,687,558	37	13%	1.46
			Subtotal	**($4,964,058)**	**$8,422,598**			

Contract/Option/LOI	Acres	Date Purchase	Date Contract	Price Purchase	Price Contract	Hold Period/Mo.	Gross IRR	Cash Multiple
			Subtotal	**$0**	**$0**			

Remaining Properties	Acres	Date Purchase	Date Projected Sale	Price Purchase	Price Appraisal	Hold Period/Mo.	Gross IRR	Cash Multiple
Berdett Rd. & Meyer Rd. (JV 38.9%)	372.16	Jan-05	Dec-11	($2,209,146)	$2,477,433	84	2%	1.12
FM 1314 in Montgomery County	700.92	Oct-04	Dec-11	($3,013,490)	$5,250,000	87	8%	1.74
West Lake Houston Pkwy. (JV 62.4%)	760.25	Nov-04	Dec-11	($7,549,636)	$9,391,200	85	3%	1.24
FM 517 League City (JV 50%) (838ac)	800.39	Aug-04	Dec-11	($3,386,813)	$5,400,000	88	7%	1.59
			Subtotal	**($16,159,085)**	**$22,518,633**			

* Net of Estimated Fees and Expenses

June 30, 2011

***Net of Estimated Fees and Expenses; all estimates provided by current management of the Prior Land Funds' general partner.**

McALISTER INVESTMENT REAL ESTATE

TRACK RECORD 4

LAND FUND No. 4

Total Contributions	$56,045,652	100%	Projected Distributions from Expected Closings *	$0	0%
Total Distributions	$21,277,288	38.0%	Estimated Distributions from Remaining Properties *	$35,579,310	63%
			Cash Balance	$347,710	1%

Sales to Date	Acres	Date Purchase	Date Sell	Price Purchase	Price Sell	Hold Period/Mo.	Gross IRR	Cash Multiple
US 290 & Kickapoo Rd.	824.74	Mar-06	Oct-07	($12,873,161)	$22,871,685	20	42%	1.78
			Subtotal	($12,873,161)	$22,871,685			

Contract/Option/LOI	Acres	Date Purchase	Date Contract	Price Purchase	Price Contract	Hold Period/Mo.	Gross IRR	Cash Multiple
			Subtotal	$0	$0			

Remaining Properties	Acres	Date Purchase	Date Projected Sale	Price Purchase	Price Appraisal	Hold Period/Mo.	Gross IRR	Cash Multiple
Berdett Rd. & Meyer Rd. (JV 61.1%)	372.16	Jan-05	Dec-11	($3,466,573)	$3,887,567	84	2%	1.12
Meyer Rd. - Fort Bend County	130.58	Aug-05	Dec-11	($2,082,310)	$2,175,000	76	1%	1.04
Katy Hockley Rd. South US 290	196.43	Aug-05	Dec-11	($2,254,268)	$3,140,000	77	5%	1.39
Katy Hockley Rd. South US 290	1012.31	Aug-05	Dec-11	($12,454,584)	$14,260,000	77	2%	1.14
House Rd. South of US 290	99.86	Aug-05	Dec-11	($1,497,885)	$1,600,000	77	1%	1.07
Krosche Rd. & US 59	154.82	Nov-05	Dec-11	($3,566,558)	$5,110,000	74	6%	1.43
NW Corner Greenhouse Rd. & FM 529	15	Jan-06	Dec-11	($1,669,977)	$2,125,000	72	4%	1.27
FM - 1467 Savannah (JV 60%)	1467	Apr-06	Dec-11	($4,154,291)	$5,220,000	68	4%	1.26
Morton Rd. & Willamette Way (15.42)	15.420	May-06	Dec-11	($1,913,909)	$2,015,000	68	1%	1.05
			Subtotal	($33,060,355)	$39,532,567			

* Net of Estimated Fees and Expenses

June 30, 2011

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McALISTER INVESTMENT REAL ESTATE

TRACK RECORD 5

LAND FUND No. 5

Total Contributions	$32,050,000	100%	Projected Distributions from Expected Closings *	$0	0%
Total Distributions	$0	0%	Estimated Distributions from Remaining Properties *	$26,581,500	83%
			Cash Balance	$392,997	1%

Sales to Date	Acres	Date Purchase	Date Sell	Price Purchase	Price Sell	Hold Period/Mo.	Gross IRR	Cash Multiple
			Subtotal	$0	$0			

Contract/Option/LOI	Acres	Date Purchase	Date Contract	Price Purchase	Price Contract	Hold Period/Mo.	Gross IRR	Cash Multiple
			Subtotal	$0	$0			

