

Municipal Secondary Market Disclosure Information Cover Sheet

This cover sheet should be sent with all submissions made to the Municipal Securities Rulemaking Board, Nationally Recognized Municipal Securities Information Repositories, and any applicable State Information Depository, whether the filing is voluntary or made pursuant to Securities and Exchange rule 15c2-12 or any analogous state statute.

See www.sec.gov/info/municipal/nrmsir.htm for the list of current NRMSIRs and SIDs.

If this filing relates to a Single Bond Issue:

Provide name of bond issue exactly as it appears on the cover of the Official Statement (please include name of state where the Issuer is located).

Provide 9-digit CUSIP* numbers to which the information relates:

If this filing relates to all securities issued by the Issuer or all securities of a specific credit or issued under a single indenture:

Issuer's Name (please include name of state where issuer is located):

Abilene Health Facilities Development Corporation

Other Obligated Person's Name (if any): Sears Methodist Retirement System Obligated Group Project

(exactly as it appears on the Official Statement Cover)

Provide six-digit CUSIP* number(s) of Issuer: See Attached

***(Contact CUSIP's Municipal Disclosure Assistance Line at 212.438.6518 for assistance with obtaining the proper CUSIP numbers).**

Type of Filing:

(X) Electronic (number of pages attached) 1

() Paper (number of pages attached) _____

If information is also available on the Internet, give URL: _____

What type of information are you providing? (Check all that apply)

A. ☐ Annual Financial Information and Operating Data pursuant to Rule 15c2-12
(Financial information and operating data should not be filed with the MSRB)

Fiscal Year Covered: _____

B. ☐ Audited Financial Statements of CAFR pursuant to Rule 15c2-12

Fiscal Year Covered: _____

C. ☐ Notice of Material Event pursuant to Rule 15c2-12 (Check as appropriate)

1. ☐ Principal and interest payment delinquencies
2. ☐ Non-payment related defaults
3. ☐ Unscheduled draws on debt service reserves reflecting financial difficulties
4. ☐ Unscheduled draws on credit enhancements reflecting financial difficulties
5. ☐ Substitution of credit or liquidity providers, or their failure to perform
6. ☐ Adverse tax opinions or events affecting the tax-exempt status of the security
7. ☐ Modifications to the rights of security holders
8. ☐ Bond calls
9. ☐ Defeasances
10. ☐ Release, substitution, or sale of property securing repayment of the securities
11. ☐ Rating changes

D. ☐ Notice of Failure to Provide Annual Financial Information as Required

E. ☒ Other Secondary Market Information (specify): Obligated Group Audit Letter for the period ending December 31, 2011

I hereby represent that I am authorized by the issuer of obligor or its agent to distribute this information publicly:

Issuer Contact:

Name _____ Title _____

Employer _____

City _____ State _____ Zip Code _____

Telephone _____ Fax _____

Email Address _____ Issuer Web Site _____

Dissemination Agent Contact, if any:

Name _____ Title _____

Employer _____

City _____ State _____ Zip Code _____

Telephone _____ Fax _____

Email Address _____ Relationship to Issuer _____

Obligor Contact, if any:

Name Terry Myers Title CFO

Employer Sears Methodist Retirement System, Inc.

City Austin, TX State TX Zip Code 78746

Telephone 512.329.6716 Fax 512.329.0933

Email Address tm Myers@sears-methodist.com Obligor Web Site www.sears-methodist.com

Investor Relations Contact, if any:

Name _____ Title _____

Telephone _____ Email Address _____

CUSIPS

Series 1998A

003453AJ6
003453AK3
003453AL1
003453AM9
003453AN7
003453AP2

Series 1998B

003453AA5
003453AU1

Series 1999

003453AW7
003453AX5
003453AY3

Series 2003

003453BB2
003453BC0
003453BD8
003453BE6
003453BF3
003453BG1
003453BH9
003453BJ5
003453BK2
003453BL0
003453BM8
003453BP1
003453BN6



CliftonLarsonAllen LLP
www.cliftonlarsonallen.com

INDEPENDENT AUDITORS' REPORT

Board of Trustees
Sears Methodist Retirement System, Inc.
Obligated Group
Austin, Texas

We have audited, in accordance with U.S. generally accepted auditing standards, the consolidated balance sheet of Sears Methodist Retirement System, Inc. as of December 31, 2011, and the related consolidated statements of operations, changes in net assets, and cash flows for the year then ended, and have issued our report thereon dated May 8, 2012.

Included in the consolidated financial statements are Sears Methodist Retirement System, Inc., Sears Methodist Foundation, Sears Methodist Centers, Inc., Sears Panhandle Retirement Corporation, Parks Methodist Retirement Village, and Sears Brazos Corporation, which comprise the Obligated Group.

In connection with our audit, nothing came to our attention that caused us to believe that the Obligated Group failed to comply with any of the terms, covenants, provisions, or conditions of the Master Trust Indenture dated as of August 1, 1998, Supplemental Indenture Number 1 and Number 2 dated January 1, 1999 Supplemental Indenture Number 3, dated April 1, 2003, and the Supplemental Indenture Number 4 dated August 31, 2010, insofar as they relate to accounting matters, except as noted below. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance.

The Obligated Group failed to comply with Sections 4.15 and 4.16 of the Master Trust Indenture and the Supplemental Indentures noted above for the year ended December 31, 2011. In addition, the Obligated Group has provided a notice of payment default dated May 1, 2012 for the series of bonds noted above.

This report is intended solely for the information and use of the board of trustees and management of Sears Methodist Retirement System, Inc., and Bank of New York Mellon Trust Company, N.A. as trustee for the above referenced bond financing and is not intended to be and should not be used by anyone other than these specified parties.

CliftonLarsonAllen LLP

Dallas, Texas
May 8, 2012



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