CLEMSON UNIVERSITY REAL ESTATE FOUNDATION, INC.

CONSOLIDATED FINANCIAL STATEMENTS

As of and for the Years Ended June 30, 2012 and 2011

And

Independent Auditors' Report

CLEMSON UNIVERSITY REAL ESTATE FOUNDATION, INC.

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CHERRY BEKAERT & HOLLAND
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

Independent Auditors' Report

Board of Directors
Clemson University Real Estate Foundation, Inc.
Clemson, South Carolina

We have audited the accompanying consolidated statements of financial position of Clemson University Real Estate Foundation, Inc. (the "Foundation") as of June 30, 2012 and 2011, and the related consolidated statements of activities and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of June 30, 2012 and 2011, and the change in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Cherry, Bekaert + Holland, L.L.P.

Greenville, South Carolina
September 19, 2012

CLEMSON UNIVERSITY REAL ESTATE FOUNDATION, INC.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2012 AND 2011

	2012	2011
ASSETS		
Cash and cash equivalents	$ 910,678	$ 239,709
Receivables	783,315	775,212
Real estate investments	30,051,483	35,251,591
Real estate, net	12,790,428	11,647,043
Development costs	1,335,451	1,335,451
Other	7,236	5,466
Total assets	$ 45,878,591	$ 49,254,472
LIABILITIES AND NET ASSETS		
Accounts payable	$ 402,237	$ 287,261
Accrued interest payable	25,214	22,479
Deposits held for others	30,005	-
Retainage payable	170,780	248,553
Deferred rent revenue	2,989,057	1,348,837
Due to Clemson University Foundation	21,061,489	21,036,810
Notes payable	7,817,305	7,284,323
Total liabilities	32,496,087	30,228,263
Net assets:		
Unrestricted	(2,882,703)	3,023,523
Temporarily restricted	16,265,207	16,002,686
Total net assets	13,382,504	19,026,209
Total liabilities and net assets	$ 45,878,591	$ 49,254,472

The accompanying notes to the consolidated financial statements are an integral part of this statement.

CLEMSON UNIVERSITY REAL ESTATE FOUNDATION, INC.

CONSOLIDATED STATEMENTS OF ACTIVITIES

YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE INFORMATION FOR 2011)

	Unrestricted	Temporarily restricted	Totals 2012	Totals 2011
Revenues, gains, and other support:				
Gifts	$ 205,624	$ 1,281,519	$ 1,487,143	$ 1,595,878
Rental revenues	761,848	22,302	784,150	120,179
Federal grant	300,486	-	300,486	2,062,726
Common area fees	383,175	-	383,175	377,690
Other	65,833	875	66,708	-
Unrealized gain (loss) on real estate investment:	(6,678,678)	(891,400)	(7,570,078)	-
Total revenues and gains	(4,961,712)	413,296	(4,548,416)	4,156,473
Net assets released from restrictions	150,775	(150,775)	-	-
Total revenues, gains, and other support	(4,810,937)	262,521	(4,548,416)	4,156,473
Program expenses:				
Gifted property	150,775	-	150,775	97,337
CU-ICAR campus	643,732	-	643,732	510,605
Total program expenses	794,507	-	794,507	607,942
Interest expense	300,782	-	300,782	31,623
Total expenses	1,095,289	-	1,095,289	639,565
Change in net assets	(5,906,226)	262,521	(5,643,705)	3,516,908
Net assets at beginning of year	3,023,523	16,002,686	19,026,209	15,509,301
Net assets at end of year	$ (2,882,703)	$ 16,265,207	$ 13,382,504	$ 19,026,209

The accompanying notes to the consolidated financial statements are an integral part of this statement.

CLEMSON UNIVERSITY REAL ESTATE FOUNDATION, INC.

CONSOLIDATED STATEMENTS OF ACTIVITIES

YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE INFORMATION FOR 2010)

	Unrestricted	Temporarily Restricted	Totals 2011	Totals 2010
Revenues, gains, and other support:				
Gifts	$ 334,500	$ 1,261,378	$ 1,595,878	$ 878,074
Rental revenues	103,558	16,621	120,179	103,558
Federal grant	2,062,726	-	2,062,726	-
Common area fees	377,690	-	377,690	472,320
Other fees	-	-	-	25,000
Total revenues and gains	2,878,474	1,277,999	4,156,473	1,478,952
Net assets released from restrictions	97,337	(97,337)	-	-
Total revenues, gains, and other support	2,975,811	1,180,662	4,156,473	1,478,952
Program expenses:				
Gifted property	97,337	-	97,337	77,297
CU-ICAR campus	510,605	-	510,605	625,891
Total program expenses	607,942	-	607,942	703,188
Interest expense	31,623	-	31,623	30,267
Total expenses	639,565	-	639,565	733,455
Change in net assets	2,336,246	1,180,662	3,516,908	745,497
Net assets at beginning of year	687,277	14,822,024	15,509,301	14,763,804
Net assets at end of year	$ 3,023,523	$ 16,002,686	$ 19,026,209	$ 15,509,301

The accompanying notes to the consolidated financial statements are an integral part of this statement.

