



MIDWEST HOUSING EQUITY GROUP INC.

The Road Home



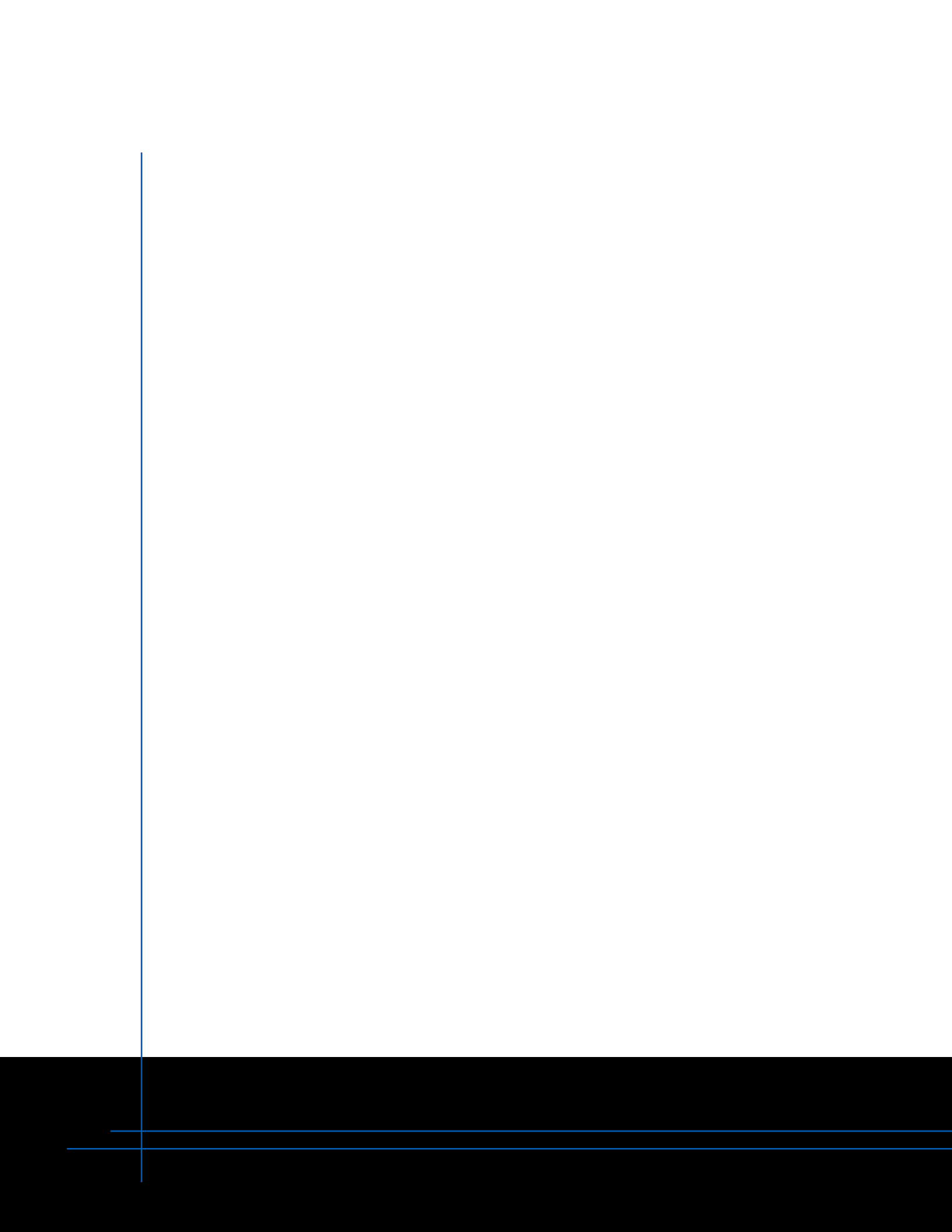


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In 2007, Midwest Housing Equity Group reached a milestone of creating over 5,000 units of affordable housing. But what we really managed to do, was help build safe and quality homes for thousands of people in the Midwest community, people who needed it the most.

We continued turning our mission into a reality, changing the lives of today for a better tomorrow. This year's annual report shares with you a few stories of people whose lives were changed when Midwest Housing Equity Group helped them find the road home.



Top: Children enjoy playing outside on a nice spring day at the Pheasant Run Apartments (KEF IV, L.P.) in Minneapolis, Kansas.

Bottom: At the Valley Crown (EFN XII, L.P.) ribbon cutting ceremony in Valley, Nebraska, tenants enjoyed the neighborhood celebration and getting to meet one another.

Message from the President

I just sat down to write my 2007 report to you all and a song came on entitled, "Rock of Ages, You Will Stand," by Paul Baloche. This refers to God being our rock and always being there for us. The tax credit program just celebrated its 20th anniversary in 2007, and the program has been labeled "The Rock" by many. I think 2007 was a very good year for the industry so it appeared things were going to be good for affordable housing in the upcoming year.

Unfortunately, the sub-prime mortgage debacle hit, Fannie Mae and Freddie Mac announced their financial woes, many of the major bank investors sent up warning flags, and all of the sudden 2008 seems about as uncertain as it ever has been for the program. Could there be a crack in our rock? Only time will tell as we look to see what kind of correction we will face. One thing is for sure, we'll all need the 20 plus years of experience to get through whatever happens.

Regardless of the past or the future of the program, it truly has been a rock for meeting the nation's affordable housing needs. Our residents have decent, safe affordable housing to live in and now have a road home. I think about the families that we at MHEG have helped over the years. Knowing we are helping people is what keeps me going in this industry. Who would have thought I would have survived anything for over 20 years?

2007 marked a culmination of a two-year restructuring for MHEG. We decided in late 2005 to bring everything under one company, one family and one philosophy - that being Midwest Housing Equity Group. As of January 1, 2008, all of our operations will be unified and you will now only see us as MHEG. Don't get me wrong, we're still going to have identities in each of our four states and we will definitely maintain offices in each. Our name may have changed to some of you, but our commitment to serve you has only become stronger. As we have said, the road home was long, and filled with growing pains, but I believe we're almost there.

With the changes in 2007, you probably noticed many new faces at MHEG. We created a number of positions to better serve you, and give you more expertise in the various levels of the tax credit field. This is where we saw the majority of our growing pains, and I just wanted to say thank you for bearing with us as we transformed. I'm sure we have more work to do, and we do appreciate your comments to make us better. If you haven't had the chance to meet our staff, stop by our office sometime and introduce yourself.

MHEG did have a record year with equity raised and deals closed. All four of our states contributed to the success. I need to say a big thank you to the entire staff for their hard work and dedication in achieving this success. A company can be successful if it surrounds

itself with the right people and I think MHEG has done just that. Congratulations to all of you! Your hard work has given a lot of fine people a road home to some great affordable housing.

No year or amount of work we do would mean anything without the participation of all of our partners. I would first like to thank our investors. This was a tougher year than most to raise money, but we were blessed to have a great group of repeat investors, to find many new investors, plus many others stepped up to invest at new levels to help us meet our goals.

I also want to thank the MHEG Board of Directors, and all of the sub-committees. You all do more than people realize. You've given us the leeway to run the company and yet, provided great wisdom and oversight. Thank you to our developers, lenders, and even the lawyers and accountants that keep us on track! While all of you are important, none of us would be able to be in this industry without the great people and relationships we have at the housing finance agencies. Thank you Nebraska Investment Finance Authority, Kansas Housing Resource Corporation, Iowa Finance Authority and the Oklahoma Housing Finance Authority.

MHEG has enjoyed fourteen years of tremendous growth and success, none of which would have been possible without your participation and dedication. Next year, MHEG will be celebrating its 15th year, which is exciting to see. A little unadvertised fact is that Sister Marilyn Ross has been on the Board from the beginning, and has served as Chair since 2000. I opened with talking about a rock of ages, and Sister Marilyn has been just that for MHEG. Thank you Sister Marilyn.

We may not know what the future entails, but I know that the trusty tax credit program will be there one way or another. It may not be as solid of a rock as it has been, but the program has found ways to survive. One thing for certain is we know God will be there for us as we journey on our road home.

Here's to all of us helping others find their road home. I hope you have a great 2008!

