

Fund No. 3 Portfolio Summary August 2004 - June 2012



LAND FUND No. 3

Total Contributions	\$25,625,000	100%	Projected Distributions from Expected Closing*	\$0	0%
Total Distributions	\$6,051,325	24%	Estimated Distributions from Remaining Properties*	\$20,266,770	79%
			Cash Balance	\$251,292	1%

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

Remaining Properties	Acres	Purchase	Date		Price		Hold 106	Gross IRR	Cash Multiple
			9/12/2012	Purchase	Appraisal				
Berdett Rd. & Meyer Rd. (JV 38.9%)	372.16	Jan-05	Dec-12		(\$2,209,146)	\$2,477,433	96	1%	1.12
FM 1314 in Montgomery County	700.92	Oct-04	Dec-12		(\$3,013,490)	\$5,250,000	99	7%	1.74
West Lake Houston Pkwy. (JV 62.4%)	760.25	Nov-04	Dec-12		(\$7,549,636)	\$9,391,200	97	3%	1.24
FM 517 League City (JV 50%) (838ac)	800.39	Aug-04	Dec-12		(\$3,386,813)	\$5,400,000	100	6%	1.59

*Net of Estimated Fees and Expenses					Subtotal	(\$16,159,085)	\$22,518,633		
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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.