CLEMSON UNIVERSITY REAL ESTATE FOUNDATION, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2012 AND 2011

	2012	2011
Cash flows from operating activities:		
Change in net assets	$ (5,643,705)	$ 3,516,908
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Unrealized loss on investments	7,570,078	-
Noncash gifts	(1,281,519)	(1,261,378)
Depreciation expense	134,719	88,686
(Increase) decrease in assets:		
Receivables	(8,103)	(775,212)
Other assets	(1,770)	(639)
Increase (decrease) in liabilities:		
Accounts payable	114,976	249,684
Accrued interest payable	2,735	16,167
Deposits held for others	30,005	-
Retainage payable	(77,773)	248,553
Deferred revenue	1,640,220	139,848
Due to Clemson University Foundation	24,679	13,157
Net cash provided by operating activities	2,504,542	2,235,774
Cash flows from investing activities:		
Purchases of equipment	-	(23,049)
Construction in progress	(2,366,555)	(7,571,727)
Net cash used in investing activities	(2,366,555)	(7,594,776)
Cash flows from financing activities:		
Proceeds from notes payable	909,234	5,474,905
Principal payments on notes payable	(376,252)	(45,757)
Net cash provided by financing activities	532,982	5,429,148
Net increase in cash and cash equivalents	670,969	70,146
Cash and cash equivalents, beginning of year	239,709	169,563
Cash and cash equivalents, end of year	$ 910,678	$ 239,709
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 324,316	$ 162,398

The accompanying notes to the consolidated financial statements are an integral part of this statement.

Note 1—Organization

The Clemson University Real Estate Foundation, Inc. (the "Foundation") was formed to serve the needs of Clemson University (the "University") and/or Clemson University Foundation ("CUF") in the acceptance of gifts and the acquisition and development of property and real estate. Proceeds from sales of property and real estate are contributed to CUF and / or the University for the benefit of donor imposed programs and endowments.

Note 2—Summary of Significant Accounting Policies

Basis of Accounting - The consolidated financial statements of the Foundation have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation - The Foundation's net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

> *Unrestricted net assets* - Net assets that are not subject to donor-imposed stipulations.
>
> *Temporarily restricted net assets* - Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Foundation and/or the passage of time.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

Gifts of property and real estate, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value.

Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions.

Revenues under Federal and nongovernmental grants and contracts are recognized as expenses are incurred for the grant and contract purposes.

Note 2—Summary of Significant Accounting Policies (continued)

Income and net realized and unrealized gains (losses) on investments are reported as follows:

> As increases (decreases) in temporarily restricted net assets if the terms of the gift impose restrictions on the use of the income;
>
> As increases (decreases) in unrestricted net assets in all other cases.

Principles of Consolidation - The consolidated financial statements include the financial statements of the Foundation and its wholly owned subsidiaries LICAM LLC and LICAR LLC. All significant intercompany balances and transactions have been eliminated in consolidation.

Cash and Cash Equivalents - The Foundation considers all interest bearing money market accounts with an initial maturity of three months or less at the date of purchase to be cash equivalents. Bank balances are insured for $250,000 through the Federal Depository Insurance Corporation ("FDIC"). During the year, the Foundation from time to time may have had amounts on deposit in excess of the insured limits. As of June 30, 2012, the Foundation had exceeded these insured amounts.

Receivables - Receivables primarily consist of amounts due from the Federal government and private sources in connection with reimbursement of allowable expenditures made pursuant to the Foundation's grants and contracts. The Foundation's management reviews the outstanding receivables balance and determines the appropriate valuation reserve based on a historical percentage. Accounts are charged off when management believes the account will not be realized. Based on the payment history, management believes that no allowance for possible uncollectible amounts is necessary.

Real Estate Investments - Real estate investments consist of donated properties, gifts of life estate properties, land leased to tenants and land held for development. All real estate investments are presented at fair value with the exception of life estates, which are presented at fair value less a discount to present value. Real estate investments are appraised every two to three years and reviewed annually by management.