Jim Rieker
President/Chief Executive Officer

MHEG Board of Directors



Sister Marilyn Ross
Holy Name Housing Corp.

Chairperson



Dick Schenck
Wells Fargo

Vice Chairperson



Gary Petersen
Bank of the West

Secretary/Treasurer



Steve Bodner
U.S. Bank



Dick Hoiekvam
Retired



Rick Jackson
Capitol Federal
Savings Bank



Brad Krieger
Arvest Bank



James Laphen
TierOne Bank



Jim Rieker
MHEG



Barry Sandstrom
Home Federal
Savings & Loan

Iowa Operations & Investment Committee



Tom Hanafan
Mayor of
Council Bluffs



Chris Hensley
Bank of the West



Jim Rieker
MHEG



Dick Schenck
Wells Fargo



John Sorensen
Iowa Bankers
Association

Kansas Operations & Investment Committee



Bob Arthur
Commerce Bank



Mark Dennett
INTRUST Bank



Rick Jackson
Capitol Federal
Savings Bank



Chuck Stones
Kansas Bankers
Association



Jim Rieker
MHEG



Michael Scheopner
Landmark National Bank

Oklahoma Operations & Investment Committee



Roger Beverage
Oklahoma Bankers
Association



Kenyon Morgan
Prime Time
Environments, LLC



Dennis Brand
BancFirst



Jim Rieker
MHEG



Brad Krieger
Arvest Bank



Bob Spinks
United Way of
Oklahoma City



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President / Chief
Executive Officer



Jason Main
Chief Financial Officer /
Chief Operating Officer



Becky Christoffersen
Director of Development
& Underwriting



Ted Witt
Director of Asset
Management



Pat Michaelis
Director of
Kansas Operations



Dan Garrett
Executive Vice President
Iowa Operations



Thomas Judds
Executive Vice President
Nebraska Operations



Jamie Wilson
Executive Vice President
Oklahoma Operations



Cindy Koster
Development Coordinator
Nebraska Operations



Sammy Ehtisham
Development Coordinator
Oklahoma Operations



Melissa Miller-Atwood
Development Coordinator
Kansas Operations



Deb Swanson
Paralegal & Due Diligence
Administrator



Jordan Bottorff
Due Diligence Assistant



Chris Pangkerego
Director of Information
Technology



Keely Burns
PR Specialist



Laurie Stephenson
Compliance Manager



Shellie Vandeman
Compliance Specialist



Dianna Amandus
Compliance Specialist



Gary Wasserman
Director of Information
Management



Shannon Foster
Corporate Accountant /
Office Manager



Tom Stratman
Senior Asset Manager



Shannon Johnson
Senior Asset Manager



Chuck Kane
Asset Manager



Jennie Lattimer
Asset Manager



Ryan Harris
Asset Manager



Rachel Wiesner
Asset Specialist



Peggy Levine
Executive Assistant



Jennifer Baldwin
Administrative Assistant



Jenni Taylor
Administrative Assistant



Sherri Teel
Administrative Assistant /
Compliance Specialist
Oklahoma Operations



Lisa Bryan
Administrative Assistant
Kansas Operations



Shallee Keenan
Administrative Assistant
Iowa Operations

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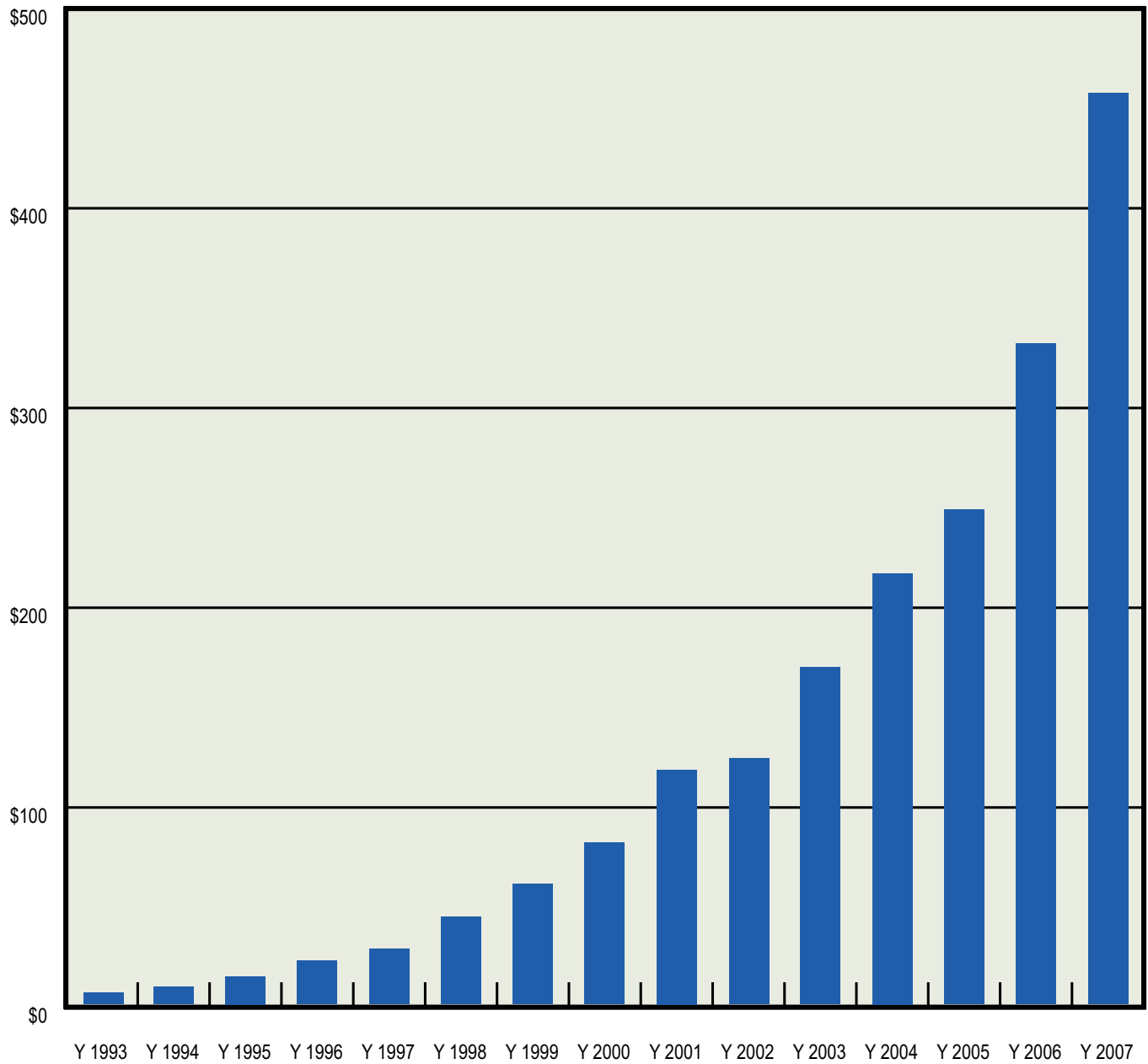
- Alltel
- Ameritas Life Insurance Corporation
- Bank of America Community Development Corp.
- Bank of Bennington
- Bank of the West
- BankFirst
- Berkshire Hathaway, Inc.
- Behlen Mfg. Company
- Cargill Financial Service Corporation
- Central States Health & Life Company of Omaha
- Commerce Bank, N.A.
- Consolidated Companies
- Country Bank Shares
- Equitable Federal Savings Bank
- Fannie Mae
- Farm & Home Insurance Agency, Inc.
- Farmers and Merchants Investment, Inc.
- First State Bank
- First State Bancshares
- Freddie Mac
- Home Federal Savings & Loan of Grand Island
- Info USA
- Jefferson Pilot
- Level 3 Communications
- Marine Bank
- Mutual of Omaha Insurance Company
- National Education Loan Network, Inc.
- Pinnacle Bank
- Principal Financial Services
- Qwest
- TierOne Bank
- US Bancorp Community Development Corp.
- Wells Fargo Bank Nebraska, N.A.