Remaining Properties	Acres	Date Purchase	Date Projected Sale	Price Purchase	Price Appraisal	Hold Period/Mo.	Gross IRR	Cash Multiple
State Highway 242 and FM 2090	1928	Sep-06	Dec-11	($12,001,737)	$12,920,000	63	1%	1.08
Katy Hockley Cutoff and Stockdick Rd	320	Oct-06	Dec-11	($4,721,464)	$4,250,000	62	-2%	0.90
FM 2218 and Hand Road in Pleak, TX	247	Oct-06	Dec-11	($3,498,362)	$4,125,000	63	3%	1.18
FM 2218 and Hand Road in Pleak, TX	69.5	Oct-06	Dec-11	($1,025,626)	$1,160,000	63	2%	1.13
FM 2218 and Hand Road in Pleak, TX	229.5	Mar-07	Dec-11	($3,154,770)	$3,600,000	58	3%	1.14
FM - 1462 Savannah (JV 40%)	1467	Mar-07	Dec-11	($2,769,527)	$3,480,000	58	5%	1.26
			Subtotal	($27,171,486)	$29,535,000			

* Net of Estimated Fees and Expenses

June 30, 2011

*Net of Estimated Fees and Expenses; all estimates provided by current management of the Prior Land Funds' general partner.

McALISTER INVESTMENT REAL ESTATE

TRACK RECORD 6

LAND FUND No. 6

Total Contributions	$67,096,120	100%	Projected Distributions from Expected Closings *	$0	0%
Total Distributions	$341,868	0.5%	Estimated Distributions from Remaining Properties *	$59,922,000	89%
			Cash Balance	$3,834,352	6%

Sales to Date	Acres	Date Purchase	Date Sell	Price Purchase	Price Sell	Hold Period/Mo.	Gross IRR	Cash Multiple
(SA) - Dancing Bear Ranch (223 lots)	5 lots	Apr-09	Various	($121,289)	$175,736	Various	104%	1.45
(Aus) - River Oaks Ranch (943ac)	7.02	Aug-08	Dec-09	($81,931)	$85,363	16	3%	1.04
(Hou) - FM 2100	5	Oct-07	Dec-10	($34,797)	$92,500	38	36%	2.66
			Subtotal	($238,017)	$353,599			

Contract/Option/LOI	Acres	Date Purchase	Date Contract	Price Purchase	Price Contract	Hold Period/Mo.	Gross IRR	Cash Multiple
			Subtotal	$0	$0			

Remaining Properties	Acres	Date Purchase	Date Projected Sale	Price Purchase	Price Appraisal	Hold Period/Mo.	Gross IRR	Cash Multiple
(Hou) - Katy Hockley Rd SW of Hwy290	198	Jul-07	Dec-11	($2,971,400)	$2,825,000	53	-1%	0.95
(Hou) - FM 2100 (431ac)	426	Oct-07	Dec-11	($2,964,675)	$3,114,000	51	1%	1.05
(Aus) - Nameless Rd., Leander, TX	107	Sep-07	Dec-11	($1,146,701)	$1,285,000	51	3%	1.12
(Hou) - US 290 & Kermier	74.55	Feb-08	Dec-11	($6,981,635)	$8,120,000	46	4%	1.16
(SA) - Babcock Road	46	Apr-08	Dec-11	($3,217,544)	$3,810,000	44	5%	1.18
(Hou) - Beltway 8 & Tidwell	23.5	Jun-08	Dec-11	($2,337,123)	$3,380,000	43	11%	1.45
(Hou) - Warren Ranch Rd.	408.5	Jul-08	Dec-11	($5,214,894)	$7,560,000	42	11%	1.45
(Aus) - River Oaks Ranch (943ac)	936	Aug-08	Dec-11	($10,924,152)	$13,200,000	41	6%	1.21
(Hou) - Hwy 105, Conroe, TX	32.04	Sep-08	Dec-11	($4,290,735)	$4,535,000	40	2%	1.06
(SA) - Dancing Bear Ranch (acreage)	78.1	Apr-09	Dec-11	($590,500)	$765,000	33	10%	1.30
(SA) - Dancing Bear Ranch (223 lots)	218 lots	Apr-09	Dec-11	($5,288,211)	$6,750,000	33	9%	1.28
(Hou) - Bammel North Houston	2	Dec-09	Dec-11	($431,244)	$630,000	24	21%	1.46
(SA) - Binz-Engleman	4.64	May-10	Dec-11	($101,700)	$260,000	19	79%	2.56
(SA) - Helotes Hwy 16 (JV 70%)	1767	Jun-10	Dec-11	($8,400,000)	$10,346,000	18	15%	1.23
			Subtotal	($54,860,513)	$66,580,000			

* Net of Estimated Fees and Expenses

June 30, 2011

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