Donated properties are appraised by a certified, independent appraiser and recorded at fair value at the time of donation. A certified title examination is performed and if appropriate, an environmental survey is obtained.

Life estate properties are restricted gifts whereby the Foundation's right to realize the economic benefits is restricted for a defined time period. As a result, the gifts are recorded at the discounted present value at applicable interest rates at the time of the gift.

Land leased to tenants is recorded at fair value at the time of acquisition. The land is leased for a sixty-five year period with option to renew for three ten year periods.

Note 2—Summary of Significant Accounting Policies (continued)

Land held for development is recorded at fair value at the time of acquisition. The land is being marketed as commercial property for long term development over an approximate twenty-five year period.

Real Estate - Real estate consists of land, buildings and infrastructure in use or held for later programmatic use. Real estate is recorded at the lower of cost or the appraised fair value on the date of donation.

Buildings and infrastructure are depreciated using the straight-line method over the estimated useful lives of the respective assets ranging from 15 to 25 years.

Development Costs - Development costs include costs related to the master plan, civil engineering and site preparation at the Clemson University International Center for Automotive Research ("CU-ICAR") campus development. These costs have been capitalized and will be amortized over the estimated benefited life when the property is ready for its intended use.

Income Taxes - The Foundation is recognized as an organization exempt from Federal income tax on related income under Section 501(a) of the Internal Revenue Code (the "Code") and described as an organization in Section 501(c)(3) of the Code. Accordingly, only unrelated business income, as defined by Section 513 of the Code, is subject to Federal income tax.

The Foundation's policy is to record a liability for any tax position taken that is beneficial to the Foundation, including any related interest and penalties, when it is more likely than not the position taken by management with respect to a transaction or class of transactions will be overturned by a taxing authority upon examination. Management believes that there are no such positions as of June 30, 2012 and 2011 and, accordingly, no liability has been accrued. The open tax years for the Foundation include the years ended June 30, 2009, 2010 and 2011.

Use of Estimates - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management of the Foundation to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 3—Receivables

Receivables reported in the Statements of Net Assets as of June 30, 2012, were as follows:

	Private	Federal	Total
Grants and contracts receivable	$ 254,236	$ 529,079	$ 783,315
Total receivables	$ 254,236	$ 529,079	$ 783,315

Note 4—Fair Value Measurements

Fair value, as defined under GAAP, is an exit price, representing the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Foundation utilizes market data or assumptions that market participants would use in pricing the asset or liability. The Foundation has characterized its financial assets and liabilities which are measured at fair value and recorded in the balance sheet, based on a three-level fair value hierarchy based on the inputs to valuation techniques as follows:

Level 1 - valuations based on quoted prices in active markets for identical assets or liabilities.

Level 2 - valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 - valuations based on unobservable inputs reflecting the Foundation's own assumptions, consistent with reasonably available assumptions made by other market participants. These valuations require significant judgment or estimation by the investment manager.

The following table summarizes the valuation of the Foundation's financial assets measured at fair value as of June 30, 2012, based on the level of input utilized to measure fair value:

Measurement at fair value on a non-recurring basis at June 30, 2012:

	Level 1	Level 2	Level 3
Real estate held for resale	$ -	$ 3,226,600	$ -
Life estate properties, net	-	510,659	-
Land held for lease to tenants	-	1,460,000	-
Land held for development	-	24,854,224	-
Total assets measured on a non-recurring basis	$ -	$ 30,051,483	$ -

Measurement at fair value on a non-recurring basis at June 30, 2011:

	Level 1	Level 2	Level 3
Real estate held for resale	$ -	$ 4,057,000	$ -
Life estate properties, net	-	568,245	-
Land held for lease to tenants	-	1,218,000	-
Land held for development	-	29,408,346	-
Total assets measured on a non-recurring basis	$ -	$ 35,251,591	$ -

Note 5—Real Estate Investments

Real estate held for resale at June 30, 2012 and 2011 is as follows:

Description/Location		2012		2011
Lake Hartwell, Anderson, South Carolina				
Lot 2, Clearwater Shores	$	23,000	$	23,000
Powdersville, South Carolina				
Lot 1 – 1.827 acres and lot 3 – 2.283 acres		685,000		685,000
Salem, South Carolina				
Flagship Drive, Lot 78 – Keowee Key		193,500		245,000
Florence, South Carolina				
Lot 3 – 1.88 acres; lot 4 – 2.34 acres; and tract C - .64 acres		1,295,100		1,554,000
Lake Wylie, Charlotte, North Carolina				
11100 Limehurst Place		790,000		1,100,000
Fulton County, Georgia				
4.005 acres		240,000		450,000
Total land held for resale	$	3,226,600	$	4,057,000

The Foundation has received two gifts of real estate from donors who have retained the right to use the property until their deaths. At the date of donation the gifts had an appraised value of $157,700 and $126,000, respectively. The Foundation has recorded the gifts at fair market value and discounted the gifts at the present value of the appraised amounts because the economic benefit of the properties will not be realized until the restriction of the right to use the properties ends.