Investors to Date as of 12/31/2007

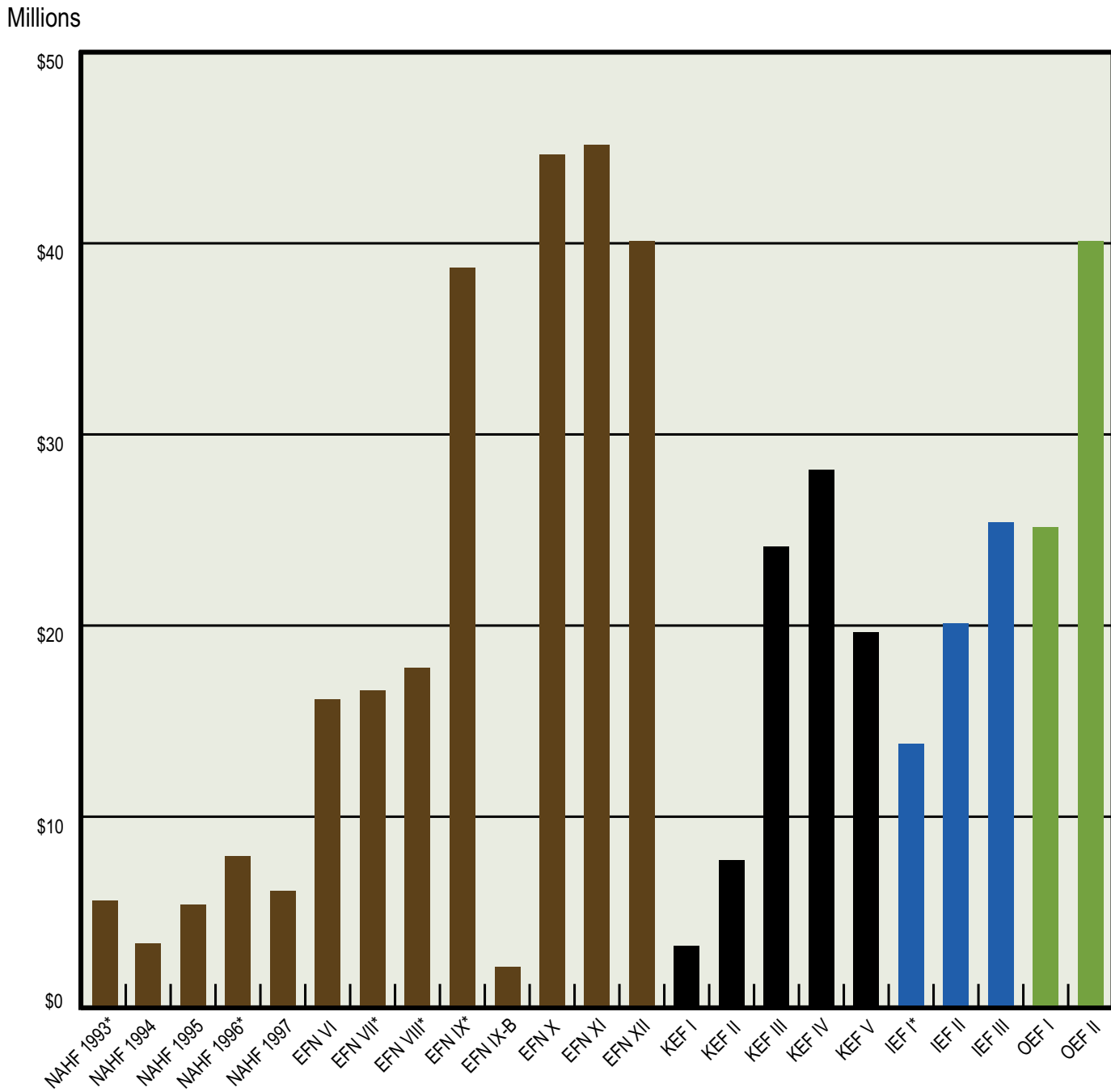
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- Arvest
- BancFirst
- Bank of the West
- Capital City Bank
- Capitol Federal Savings Bank
- Central National Bank
- Central State Bank
- Commerce Bank N.A.
- Community State Bank
- Dubuque Bank & Trust Community Development Corp.
- Fannie Mae
- Farmers and Merchants Investment, Inc
- First National Bank of Hutchinson
- First National Bank of Olathe
- First National Bank of Waverly
- Freddie Mac
- The Grundy National Bank of Grundy Center
- Industrial State Bank
- INTRUST Bank, N.A.
- JP Morgan Chase
- Kaw Valley Bank
- Landmark National Bank
- Maquoketa State Bank
- The Mission Bank
- Principal Affordable Housing Investors, LLC
- Principal Financial Services
- TierOne Bank
- Transamerica Life Insurance Company (Aegon)
- UMB Bank
- Valley View Bank
- Wells Fargo Community Development Corp.

