

AMERICA FIRST COMPANIES
1004 FARNAM STREET
OMAHA, NEBRASKA 68102
TELEPHONE (402) 444-1630


AMERICA FIRST
Tax Exempt Investors, L.P.

September 30, 2005

Dear Investor:

Greetings! I hope this letter finds you well. Since coming to America First in January, I've heard clients describe the Fund as a "diamond in the rough." I agree wholeheartedly! Management of America First requested I join them to help identify and implement areas of growth for the Fund and by so doing, bring it out of the rough. We know we have a great product and pride ourselves on providing the personalized services and support you expect and, most importantly, deserve. The changes listed below were made in response to your comments.

When clients started asking for more personalized, friendly service from a transfer agent, we listened. **I am pleased to announce the implementation of a new transfer agent effective October 15, 2005.** American Stock Transfer & Trust Company ("AST") is a leader in transfer agent industry as it is its sole business. One of the many features offered by AST is its user-friendly website. At www.amstock.com you can submit an address change and review your distribution history. The transfer agent can be reached at:

59 Maiden Lane
Plaza Level
New York, New York 10038
888-991-9902 (eff. 10/15/05)

Of course the contact information is always available on our website, www.ataxz.com, which we recently launched to help you manage your investment. We invite you to visit www.ataxz.com to review the Fund's portfolio, past performance, K1 data and other useful information. In the near future we hope to add other tools such as direct purchase and dividend re-investment programs. As these changes take place, we will post them on our website.

Again, thank you for the opportunity to serve you. As always, if you have any questions or concerns, please feel free to contact our offices at 402-444-1630. Or, drop me a line via email at cdaffer@am1st.com.

Sincerely,



Chad Daffer
Fund Manager
America First Tax Exempt Investors, LP