In these volatile times, foresight is invaluable. We saw a rapid drop in returns to investors in 2011. Enterprise was able to quickly respond to this trend by accurately targeting our acquisitions and appropriately setting price for both investors and developers. Proactive and agile, our experienced team helped to make us one of the top LIHTC syndicators in the nation last year.

Enterprise raised $676 million in new LIHTC commitments and placed $717 million. The result for families and communities amounts to nearly 5,800 affordable homes. And this achievement did not come at the expense of the standards and commitment to quality that have made Enterprise investment funds a consistently stable choice.

In 1982, Jim and Patty Rouse founded Enterprise with a vision that our nation’s disadvantaged neighborhoods could become places of opportunity—that private capital combined with public incentives and local leadership could change the landscape of poverty in America. Today, that pursuit of innovation and commitment to turn challenge into opportunity continues. And opportunity begins when people have a safe, healthy and affordable place to call home.
Investing with Enterprise means investing in a longstanding track record of stability, innovation and top performance. But it also means investing in affordable homes and thriving communities linked to quality schools, jobs, health services and transit where people have a platform from which to move out of poverty and improve their lives. It means investing in our children, our seniors and our nation’s future.

Your partnership and your commitment are essential. Thank you for being part of Enterprise’s continued legacy to keep working until every person in this country has a place to call home in a vibrant community, filled with promise and the opportunity for a good life.

Sincerely,

Charles R. Werhane, President & CEO
Enterprise Community Investment, Inc.
$717 million LIHTC equity placed

$676 million LIHTC equity raised

5,795 affordable rental homes

77 developments
PORTFOLIO FOCUS: 1,554 PROJECTS, 96,880+ UNITS

Geographic Region

Mid-Atlantic 21%  Northeast 26%
Central/Midwest 19%  West 34%

Construction Type

New Construction 56%  Substantial Rehab 26%
Moderate Rehab 13%  Mixed 5%

Population Type

Family 68%  Senior 21%  Native American 3%
Single Room Occupancy 4%  Mix/Other 4%

Market Type

Urban 63%  Suburban 16%  Rural 21%

49% of projects
Include supportive housing and/or resident services

50% of projects
Provide homes to very low-income households*

*Defined as up to 30 percent of area median income
In 2011, Enterprise Communities invested $717 million and raised $676 million. Community Development Financing included $92.5 million in loans closed in 2011, creating or preserving 3,200+ rental and ownership homes. New Markets Tax Credit (NMTC) Investing contributed $68.6 million* in capital provided to commercial and mixed-use projects in 2011, creating 780 jobs. Multifamily Mortgage Financing added $157 million in loans closed in 2011, creating or preserving 3,500+ affordable rental homes. Asset Management covered 96,880+ homes in the portfolio. Enterprise Homes (Development & Consulting) reported $44.5 million in total development costs in 2011, creating 166 affordable, green homes. The following table summarizes the investment and development data from 2007 to 2011:

<table>
<thead>
<tr>
<th>YEAR</th>
<th>2010</th>
<th>2009</th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>RAISED</td>
<td>$820m</td>
<td>$357m</td>
<td>$682m</td>
<td>$582m</td>
</tr>
<tr>
<td>INVESTED</td>
<td>$517m</td>
<td>$301m</td>
<td>$737m</td>
<td>$681m</td>
</tr>
<tr>
<td>DEVELOPMENTS</td>
<td>58</td>
<td>36</td>
<td>95</td>
<td>112</td>
</tr>
</tbody>
</table>

*including $31 million in loan proceeds from third-party NMTC allocations that flow through Enterprise’s Community Development Entity.
2011: NEW INVESTMENT FUNDS

Enterprise successfully closed three major multi-investor funds in 2011: Enterprise Housing Partners (EHP) XXI, an $80 million national fund; EHP XXII, a $100 million national fund; and the Enterprise Housing CalGreen Fund, a $103 million fund to create sustainable housing throughout California. More than 2,220 affordable homes for families and seniors will be created as a result of these funds. In addition, Enterprise had 12 active proprietary funds in 2011.

2012: NEW MERGER EXPANDS OUR REACH

In May, we closed a merger between Enterprise’s Multifamily Mortgage Finance business and Bellwether Real Estate Capital, LLC. This new partnership will expand our geographic reach, product offerings and ability to serve multifamily and commercial real estate borrowers across the country. The new company, Bellwether Enterprise Real Estate Capital, LLC (Bellwether Enterprise), is expected to top $1.5 billion in combined mortgage production volume in 2012. Bellwether Enterprise will be headquartered in Cleveland, with originators located in 13 cities nationwide.
Enterprise is a leading provider of the development capital and expertise it takes to create decent, affordable homes and rebuild communities. For 30 years, Enterprise has introduced neighborhood solutions through public-private partnerships with financial institutions, governments, community organizations and others that share our vision. Enterprise has raised and invested more than $11.5 billion in equity, grants and loans to help build or preserve nearly 300,000 affordable rental and for-sale homes to create vital communities. Visit www.EnterpriseCommunity.com to learn more about Enterprise’s efforts to build communities and opportunity.

On Cover: Cuatro Vientos in Los Angeles, an Enterprise Green Communities-certified property with 24 affordable apartments for families. Enterprise invested $6 million in LIHTC equity in Cuatro Vientos.

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