The present value calculation considered the life expectancy of the donors and discounted the gifts at applicable interest rates, at the time of the gifts. Accretion recorded was $3,414 and $3,240 in 2012 and 2011, respectively.

Life estate properties consist of the following at June 30, 2012 and 2011:

Description/Location		2012		2011
Riverpoint Condominium, Clemson, South Carolina, Unit 38	$	335,000	$	371,000
Houston Street, Clemson, South Carolina, Lot 5		175,659		197,245
	$	510,659	$	568,245

The Foundation has acquired land in Greenville, South Carolina to be developed into the Clemson University International Center for Automotive Research (CU-ICAR).

In December 2005, the Foundation entered into a sixty-five year ground lease for 3.53 acres. The lease required additional rental payments from the lessee within the initial six years of the lease. The lease terms include an escalation clause at the end of every fifth year based on the Consumer Price Index for All Urban Consumers ("CPI-U") and an option to renew for three ten-year terms. The Foundation has estimated the rent over the initial lease term and recorded deferred rent revenue for the difference between actual rent received and rental revenue recognized on a straight-line basis over the lease term.

Note 5—Real Estate Investments (continued)

Future minimum rental payments under noncancelable operating leases (with initial or remaining lease terms in excess of one year) as of June 30, 2012 are:

2013	$	75,000
2014		75,000
2015		75,000
2016		75,000
2017		75,000
2018 through year 2070		4,012,500
Total minimum lease payments	$	4,387,500

Rental revenues were $113,843 and $103,558 for the years ending June 30, 2012 and 2011, respectively.

In September, 2009, the Economic Development Administration awarded the Foundation $3,000,000 for the construction of a $9,700,000 facility to be located in the CU-ICAR complex in Greenville, SC. The multi-tenant 60,000 square foot structure will provide office and laboratory space for companies developing new technologies in the automotive, mobility, and energy fields, and will serve as an incubator and start-up space for companies developing new innovative automotive technologies. Leases for approximately 75% of the facility have been secured. Construction is scheduled to be completed by December 2012.

The Foundation entered into leases for space in the Center for Emerging Technology building with multiple tenants. The lease periods range from five to ten years and required additional payments from the lessee for upfit. The payments have been recorded as deferred rent revenue and will be recognized as rent revenue over the lease terms which commenced in July 2011. Rental revenue of $133,324 was recognized for the year ending June 30, 2012.

Interest expense capitalized was $26,617 and $146,941 for the years ended June 30, 2012 and 2011, respectively.

Note 6—Real Estate, net

Land, buildings and infrastructure located throughout the State have been acquired or donated to the Foundation and are restricted for the use and benefit of University educational programs.

		2012		2011
Land	$	9,653,000	$	9,528,000
Buildings and infrastructure		3,454,841		2,301,737
		13,107,841		11,829,737
Accumulated depreciation		(317,413)		(182,694)
Total	$	12,790,428	$	11,647,043

Included in real estate is 853.53 acres of timberland in Camden, South Carolina that has an appraised value of $7,750,000. The Foundation is required to assign a Conservation Easement to 753.53 acres requiring the land remain in its undeveloped state but allow for construction, operation, and management of facilities for educational purposes. Accordingly, the property was reappraised and the market value is comprised of land of $2,193,000 and the Conservation Easement to be applied of $5,557,000.

175.96 acres land, camp facilities and infrastructure known as Pinnacle Falls Camp located in Pickens County, South Carolina were donated to the Foundation and recorded at the appraised fair value. The land has an appraised value of $1,617,000. Restrictive covenants require the land to remain largely in its natural state and used for the benefit of University educational programs.

In October 2011, the Foundation received a gift of real estate known as the Charles K. Cheezem OLLI Education Center at Patrick Square. The 7,700 square foot facility provides opportunities for adults to further their knowledge in academic and recreational pursuits through programs operated by volunteers through Clemson University.