Millions



Cumulative Equity Raised from 1993 to 12/31/2007

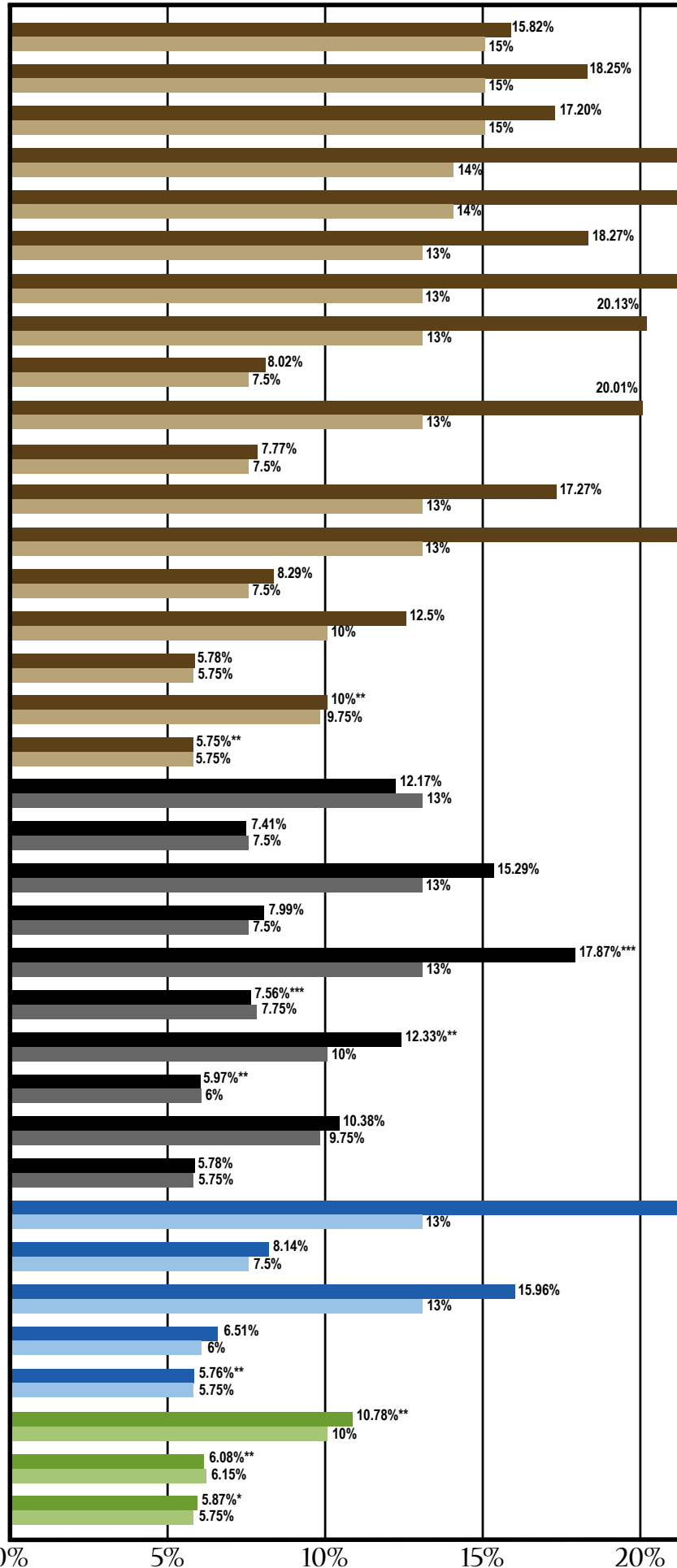


Equity Raised by Individual Funds as of 12/31/2007

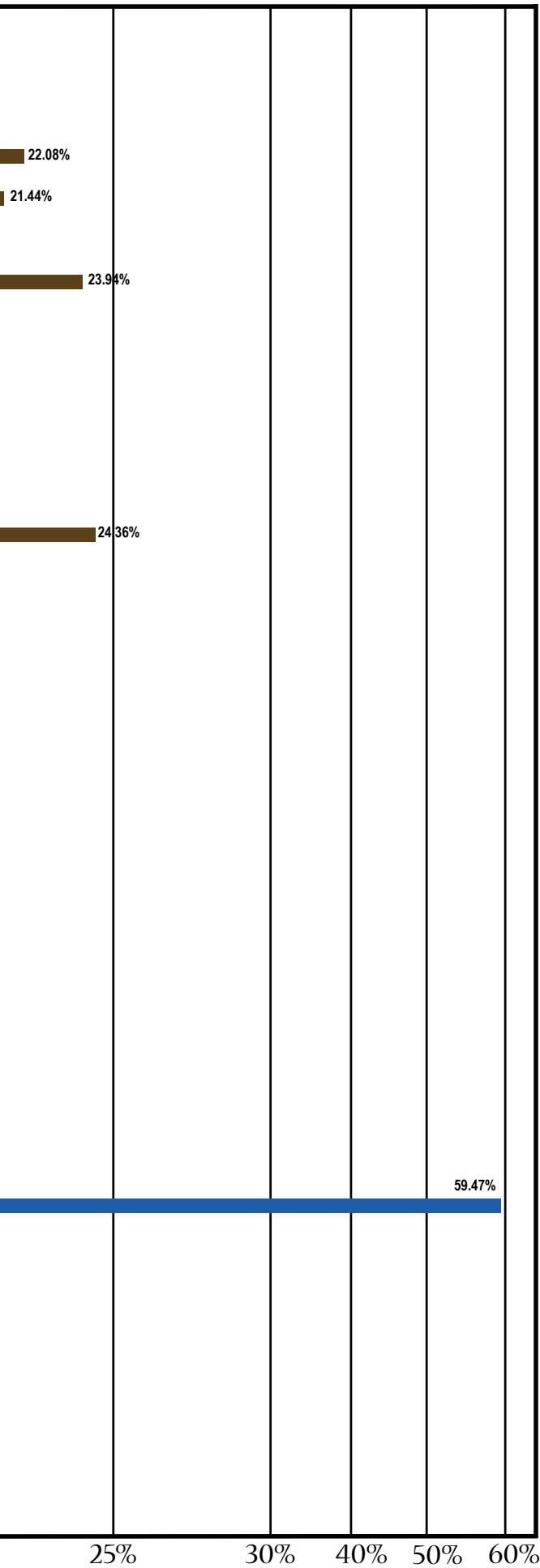
* Fund size also includes side-by-side or direct investment



NAHF 93
 NAHF 94
 NAHF 95
 NAHF 96
 NAHF 97
 EFN VI
 EFN VII
 EFN VIII - A Shares
 EFN VIII - B Shares
 EFN IX - A Shares
 EFN IX - B Shares
 EFN IX-B
 EFN X - A Shares
 EFN X - B Shares
 EFN XI - A Shares
 EFN XI - B Shares
 EFN XII - A Shares
 EFN XII - B Shares
 KEF I - A Shares
 KEF I - B Shares
 KEF II - A Shares
 KEF II - B Shares
 KEF III - A Shares
 KEF III - B Shares
 KEF IV - A Shares
 KEF IV - B Shares
 KEF V - A Shares
 KEF V - B Shares
 IEF I - A Shares
 IEF I - B Shares
 IEF II - A Shares
 IEF II - B Shares
 IEF III - B Shares
 OEF I - A Shares
 OEF I - B Shares
 OEF II - B Shares



Actual vs. Project Return as of 12/31/2007



* Four projects closed into Fund as of 12/31/07

** Some projects in Fund are currently in construction and lease-up.

*** IRR does not reflect credit adjusters yet to be collected.

- Actual
- Projected
- Actual
- Projected
- Actual
- Projected
- Actual
- Projected

Message from the Executive Vice President of Iowa Operations

During the year, I am very lucky to travel throughout this state, doing the job that I do. Inevitably I get to visit with the people who we assist. Often times during the year, in this industry one can easily forget the true end result of our efforts. We concentrate so much on getting the numbers to work, presenting the paperwork accurately, and handling the nuances of Section 42, that it is easy to forget what all of these efforts culminate in, and that is housing for people.

Every year I review properties in our portfolio, and in doing so get to meet the people who live in our units. In 2007, I had the great opportunity to meet a few that really stuck out in my memory. For example, one tenant of The Antlers, L.P. of Spirit Lake is a grandmother who gets to watch her grandson and is so happy because she has an affordable well built apartment that allows her to have the daily benefit of her extended family.

My travels took me to Van Allen Apartments in Clinton developed by Community Housing Initiatives. A notable building designed by Louis Sullivan, a famous architect, that some say was to be the first skyscraper built west of the Mississippi. These apartments exude the true sense of community, in that the tenants celebrate birthdays and have an annual Christmas party.

Recently I had the chance to visit with Elbert, a senior from southern Iowa, who is now living in the Lamoni Assisted Living facility operated by Care Initiatives. Elbert told me he had lived in Lamoni all his life, and that prior to moving into our property, he lived with his son. One could easily sense that he still has a lot to offer, now at the age of 85 he is benefiting from a new found enjoyment in life, having his own place and getting to be a part of activities that he missed out on before. Now he has daily interaction with people, truly enjoying his golden years.

This past year has provided its challenges. We have been forced to assume projects from a developer who did not want to live up to their expectations. I am proud of this company, because when we acted, we acted and did so decisively. What could have been a major setback is now being seen in the industry as a triumph. MHEG can be valued at its word, when others shy away from theirs. When the proverbial "rubber hits the road," the staff at MHEG reacts and reacts in a way to protect all facets of the project: the investors and the tenants.

This year really showed me and those here in Iowa, what a great staff we have at MHEG, people that probably never get enough praise for the efforts in which they provide. The quality of work and the work ethic continues to amaze me.

I want to close in saying that I feel very lucky. We at MHEG make an impact in our communities, and our states. Where else can someone do a job, and when they decide to move on in life, can look back and say "I had a part in providing housing, a tangible part in another person's life?" Add to that the people I get to interact with daily, such as my investors, my Operations/Investment Committee members; it truly gives me reason to understand how lucky I am to come to work every day, assisting in providing housing for people of the State of Iowa, and to be a part of the whole equation that provides safe, quality housing for citizens of the Midwest.

Dan Garrett
Executive Vice President



Stockbridge, L.P.

Stockbridge Apartments is an invigorating development located in Sherman Hill's neighborhood, Des Moines' oldest neighborhood. An area that has been around since the 1870's, Sherman Hills was Des Moines' first local historical district and provides a great deal of history and architecture. More recently the neighborhood has been focusing on urban development, mixing new properties with the already restored housing and buildings.

Stockbridge Apartments are newly constructed units that will help contribute to the revitalization of the downtown area. The project consists of 42 multifamily units total, within seven three-story buildings fashioned in an Italianate-style Victorian period. There will be 38 one-bedroom units and 4 two-bedroom units. The total project costs are \$6.3 million.

The apartments are close to several major employers in the downtown area, as well as many other services and transportation. Stockbridge will help fulfill the massive need for rental units, with most of downtown's current condominium market being owner occupied.

Hatch Development Group LLC, developer for Stockbridge, has had much success with previous LIHTC properties and we anticipate the same for Stockbridge. "The Neighborhood Investment Corporation and Hatch Development Group are proud to work with MHEG to bring the Stockbridge Apartments



Jack Hatch stands in front of the Stockbridge Apartments construction site.

to downtown Des Moines." stated Jack Hatch President of Hatch Development. "MHEG has been a wonderful partner on this deal. They have helped us overcome bumps in the road and we rely greatly on their expertise. We look forward to many future partnerships with them."

Construction for Stockbridge is slated to be completed in late summer of 2008.



Location: Des Moines, Iowa

Number of Units: 42

General Partner: Neighborhood Investment Corporation

Developer: Hatch Development Group LLC

Contractor: Koester Construction

Property Management: Perennial Property Management Services, LLC

Message from the Director of Kansas Operations

I am very pleased to have joined the MHEG family. After 38 years in Kansas banking, I am grateful to be with an organization whose mission is to provide a higher standard of living through affordable housing to individuals and families across our state. It is clear that MHEG cares about its investors, partners, associates and the people whom it serves. And I am a proud to be on board.

We had a stellar year in 2007, closing nine projects in Kansas for a total of \$23.3 million in equity. These projects resulted in 358 units of affordable housing all across the state, providing a road home to many Kansans; not only for families and seniors, but also for developmentally disabled and the homeless.

For example, Stonepost Apartments, developed by the Overland Property Group, is a new home for 32 families in the Hays area. This community of 20,000 in central Kansas has been growing and was in need of quality affordable housing. This project is the first tax credit project in Hays. Stonepost has excellent curb appeal with stone masonry on the front and attractive landscaping; it also sits across the street from a city park with baseball fields, a water park, and an elementary school. Property amenities are very similar to market rate units with two baths, new appliances, balconies and patios, as well as a community building and playground. It is apparent that the 32 families are very happy to be Stonepost residents. Plans are already underway for a second phase of this successful development.

As 2008 is upon us, we look forward to maintaining our current investors and expanding our investor base for the upcoming fund. We also look forward to working with our strong group of developers, general partners and the Kansas Housing Resource Corporation; all with the purpose of bringing more affordable rental housing to the people of Kansas.

We take pride in the properties we are involved with; however, occasionally problems can arise with a property. When this occurs, MHEG takes action to correct and ensure that the project remains strong, viable, and of the highest quality.

The entire MHEG staff and I are working full speed ahead to accomplish the 2008 vision through our fundamental business strategy of cultivating meaningful and substantial relationships with investors and partners in order to provide affordable housing across Kansas.

Patrick W. Michaelis
Director of Kansas Operations



Stonepost Partners, LLC

Stonepost Apartments, the first project with developer Overland Property Group, LLC, was a much anticipated partnership. Overland Property Group is a reputable developer with a great track record and product, and MHEG was eager to team up with them.

The development, located in Hays, Kansas is only a few blocks away from Fort Hays State Campus. The new development originally situated in a flood zone, as Hays is a very flat area, but the site was elevated 24 inches in order to bypass the flood plain. The property consists of 32 units between two buildings, with two and three-bedroom units. Stonepost Apartments also offers tenants great amenities such as a clubhouse, exercise facility, playground area and basketball court, as well as free internet access.

Tami Grover, a tenant of Stonepost Apartments, moved to the property in late 2007 with her two daughters. She loves her new home, "I feel very safe. It's really big and it actually feels like a home. It's awesome." Her daughters feel the same way;



Tami Grover and her two daughters, Tressidy (15) and Tia (11), enjoy their new home at the Stonepost Apartments.

Tressidy loves having all the outlets in each room and Tia's favorite amenity, the dishwasher.

Prior to moving into Stonepost, the family lived in a little studio apartment. The three of them shared one bathroom and one living space. Now the family excitedly shows off their new spacious home; a kitchen, dining room, living room, two bathrooms and three bedrooms, so the girls each have their own. Tia's already decorated hers to showcase her love of dolphins.

Tami remembers when they first drove by the apartments, "Tressidy pointed them out saying we should check those out, and I said, 'No way, we can't afford those, they're too nice.'" Fortunately that is not the case, Tami, along with other Stonepost Apartment tenants, is able to enjoy her new home at a much affordable cost. "I feel very grateful to have had this opportunity."



Location: Hays, Kansas
Number of Units - 32 units
Managing Member: SP Managers, LLC
Developer: Overland Property Group, LLC
Contractor: Woodco Inc.
Property Management: Weigand Omega



Message from the Executive Vice President of Nebraska Operations

As I pondered over my thoughts about the past year it occurred to me, I'm now in my mid-forties and looking back I have been very fortunate and blessed. And at the same time I ask the question have I made a difference?

I believe a successful life is measured in knowing you have helped others and made a positive difference in their lives. Throughout my life there have been many people who did this for me. It is my hope that in some way I am passing that blessing on to others.

Collectively, I believe we are doing this through the work we do in the affordable housing field. Just as the embers of a blacksmith's fire, together they produce a fire so hot that steel can be molded and changed. The players in our business can join hands and together warm and shape lives, truly making a difference. But it takes all of us, investors, developers, funders, lenders, contractors and architects working closely together to keep the fire going and continue helping those who need a better place to live, a better life.

Just as the embers will cool down within a matter of minutes when separated from each other, we must remember that we cannot make as great an impact individually. It is indeed together that we can truly make the most difference in the lives of those we seek to serve.

In closing, I want to express a sincere heartfelt thank you to all my friends and teammates of affordable housing. Collaboration has multiplying effects and it creates great results. It is a pleasure and honor to work with each of you. Without your help the mission of creating affordable housing would be lost. I encourage each of you to keep making a difference in your role of affordable housing.

Thomas Judds
Executive Vice President



Curtis Center Housing, L.P.

The Curtis Center Housing development is a transitional housing project that is an extension of the Men's Shelter program at the People's City Mission, an organization that has been helping the Lincoln community for 100 years. This unique transitional project offers more than just housing; it provides hope to hundreds of homeless men in the area.

The development itself, involved adding 60 single room occupancy (SRO) units to the current building. Each unit contains a microwave, refrigerator, sink, wardrobe and single bed. The development also includes a common restroom area with showers, laundry room, and a dining room where tenants are provided with three meals a day.

One of the many exceptional features of the Curtis Center is that tenants are allowed to stay up to 24 months. Often times the only available shelter for homeless men are emergency shelters with the more temporary lodging reserved for women and children.

The Curtis Center offers stability for these men and the opportunity to change their life. During their stay, the men are given additional assistance with counseling, education and life-skills workshops, as well as spiritual guidance through "pathways". Tenants must be involved in a pathway in order to stay at the Curtis Center.



Pastor Tom stands outside one of the 60 units available at the Curtis Center.

Pastor Tom Barber, Executive Director of the People's City Mission, believes the project is turning out better than they could have imagined, "The men at the Curtis Center show dignity again, they take care of themselves more." He feels the quality and permanence of the Curtis Center can make a difference in these men's lives. "People ask 'Why do the homeless need such a nice place?' and I answer 'They need it more than you do.'"

The Curtis Center provides a community and motivation for these men to change their life, hopefully making the transition from homelessness to independent living an easier road to travel.



Location: Lincoln, Nebraska
Number of Units: 60
General Partner: PCM Housing Corporation
Developer: People's City Mission Home
Contractor: Judds Brothers Construction
Property Management: PCM Housing Corporation

Message from the Executive Vice President of Oklahoma Operations

With our initial success in 2006, it was a foregone conclusion that 2007 was going to be special for MHEG – and it was.

There were many events that shaped our office in 2007 ranging from the developments that were closed, to the new faces at MHEG and in the Oklahoma office. We were able to succeed in 2007 by closing 8 projects ranging from smaller Rural Development projects in Idabel and Valliant, to closing some much larger projects in Oklahoma City and the surrounding areas. Oh yeah, we did all this on top of raising \$40 million for our second Oklahoma Fund, OEF II, L.P.

In the Oklahoma office, two new employees were added with the hiring of Sammy Ehtisham, Development Coordinator, and Sherri Teel, Administrative Assistant/Compliance Specialist. Both Sammy and Sherri started in April and have added quite a bit of expertise to our office. With their addition, MHEG continued its long list of quality staff. Without this staff, MHEG would not have been as successful as it was this year.

OEF II closed at \$40 million with the support and investment from JPMorgan Chase, Arvest Bank, BancFirst, Principal Financial Group, Bank of the West and Fannie Mae. A total of \$65 million in equity has been raised between OEF I and OEF II - strictly for Oklahoma projects. That number is staggering given the fact that 2007 was only our second full year of operations. With the enormous success of MHEG as a whole, we plan on 2008 being another strong year.

Following our company philosophy of being customer oriented and taking great care of our investor's money, we feel that we have been able to produce investments that are second to none. This is a great testament to our Oklahoma Operations & Investment Committee members which include Gene Rainbolt, Kenyon Morgan, Roger Beverage, Brad Krieger, Bob Spinks and Jim Rieker. In late 2007, Dennis Brand agreed to accept a position on our committee replacing Gene Rainbolt who wanted to act as a special adviser to MHEG for the Oklahoma Operations. I want to thank all of these individuals for making Oklahoma a huge success in 2007 and to also thank them in advance for their willingness to help MHEG in 2008 and beyond. Their vision and leadership will, undoubtedly, make MHEG a leader in Oklahoma again in 2008.

With all of that said, the future is bright for MHEG. We are doing projects with wonderful developers, as well as with other partners throughout the state that add so much to those developments. Excitement is an understatement when I think of what we can accomplish in 2008 because I have already seen such great things in 2007. If we can top that – what a year we will have.

Thank you all for your partnerships and for your support over the past year. See you in 2008.

With all His Glory,

Jamie Wilson
Executive Vice President



Valliant Village Limited Partnership

Valliant Village Apartments is a great example of a rehabilitation project that justly shows the amazing transformation of pre-existing rundown units turned into safe, quality affordable housing. The property went through massive changes, both interior and exterior. All 18 units received new appliances and cabinets in the kitchen, as well as new bathroom fixtures and plumbing. The units also had new flooring and windows installed.

The exterior work was just as extensive, with the units receiving new roofing, siding, and stairwells. The two-story buildings which previously had exterior porches were removed as a safety precaution. Sidewalks and landing areas were also repaired and updated throughout the property, and trees inside the courtyard were trimmed. The total project costs were \$1.5 million.

To view pictures of this property before and after rehabilitation, you can observe the significant changes. Valliant Village Apartments today, are truly the definition of quality affordable housing and no one

better understands that than the tenants of this property.

Betty Hall, an 8-year resident of the property, loves the transformation of the apartments and glows when she talks about the vast differences. "The old apartments had holes in the walls, the AC didn't work, and the management company didn't take care of the details of the complex," said Hall.

After the rehab completion, she says tenants want to take better care of the property and keep it nice. Her favorite change is the new walls, "I used to cover up all the holes in the wall with lots of pictures, but now I only have one picture up, a drawing of Jesus."

Nowadays Hall enjoys the property, she happily sits outside on her new porch and watches her grandchildren play on the new playground equipment. "The columns make me feel like I'm in one of those fancy houses," she remarks and the only thing she's missing, "I'm just waiting for the grass to grow in!"



Betty Hall, 60, stands outside her Valliant Village complex with her 6-year-old grandson Alex.



Location: Valliant, Oklahoma
Number of Units: 18
Managing Member: Southridge Apts., Inc.
Developer: Southridge Apts., Inc.
Contractor: Ken's Homes, Inc.
Property Management: Western Property Management



In 2007, MHEG closed 29 projects in six different investment funds, creating 1,240 affordable housing units throughout Iowa, Kansas, Nebraska and Oklahoma. These developments ranged from single family homes, multi-family complexes and duplexes, to historical renovations and special needs developments - such as elderly and transitional homeless facilities.



Berry Court, Limited Partnership
Cherry Creek Townhomes, L.L.C.
Creekside Partners, LLC
CreekSide Place, LLC
Cottage Park, LP1
Curtis Center Housing, L.P.
FHI Apartments, LP
Greenview Estates, LLC
Idabel Pioneer Village, Limited Partnership
MDI Limited Partnership #104, LLC
Mount Olive, L.P.
Parkwild Heights, LLC
Red Bud Crown, LLC
Richmond Place, LLC
SAIL Associates, LLC
Sanctuary Transitional Housing I, L.L.L.P.
Southeast Villa, LLC
Stockbridge, L.P.
Stonepost Partners, LLC
Street of Dreams, LLC
Tierra Verde Apartments, L.L.C.
Valley Crown, L.L.C.
Valliant Village Limited Partnership
Village at Oakwood, L.L.C.
Westlawn Gardens, LP1
Windridge Townhomes, L.L.C.
Woodland Park Townhomes, LLC
Woodson Park Apartments, Limited Partnership
Yorktowne Estates, LLC

2007 Closed Projects



Berry Court, Limited Partnership

Iowa City, IA - 14 units - Multifamily

GP: The Housing Fellowship

Developer: The Housing Fellowship

Contractor: Selzer Werderitsch Associates

Property Management: The Housing Fellowship



Cherry Creek Townhomes, L.L.C.

Columbus, KS - 16 units - Senior

Managing Member: Columbus Housing, Inc.

Developer: Manske & Associates, LLC

Contractor: Strawn Homes, Inc.

Property Management: Columbus Housing, Inc.



Creekside Partners, LLC

Olathe, KS - 88 units (+56 market rate units) - Senior

Managing Member: Creekside Managers, LLC

Developer: Overland Property Group, LLC

Contractor: Woodco, Inc.

Property Management: Overland Property Group, LLC



CreekSide Place, LLC

Great Bend, KS - 18 units - Senior

Managing Member: Housing Opportunities, Inc.

Developer: Mesner Development Company

Contractor: Housing Opportunities, Inc.

Property Management: Housing Opportunities, Inc.



Cottage Park, LP1

Midwest City, OK - 38 units - Senior

GP: Carland Group, L.L.C.

Developer: Carland Group, L.L.C.

Contractor: Redbud Contractors, L.L.C.

Property Management: Arzon Development, L.L.C.



FHI Apartments, LP

Manhattan, KS - 58 units - Multifamily

GP: FHI Housing, Inc.

Developer: R & J Investment Group, LLC

Contractor: Dave Osborne Construction

Property Management: Manhattan Housing Authority



Greenview Estates, LLC

Omaha, NE - 14 units - Single Family

Managing Member: Greater St. Paul Ministries, Inc.

Developer: Excel Development Group

Contractor: Buland Construction

Property Management: Excel Development Group



Idabel Pioneer Village, Limited Partnership

Idabel, OK - 24 units - Multifamily

GP: Southridge Apts., Inc.

Developer: Southridge Apts., Inc.

Contractor: Ken's Homes, Inc.

Property Management: Western Property Management



MDI Limited Partnership #104, LLC

Winfield, KS - 12 units - Multifamily

GP: Munding Hall II GP, LLC

Developer: MetroPlains, LLC

Contractor: Key Construction

Property Management: MetroPlains Management, LLC



Mount Olive, L.P.

Oklahoma City, OK - 60 units - Senior

GP: Urban League Mt. Olive, L.L.C.

Developer: The Urban League of Greater Oklahoma City, Inc.

Contractor: Redbud Contractors, L.L.C.

Property Management: Western Property Management

2007 Closed Projects

Parkwild Heights, LLC

Council Bluffs, IA - 96 units - Multifamily
Managing Member: Parkwild Investors, LLC
Developer: Seldin Company
Contractor: N/A
Property Management: Seldin Company

Red Bud Crown, LLC

Auburn & Pawnee City, NE - 8 units - Single Family
Managing Member: Crown Pointe Properties, LLC
Developer: Crown Pointe Properties, LLC
Contractor: Vantage Pointe Homes, Inc.
Property Management: Crown Pointe Management & Development, LLC

Richmond Place, LLC

Wichita, KS - 20 units - Special Needs
Managing Member: Kansas Elks Training Center for the Handicapped, Inc. (KETCH)
Developer: Vintage Construction LLC & KETCH
Contractor: Vintage Construction LLC
Property Management: KETCH

SAIL Associates, LLC

Oklahoma City, OK - 213 units (+3 manager units) - Multifamily
Managing Member: Havenwood Management, LLC
Developer: Havenwood Development, LLC
Contractor: Havenwood Development, LLC
Property Management: CAAL Management Company, LLC

Sanctuary Transitional Housing I, L.L.L.P.

Sioux City, IA - 24 units - Multifamily
GP: Sanctuary Transitional Housing, L.L.C.
Developer: Jackson Recovery Centers, Inc.
Consultant: Prime Development, L.L.C.
Contractor: L & L Builders
Property Management: Prime Agency, L.L.C.



