

FARMINGTON WOODS, L.P.

**INDEPENDENT AUDITORS' REPORT
CERTIFICATION OF ACTUAL COST AND OPINION AS
TO ELIGIBLE BASIS, OWNER'S CERTIFICATION OF FUNDING
SOURCES AND PROJECT SUBSIDY
AND
BUILDING ALLOCATION OF QUALIFIED BASIS**

JANUARY 16, 2014



HABIF, AROGETI & WYNNE, LLP

Certified Public Accountants and Business Advisors

INDEPENDENT AUDITOR'S REPORT

Owner's Name: Farmington Woods, LP
Project Name: Farmington Woods
Project Number: TCAA # 2011-017

To the Partners
Farmington Woods, LP

We have audited the costs included in the accompanying Tax Credit Allocation Agency ("TCAA") Final Cost Certification (the "Final Cost Certification") of Farmington Woods, LP (the "Owner") for Farmington Woods ("the Project") as of January 16, 2014.

Owner and Owner Management's Responsibility for the Schedule

The Owner and the Owner's management are responsible for the preparation and fair presentation of the Final Cost Certification in accordance with contractual agreements with the TCAA; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Final Cost Certification that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Final Cost Certification based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Final Cost Certification is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Final Cost Certification. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Final Cost Certification, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Final Cost Certification in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by the Owner and Owner's management, as well as evaluating the overall presentation of the Final Cost Certification.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Final Cost Certification presents fairly, in all material respects, the actual costs of \$10,684,547 and eligible basis of \$9,514,549 of the Owner for the Project as of January 16, 2014, on the basis of accounting described below.

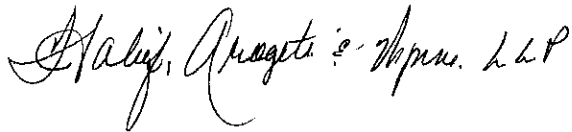
Basis of Accounting

The Final Cost Certification is prepared in conformity with the accounting practices prescribed by the Internal Revenue Service under the accrual method of accounting, and in conformity with the format and qualified allocation plan rules set by TCAA, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the provisions of the contractual agreements with TCAA, referred to above. Our opinion is not modified with respect to that matter.

Restriction on Use

This report is intended solely for the information and use of the Owner and the Owner's management and for filing with TCAA and should not be used for any other purpose.

We have no financial interest in the Project other than in the practice of our profession.



Atlanta, Georgia

February 07, 2014

PART FOUR - USES OF FUNDS - Farmington Woods - 2011-017

CERTIFICATION OF ACTUAL COST AND OPINION AS TO ELIGIBLE BASIS

I. DEVELOPMENT COST SCHEDULE

	TOTAL COST	New Construction Basis	Acquisition Basis	Rehabilitation Basis	Amortizable or Non-Depreciable
PRE-DEVELOPMENT COSTS					
Property Appraisal	5,500	5,500			
Market Study	3,500	3,500			
Environmental Report(s)	6,381	6,381			
Soil Borings	3,475	3,475			
Boundary and Topographical Survey	15,470	15,470			
Zoning/Site Plan Fees	4,000	4,000			
Other: Construction Cost Review	38,326	38,326			
Subtotal					
	488,000				488,000
ACQUISITION					
Land	488,000				488,000
Demolition					
Acquisition Legal Fees (if existing structures)					
Existing Structures					
Subtotal					
	1,590,702	1,590,702			
SITE IMPROVEMENTS					
Site Preparation (On-site)	1,590,702	1,590,702			
Site Preparation (Off-site)					
Subtotal					
	4,958,699	4,958,699			
UNIT/BUILDING CONSTRUCTION					
Unit/Building Construction/New Construction					
Unit/Building Construction/Rehab					
Project Amenities / Accessory Buildings					
Other:					
Subtotal					
	130,988	130,988			
CONTRACTOR SERVICES					
Builder's Overhead:	2.00%				
Builder Profit:	6.00%				
General Requirements	6.00%				
Payment/performance bond or letter-of-credit fee or premium					
Total Construction Costs	101,372.44 per unit	749,415			
	91.01 per sq ft				

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	TOTAL COST	New Construction Basis	Acquisition Basis	Rehabilitation Basis	Amortizable or Non-Depreciable
CONSTRUCTION PERIOD FINANCING					
Construction Loan Fee	9,106	9,106			
Construction Loan Interest	128,192	69,392			58,800
Construction Legal Fees	25,000	25,000			
Construction Period Real Estate Tax	2,818	2,818			
Construction Insurance					
Bridge Loan Fee and Bridge Loan Interest	118,643	53,543			65,100
Other:					
Subtotal	283,759	159,359	-	-	123,900
PROFESSIONAL SERVICES					
Architectural Fee - Design	109,100	109,100			
Architectural Fee - Supervision	26,700	26,700			
Engineering	31,751	31,751			
Real Estate Attorney	41,002	41,002			
Accounting	17,000	17,000			
Other: Inspection Fees	14,505	14,505			
Subtotal	240,058	240,058	-	-	-
LOCAL GOVERNMENT FEES					
Building Permits	29,397	29,397			
Impact Fees					
Water Tap Fees	148,000	148,000			
Sewer Tap Fees	292,000	292,000			
Real Estate Taxes					
Subtotal	469,397	469,397	-	-	-
PERMANENT FINANCING FEES					
Permanent Loan Fees	35,690				35,690
Permanent Loan Legal Fees	35,000				35,000
Title and Recording Fees	17,286				
As-Built Survey	7,500				
Bond Issuance Premium					
Cost of Issuance / Underwriter's Discount					
Other:					
Subtotal	95,476	17,286	-	-	70,690

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	TOTAL COST	New Construction Basis	Acquisition Basis	Rehabilitation Basis	Amortizable or Non-Depreciable
DCA-RELATED COSTS					
DCA Loan Application Fee	5,500				5,500
Tax Credit Application Fee	56,628				56,628
DCA Waiver Fees	50,400				50,400
LIHTC Allocation Processing Fee					
LIHTC Compliance Monitoring Fee					
DCA Front End Analysis Fee (when ID of Interest)	3,000				3,000
DCA Final Inspection Fee					
Other:					
Subtotal	115,528				115,528
EQUITY COSTS					
Partnership Organization Fees	920				920
Tax Credit Legal Opinion	21,631				21,631
Other: Syndicator Legal	22,551				22,551
Subtotal					
DEVELOPER'S FEE					
Developer's Overhead	1,220,000				
Consultant's Fee	1,220,000				
Developer's Fee	1,220,000				
Subtotal	1,220,000				
START-UP AND RESERVES					
Marketing	34,329				34,329
Rent -Up Reserves	72,000				72,000
Operating Deficit Reserve:					
Replacement Reserve	225,000				225,000
Furniture, Fixtures and Equipment	18,000				18,000
Other:	39,352				39,352
Subtotal	388,681				349,329
OTHER COSTS					
Relocation	23,955				
Other: Green Bldg Consultant & Green Program Cert Fee	23,955				
Other:	23,955				
Subtotal	23,955				
TOTAL DEVELOPMENT COST	10,684,547				1,169,998
Per Unit	148,396.49				
Per Square Foot	133.23				