Depreciation expense was $134,719 and $88,686 for the years ending June 30, 2012 and 2011, respectively.

Note 7—Development Costs

Development costs for the comprehensive master plan for the CU-ICAR campus and site preparation costs for Technology Neighborhood I have been capitalized and will be amortized over the estimated benefited life when the property is ready for its intended use.

Note 8—Notes Payable

The notes payable at June 30, 2012 and 2011 were as follows:

Description	2012	2011
Non-revolving note payable to a bank Bearing interest at 30 day LIBOR plus 2%, which was 2.467% at June 30, 2012 and 30 day LIBOR plus 2% which was 2.191% at June 30, 2011. The note is payable in full July 1, 2015.	$ 928,357	$ 1,068,357
Non-revolving note payable to a bank Bearing interest at 30 day LIBOR plus 2%, which was 2.467% at June 30, 2012 and 30 day LIBOR plus 2% which was 2.191% at June 30, 2011. The note is payable in full July 1, 2016.	256,516	333,726
Revolving line of credit note payable to a bank Bearing interest at 30 day LIBOR plus 2%, which was 2.467% at June 30, 2012.	-	96,540
US Department of Agriculture Non-interest bearing note payable with monthly payments of $6,852 payable in full May 10, 2021.	726,296	740,000
Loan payable to a bank Bearing interest at 5.25% for the first 84 months, and will reset each 84 months thereafter at the prevailing fixed rate. The loan is payable in full January 20, 2035.	5,906,136	5,045,700
	$ 7,817,305	$ 7,284,323

The non-revolving note payable with a year-end balance totaling $928,357 requires interest payments quarterly and an annual payment of $100,000. A balloon payment for the outstanding balance is due July 1, 2015.

The non-revolving note payable with a year-end balance totaling $256,516 includes a fixed monthly payment of $7,000 with varying portions being applied to principal and interest depending on the current interest rate. A balloon payment for the outstanding balance is due July 1, 2016.

Both notes are secured by a title insured first mortgage on the real estate acquired plus an assignment of all rents, leases, and other revenues derived from the real estate.

Note 8—Notes Payable (continued)

A revolving line of credit for $2,000,000 is available through July 1, 2015. There was no outstanding balance at June 30, 2012.

A construction loan from a bank converted to a permanent loan in March 2012 and bears interest at 5.25% with monthly payments of $37,511 for the first 84 months. Each successive 84 months, the interest rate will reset to the best fixed rate quoted by the bank on similar loans with similar terms. The loan is secured by a shared first mortgage with the United States Department of Commerce, Economic Development Administration. The loan requires 274 payments and matures in January, 2035.

A non-interest bearing loan with a year-end balance totaling $726,296 has been awarded from the US Department of Agriculture. The note is payable in fixed monthly payments of $6,852 which began May 2012 and continue for 108 months. The note is secured with a standby letter of credit which declines as payments on the note are made.

Additionally, CUF has guaranteed any interest and principal payments related to the Center for Emerging Technology building that are not otherwise paid by LICAR LLC.

Aggregate maturities of long-term notes payable are as follows:

2013	$	399,766
2014		409,337
2015		419,372
2016		887,953
2017		254,164
Thereafter		5,446,713
	$	7,817,305

Note 9—Related Party

At June 30, 2012 and 2011, amounts due to CUF are due in the normal course of business, bear no interest and are as follows:

		2012		2011
Due to Clemson University Foundation:				
Expenditures associated with development of CU-ICAR campus	$	932,472	$	932,472
Expenditures associated with gifted land held for resale		129,017		104,338
CU-ICAR land acquisitions		20,000,000		20,000,000
	$	21,061,489	$	21,036,810

Note 9—Related Party (continued)

In December 2007, CUF approved a loan of $20,000,000 to the Foundation for land acquisitions and improvements at CU-ICAR. The CUF note is unsecured, carries no interest payment obligation. This note is subordinate to the Foundation's notes payable to a bank and is due on demand only after repayment of that note payable and amendments thereof.

Note 10—Net Assets Released from Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes. Purpose restrictions released in 2012 and 2011 were $150,775 and $97,337, respectively.

Note 11—Net Assets

Temporarily restricted net assets consist of the following at June 30, 2012 and 2011:

	2012	2011
Contributions restricted for educational programs of CUF	$ 16,265,207	$ 16,002,686

Note 12—Commitments

During fiscal year 2012, the Foundation entered into a contract to purchase real estate for $5 million by December 31, 2014.

Note 13—Subsequent Events

The Foundation has evaluated subsequent events through September 19, 2012, in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued.