

America First Tax Exempt Investors L.P. Announces Recent Investment Activity

OMAHA, Neb., June 20, 2012 (GLOBE NEWSWIRE) -- During the second quarter of 2012, America First Tax Exempt Investors, L.P. (Nasdaq:**ATAX**) (the "Company") raised approximately \$60 million in net proceeds from an underwritten public offering of Beneficial Ownership Units ("**BUCs**") to provide funding for new investments. Current credit and real estate market conditions have created investment opportunities which the Company intends to aggressively pursue.

In June 2012, an affiliate of the General Partner of the Company hired Robert Schultz as a Senior Vice-President and part of his job responsibilities will be for the Company. Mr. Schultz' background is in tax-exempt financing and he previously held the position of Vice-President at an investment bank where he worked for the past twelve years. Mark **Hiatt**, Chief Executive Officer of America First Tax Exempt Investors, L.P., stated "Rob's background and relationships will be used to identify new tax-exempt mortgage revenue bonds for the Company. He will also be involved in negotiating and monitoring the Company's secured financing arrangements and we are excited to have him join our management team." Mr. Schultz holds an MBA from Loyola University.

Recent Investment Activity

In June 2012, the Company acquired at par the \$10 million tax-exempt mortgage revenue bond secured by the Arbors of Hickory Ridge Apartments, a 348 unit **multi**-family apartment complex in Memphis, Tennessee. The tax-exempt bond carries an annual interest rate of 6.58% and matures on April 1, 2026. In conjunction with the purchase of the tax-exempt bond, an affiliate of the Global Ministries Foundation, a not-for-profit entity, acquired the **multi**-family property securing the bond. Chad **Daffer**, Fund Manager, stated "the acquisition of this tax-exempt mortgage revenue bond is another example of the real estate capabilities of the Company and its General Partner."

During the second quarter of 2012, the Company also closed on the sale of two tax-exempt mortgage revenue bonds for a gain of approximately \$675,000. To capitalize on favorable market conditions, the Company sold both the \$11.8 million par value tax-exempt mortgage revenue bond secured by the Warren/Tulane Apartments and the \$3.8 million par value tax-exempt mortgage revenue bond secured by the Madison Tower Apartments, both of which are located Memphis, Tennessee.

About America First Tax Exempt Investors, L.P.

America First Tax Exempt Investors, L.P. was formed for the primary purpose of acquiring, holding, selling and otherwise dealing with a portfolio of federally tax-exempt mortgage revenue bonds which have been issued to provide construction and/or permanent financing of multifamily residential apartments. The Company is pursuing a business strategy of acquiring additional tax-exempt mortgage revenue bonds on a leveraged basis in order to: (i) increase the amount of tax-exempt interest available for distribution to its investors; (ii) reduce risk through asset diversification and interest rate hedging; and (iii) achieve economies of scale. The Company seeks to achieve its investment growth strategy by investing in additional tax-exempt mortgage revenue bonds and related investments, taking advantage of attractive financing structures available in the tax-exempt securities market and entering into interest rate risk management instruments. America First Tax Exempt Investors, L.P. press releases are available on the World Wide Web at www.ataxfund.com.

The America First Tax Exempt Investors, L.P. logo is available at <http://www.globenewswire.com/newsroom/prs/?pkgid=5190>

Safe Harbor Statement

Information contained in this press release contains "forward-looking statements," including statements related to the offering and the expected use of the net proceeds, which are based on current expectations, forecasts and assumptions that involve risks and uncertainties that could cause actual outcomes and results to differ materially. These risks and uncertainties include, but are not limited to, risks involving current maturities of our financing arrangements and our ability to renew or refinance such maturities, fluctuations in short-term interest rates, collateral valuations, bond investment valuations and the overall negative economic and credit market conditions. For a further list and description of such risks, see the reports and other filings made by the Company with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the year ended December 31, 2011. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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