Southeast Villa, LLC

Central City, NE - 12 units - Senior

Managing Member: Housing Agency of the City of Central City, Nebraska

Developer: Mesner Development Company

Contractor: Rathman - Manning Construction

Property Management: Housing Agency of the City of Central City, Nebraska



Street of Dreams, LLC

Larned, KS - 10 units - Single Family

Managing Member: Housing Opportunities, Inc.

Developer: Mesner Development Company

Contractor: Housing Opportunities, Inc.

Property Management: Housing Opportunities, Inc.



Tierra Verde Apartments, L.L.C.

Hutchinson, KS - 48 units - Multifamily

Managing Member: New Beginnings, Inc.

Developer: Manske & Associates

Contractor: Strawn Contracting, Inc.

Property Management: New Beginnings, Inc.



Valley Crown, L.L.C.

Valley, NE - 12 units - Single Family

Co-Managing Members: Foundations Development, L.L.C.

& Douglas County Housing Authority

Developer: Foundations Development, L.L.C.

Contractor: Overland Construction, Inc.

Property Management: Douglas County Housing Authority



Village at Oakwood, L.L.C.

Oklahoma City, OK - 90 units - Senior

Managing Member: VAO, LLC

Developer: VAO, LLC

Contractor: Mackey Industries

Property Management: Silver Oak Senior Living, L.L.C

2007 Closed Projects



Westlawn Gardens, LP1

Oklahoma City, OK - 24 units - Multifamily

GP: City Care, Inc.

Developer: City Care, Inc.

Contractor: Buland Group

Property Management: City Care, Inc.



Windridge Townhomes, L.L.C.

Grand Island, NE - 40 units - Senior

Managing Member: Housing Plus, LLC

Developer: Mesner Development Company

Contractor: Jim Narber

Property Management: Mesner Development Company
& O'Connor Enterprises, Inc.



Woodland Park Townhomes, LLC

Grand Island, NE - 28 units - Senior

Managing Member: Midwest Housing Initiatives, Inc

Developer: Excel Health Service, Inc.

Contractor: Buland Construction Co.

Property Management: Excel Health Service, Inc.



Woodson Park Apartments, Limited Partnership

El Reno, OK - 52 units

GP: Housing Concepts, Inc.

Developer: Housing Concepts, Inc.

Contractor: Housing Concepts, Inc.

Property Management: Housing Concepts, Inc.



Yorktowne Estates, LLC

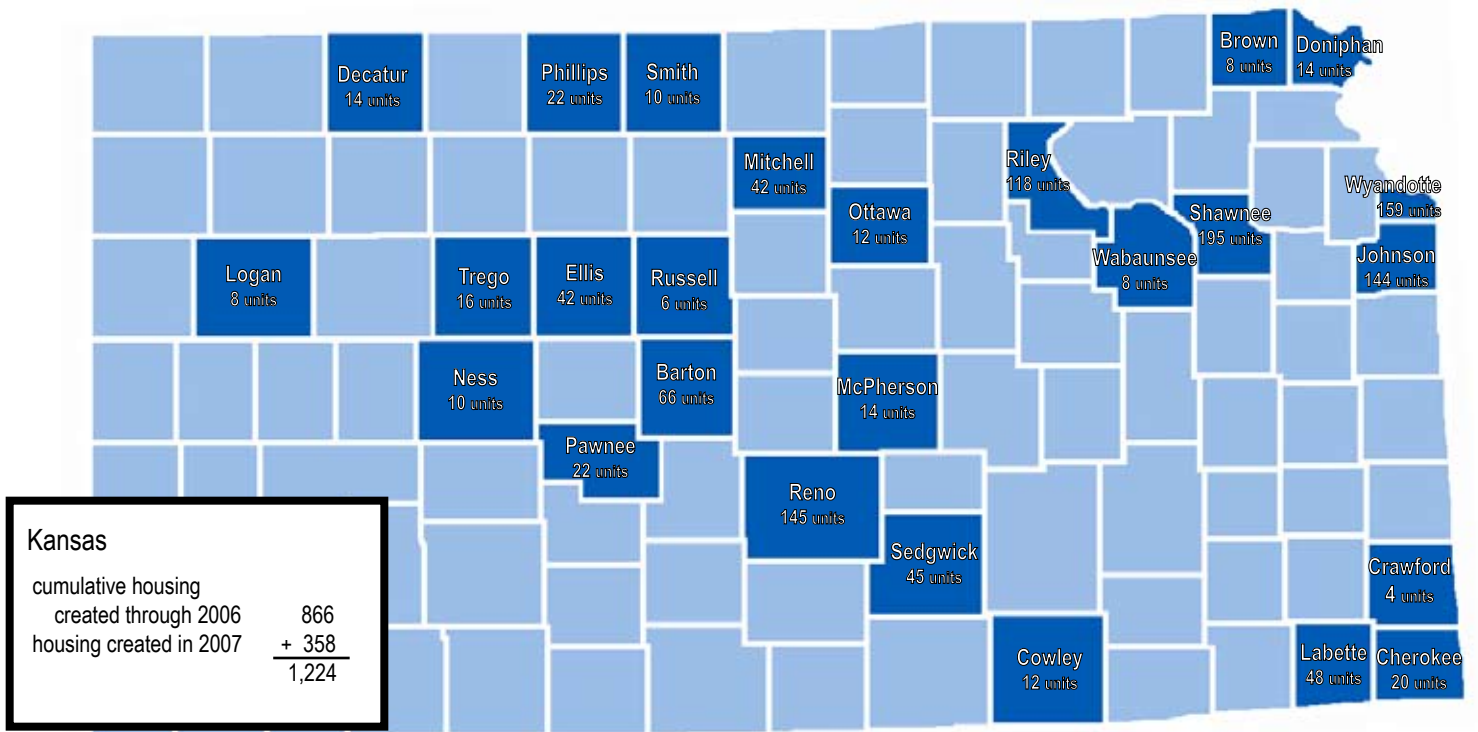
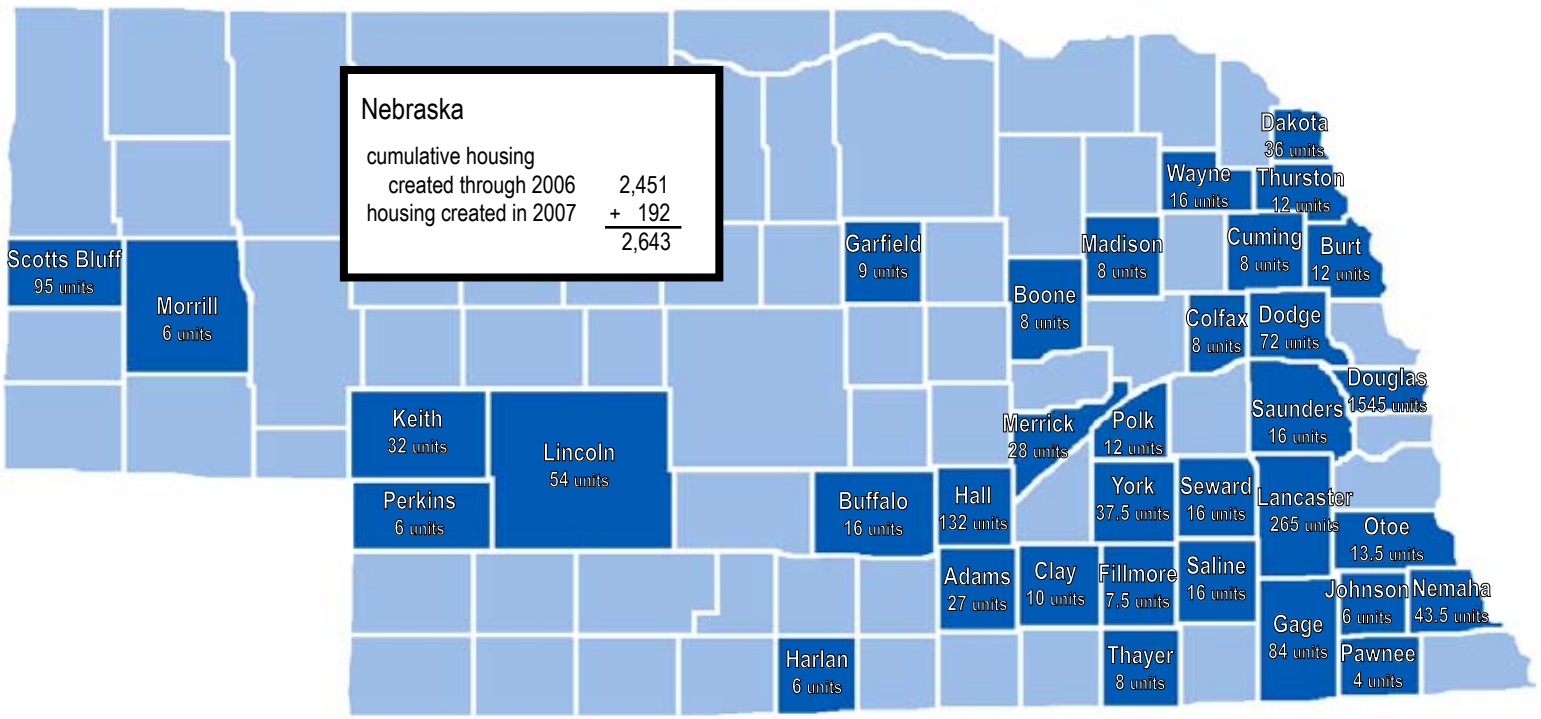
York, NE - 14 units

Managing Member: Midwest Housing Initiatives, Inc.

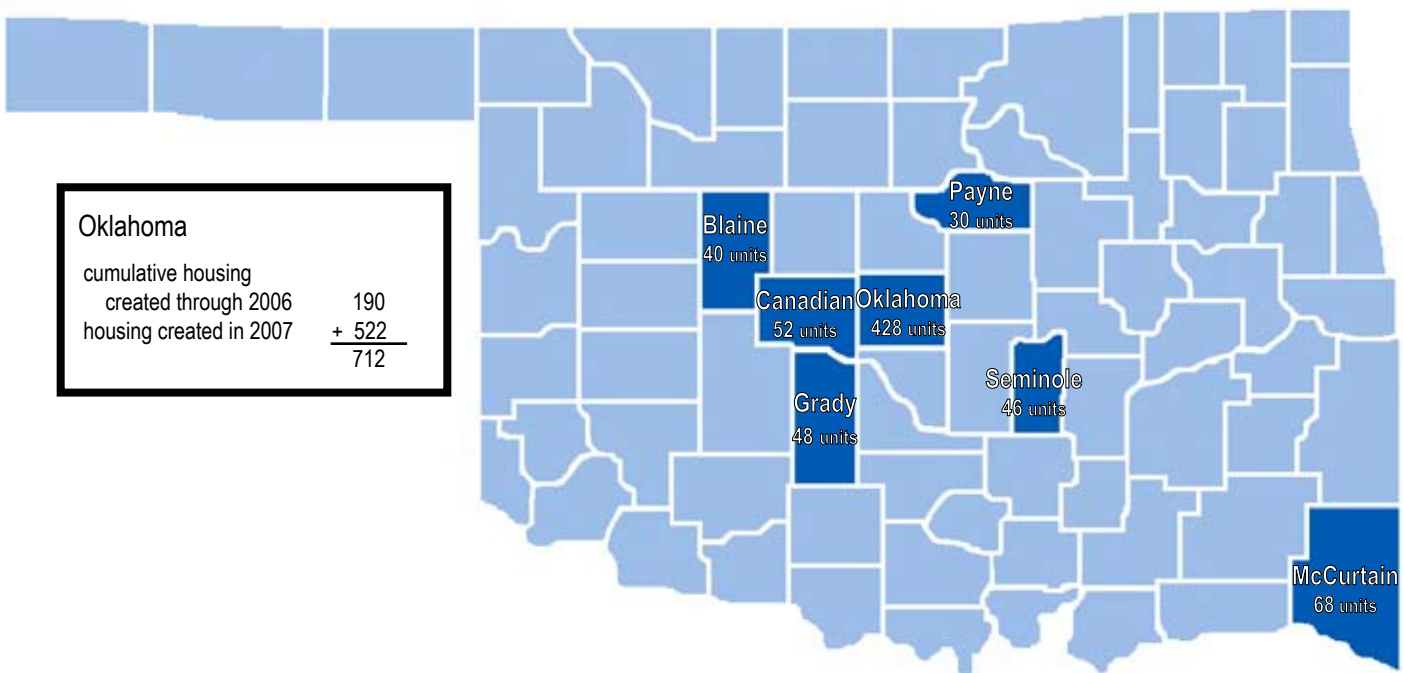
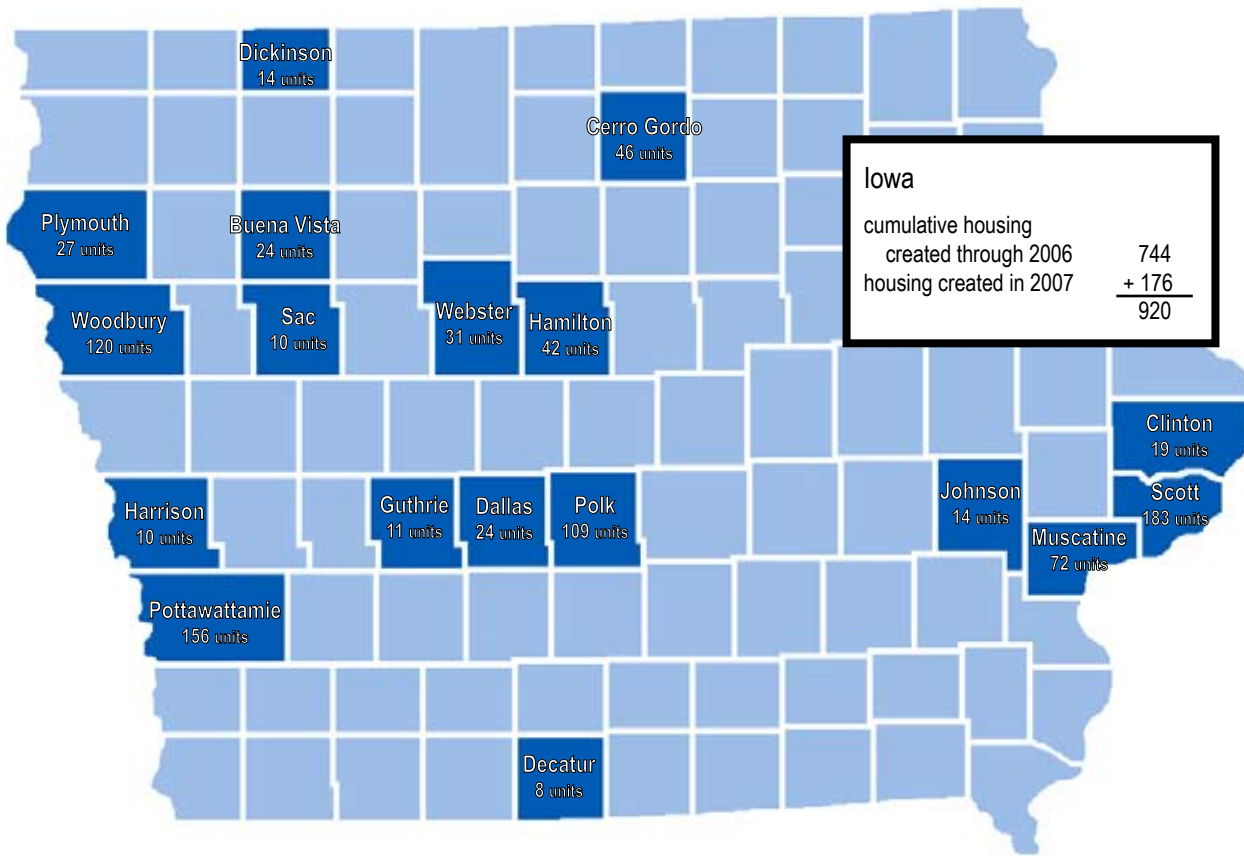
Developer: Excel Health Service, Inc.

Contractor: Buland Construction Co.

Property Management: Excel Health Service, Inc.



Housing Units by County



Total Housing Created by MHEG

cumulative housing created through 2006	4,261
housing created in 2007	+ 1,248
Total	5,509

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